

**AMENDMENT NO. 5**  
**TO THE PROJECT PLAN**  
**FOR**  
**TAX INCREMENTAL FINANCING DISTRICT**  
**NO. 48**  
**(PARK EAST)**

**Public Hearing Held:**  
**Redevelopment Authority Adopted:**  
**Common Council Adopted:**  
**Joint Review Board Approved:**

**AMENDMENT NO. 5 TO THE PROJECT PLAN FOR  
TAX INCREMENTAL DISTRICT NO. 48  
CITY OF MILWAUKEE  
(PARK EAST)**

**Introduction:**

Section 66.1105 (4)(h)(1), Wisconsin Statutes, permits the Redevelopment Authority, subject to the approval of the Common Council, to amend the project plan for a tax incremental financing district.

Section 66.1105(2)(f)1.n., permits that amendment to fund projects located outside, but within one half mile of the district's boundary.

Tax Increment District No. 48 ("District") was created on March 5, 2002 by Common Council File No. 011182, to fund public infrastructure to encourage redevelopment of the former Park East Freeway Corridor, 60-acres of land made available by the removal of the Park East Freeway.

Amendment No. 1 to the Project Plan, approved May 3, 2005 by Common Council File No. 041514, included an increase in funding for additional public infrastructure improvements and changed the boundary of the District.

Amendment No. 2, approved July 26, 2011 by Common Council File No. 101297, approved an Amended and Restated Project Plan which included \$300,000 for administration costs and a \$4,628,940 loan for the second phase of the North End project in addition to \$2.2 million for the public infrastructure improvements associated with that phase of the project. It also incorporated previous authorizations for increases in spending administrative expenses, the Aloft Riverwalk (Common Council File No. 071392), a loan to the Moderne residential development project and a plaza at Broadway and Water Streets (Council File No. 090687).

Amendment No. 3, approved March 1, 2016 by Common Council File No. 151547, approved an Amended and Restated Project Plan which included \$375,000 for Workforce Training and Capacity Building Programs.

Amendment No. 4, approved July 26, 2016 by Common Council File No. 160418, approved an Amended and Restated Project Plan which included up to \$1,530,000 for public infrastructure associated with the Laacke and Joys redevelopment project. This Public Infrastructure includes approximately 390 linear feet of Riverwalk and dockwall, as well as a public access connection from Water Street to the Riverwalk. In addition, the amendment will provide an additional \$453,000 to cover increased costs to construct the 460 linear foot Riverwalk, dockwall, Broadway stub end street and the Edison Street extension associated with Phase IV of the North End development project, at 1501 North Water Street.

In summary, Amendment No. 5 to the Project Plan will provide up to \$16,000,000 for costs associated with the construction and preliminary engineering, planning and work related for the Bronzeville Extension of the City of Milwaukee Streetcar system. It will also fund a public plaza in the amount of \$5,000,000 for a total amount of \$21,000,000 for new project costs in Amendment No. 5.

### **Amendments to the Project Plan:**

The following amendments are made to the Amended and Restated Project Plan. All other sections of the Plan remain unchanged.

#### ***I. Description Of The Project***

Sub-Section C, “**PLAN OBJECTIVES**,” is amended by adding the following:

Amendment No. 5 adds project costs to achieve the following objectives:

- Provide financing to extend the City of Milwaukee’s Streetcar system, The Hop, to destinations such as The Wisconsin Center District and Fiserv Forum and in to the Bronzeville neighborhood;
- Provide funding for a public plaza with amenities that will serve as a public asset on West Wisconsin and Vel R. Phillips Avenues.

Sub-Section D, “Proposed Public Action,” is amended by adding the following:

In the fall of 2018, the City of Milwaukee opened the initial 2.1-mile route of The Hop streetcar system, called the M-Line. The M-Line is part of a larger 3.5-mile Locally Preferred Alternative route that included extensions to the Milwaukee lakefront (the L-Line) and an extension up what was then called North 4th Street (now North Vel R. Phillips Avenue) to the new Bucks arena (now called Fiserv Forum).

In 2016, the City approved \$20m in local funding to extend The Hop to the Fiserv Forum at West Highland Avenue from three tax incremental districts: Hilton Hotel (#39), Time Warner/Manpower (#41) and 4th/Wisconsin (#88). At the time, that extension was referred to as the 4th Street Extension.

Now, the City wishes to conduct preliminary engineering and planning (“Project Development”) on larger extensions of The Hop. The Bronzeville Extension would be from West St. Paul Avenue up to West North Avenue (a 1.9-mile segment) and Phase 1 of the Walker’s Point Extension would be from East St. Paul Avenue down to East Pittsburgh Avenue and South 1st Street (a 0.9-mile segment) and are depicted in **Map No. 3, “Proposed Uses and Improvements.”** An additional alternatives analysis would be conducted to look at the route of future Walker’s Point extensions. The Project Development work will allow the City to pursue federal funds for construction of the full Bronzeville Extension and Phase 1 of the Walker’s Point Extension. In addition, the City wishes to locally fund the construction of Phase 1 of the Bronzeville Extension (a 0.4-mile segment), from West St. Paul Avenue up to West Wisconsin Avenue, as depicted in **Map No. 3, “Proposed Uses and Improvements.”**

The Bronzeville Extension will serve major destinations in Milwaukee’s Westtown, Park East, King Drive and Bronzeville neighborhoods, such as:

- The Wisconsin Center (Wisconsin’s largest convention center)

- The Milwaukee Theater
- UW-Milwaukee Panther Arena
- Fiserv Forum and the Deer District
- Schlitz Park
- North Dr. Martin Luther King Jr. Drive business district
- Bronzeville cultural and entertainment district
- Neighborhoods such as Haymarket, Halyard Park and Brewer's Hill

Phase 1 of the Walker's Point Extension will serve major destinations in Milwaukee's Third Ward and northern end of Walker's Point, such as:

- Henry Maier Festival Grounds
- Italian Community Center
- Broadway Theatre Center/Skylight Music Theatre
- Milwaukee Institute of Art and Design
- The Milwaukee River and Riverwalk
- 88Nine Radio Milwaukee studios
- Next Act Theater

The proposed sources of funding for the Project Development of the Bronzeville Extension and construction of Phase 1 of the Bronzeville Extension, as well as Project Development for Phase 1 of the Walker's Point Extension and an alternatives analysis for the Walker's Point extension are as follows:

TID 39 (Hilton Hotel):	\$4 million (\$4m previously approved in 2016)
TID 41 (Time Warner Riverwalk):	\$12.5 million (\$8m previously approved in 2016)
TID 48 (Park East):	\$16.0 million
TID 56 (Erie/Jefferson):	\$5.8 million
TID 75 (Reed Street Yards):	\$500,000
<u>TID 88 (4th/Wisconsin):</u>	<u>\$8 million (\$8m previously approved in 2016)</u>
TOTAL:	\$46.8 million

Pursuant to Amendment No. 5, the following public improvements and infrastructure expenditures, which are project costs per Section 66.1105(2)(f) Stats., are expected to occur within and around the TID:

- **Bronzeville Extension:** Funding for construction of the Bronzeville Extension of the Milwaukee streetcar project, and associated public improvements, infrastructure, engineering and planning, limited to the portions of the Bronzeville Extension that are within the District and within a one half-mile radius of the District boundary.
- **Public Plaza:** Funding for construction of a public plaza to include costs for a pavilion, utilities, hard scape, lighting, trees and landscaping, public art, plaza furniture, bike amenities, and other costs associated with the plaza project.

## ***II. Plan Proposals***

Under Section **B. COMPLIANCE WITH STATUTORY REQUIREMENTS**, the sub-section entitled “**Detailed List of Estimated Project Costs**” is amended to add the following to “Table A, Park East TID (No. 48) Projects” under “a. Capital Costs:”

**Table A**  
**Park East TID (No. 48) Projects**

<b>City Projects (Amendment No. 5)</b>	<b>Totals</b>
Bronzeville Extension	\$16,000,000
Public Plaza	\$5,000,000
<b>TOTAL AMENDMENT NO. 5</b>	<b>\$21,000,000</b>

“Table B, List of Estimated Project Costs” under “c. Financing Costs” is deleted and restated with the following table:

**Table B**  
**List of Estimated Project Costs**

	<b>ORIGINAL PROJECT PLAN, AMENDMENTS 1, 2, 3 &amp; 4</b>	
<b>A</b>	<b><u>Capital Costs:</u> To Date</b>	\$43,804,610
<b>B</b>	<b><u>Other Costs:</u></b>  To Date: Administrative, professional, organizational, legal and job training costs	\$2,964,939
<b>C</b>	<b><u>Estimated Future Costs:</u> Amendment No. 5</b>	\$21,000,000
	<b>TOTAL ESTIMATED PROJECT COSTS, EXCLUDING FINANCING</b>	\$67,769,549
<b>D</b>	<b><u>Financing</u></b>	\$27,683,080
	<b>TOTAL ESTIMATED PROJECT COSTS, INCLUDING FINANCING</b>	\$95,452,629

Under Section **B. COMPLIANCE WITH STATUTORY REQUIREMENTS**, the sub-section entitled, “**Description of Timing and Methods of Financing**” is amended to delete “Table C,

Estimated Timing of Project Costs” under “a. Estimated Timing of Project and Financing Costs,” and replace it with the following table:

**Table C**  
Estimated Timing Project Costs

Year	Estimated Project Cost	Cumulative Total
Pre-2019	\$45,909,189	\$45,909,189
2019-2020	\$21,860,360	\$67,769,549

Also, under “b. Estimated Method of Financing Project Costs,” the first line is deleted and restated as follows:

The City may proceed to fund any or all Project Costs using cash, general obligation bonds or notes, or RACM revenue bonds to be issued in amounts which can be supported using tax increments in the district.

Also, the sub-section entitled, “**Economic Feasibility Study**” is deleted and restated as follows:

Please see forecast of District Cash Flow and District Breakeven analysis, attached. Based on the forecast, following the expenditure of the additional funds for public infrastructure, the District could close-out in 2025. As there are nine years remaining before the statutory termination date of the District, the District is determined to be feasible.

### III. APPENDIX

*TID 48 Feasibility Analysis – 2016 (2), dated June 7, 2016* is deleted and replaced with the *TID 48 Feasibility Analysis –April 24, 2019*

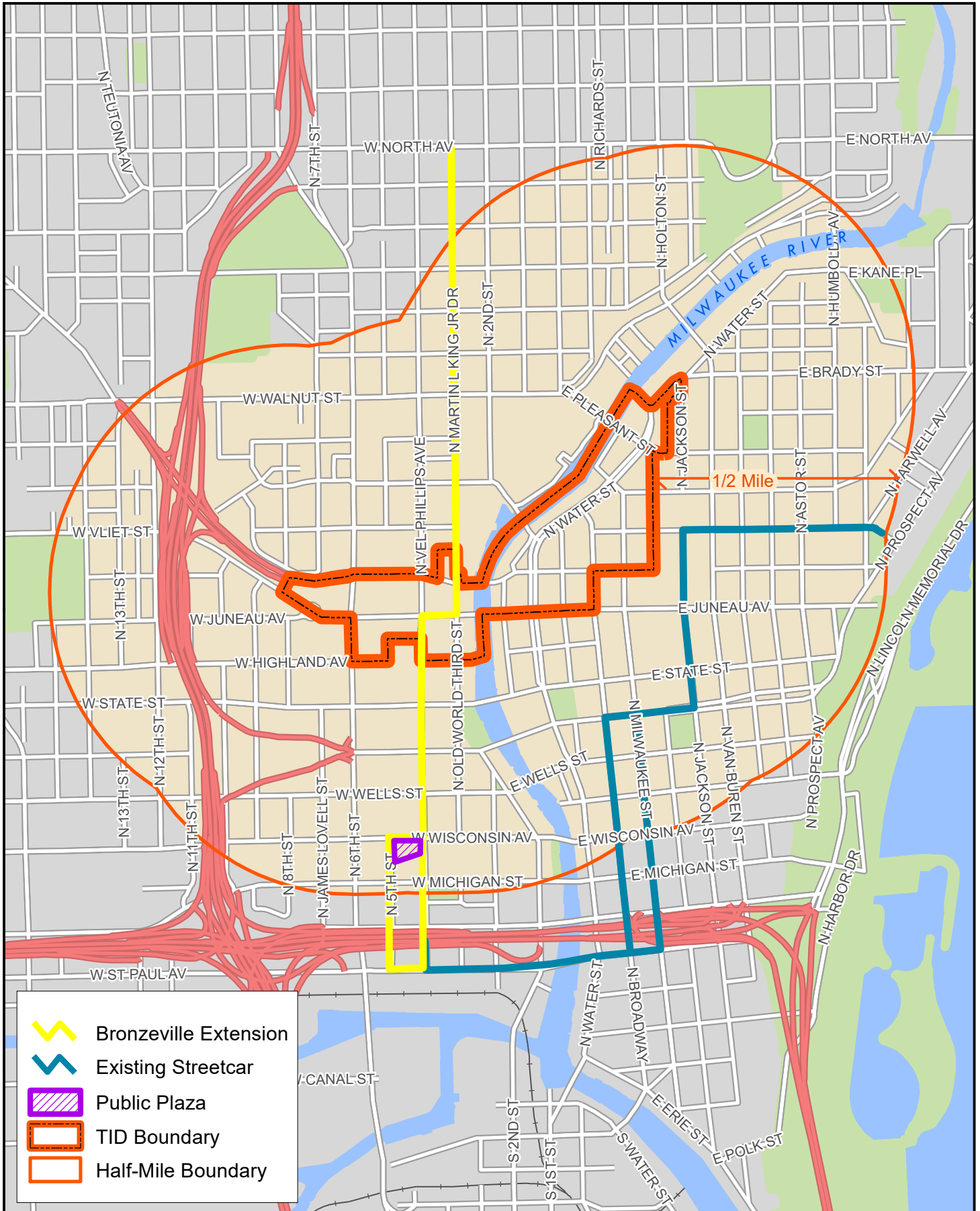
**Opinion of City Attorney letter is deleted and replaced with the attached letter from the City Attorney dated May \_\_\_\_, 2019.**

1050-2019-582:258992

# TID 48: PARK EAST, AMENDED MAP NO. 3

## PROPOSED IMPROVEMENTS AND USES

Prepared by Dept of City Development  
Planning Division, 5/3/2019  
Source: City of Milwaukee Information  
Technology Management Division



-  Bronzeville Extension
-  Existing Streetcar
-  Public Plaza
-  TID Boundary
-  Half-Mile Boundary

TID 48 Feasibility-(04/24/19)

No.	Assessment Year	Budget Year	Base Value	Projected Value	TID Incremental Value	Total Increment	County & MATC Increment	Original or New	Revenues	Public Plaza	County & MATC Withheld [1]	Prior to Streetcar		City, MPS,MMSD	New Streetcar	Total		After reserving for remaining debt Surplus/(deficit)	TID Payoff
								Non-Streetcar Projects Debt Service				Cashflow	Cum. Cash flow	Increment	Debt Service	Cash flow	Cum. Cash Flow		
1	2002	2003	27,727,300	27,727,300	-			(14,449)				(14,449)	(14,449)	-		(14,449)	(14,449)	(95,452,629)	
2	2003	2004	27,727,300	28,157,400	430,100	11,357		(72,080)				(60,723)	(75,172)			(60,723)	(75,172)	(95,441,272)	No
3	2004	2005	27,727,300	30,040,300	2,313,000	60,277		(140,335)	1,371			(78,687)	(153,859)			(78,687)	(153,859)	(95,379,624)	No
4	2005	2006	45,325,600	33,143,400	(12,182,200)	132,205		(463,419)	1,892			(329,322)	(483,181)			(329,322)	(483,181)	(95,245,527)	No
5	2006	2007	45,325,600	56,650,500	11,324,900	249,573		(915,405)	771			(665,061)	(1,148,242)			(665,061)	(1,148,242)	(94,995,183)	No
6	2007	2008	45,325,600	60,313,000	14,987,400	336,623		(963,331)	4,275			(622,433)	(1,770,675)			(622,433)	(1,770,675)	(94,654,285)	No
7	2008	2009	45,325,600	70,708,700	25,383,100	608,838		(1,412,584)	6,722			(797,024)	(2,567,699)			(797,024)	(2,567,699)	(94,038,724)	No
8	2009	2010	45,325,600	78,112,500	32,786,900	835,326		(1,458,304)	5,917			(617,061)	(3,184,760)			(617,061)	(3,184,760)	(93,197,481)	No
9	2010	2011	45,325,600	85,558,100	40,232,500	1,078,016		(1,528,011)	6,150			(443,845)	(3,628,605)			(443,845)	(3,628,605)	(92,113,315)	No
10	2011	2012	45,325,600	93,658,800	48,333,200	1,377,586		(1,788,550)	97,000			(313,964)	(3,942,569)			(313,964)	(3,942,569)	(90,638,729)	No
11	2012	2013	45,325,600	111,627,300	66,301,700	2,016,750		(2,174,304)	21,291			(136,263)	(4,078,832)			(136,263)	(4,078,832)	(88,600,688)	No
12	2013	2014	45,325,600	161,816,100	116,490,500	3,622,452		(2,849,595)	2,963,234			3,736,091	(342,741)			3,736,091	(342,741)	(82,015,002)	No
13	2014	2015	45,325,600	165,938,200	120,612,600	3,669,449		(2,444,262)	1,242,934			2,468,121	2,125,380			2,468,121	2,125,380	(77,102,619)	No
14	2015	2016	45,325,600	186,119,600	140,794,000	4,300,125		(2,660,289)	4,785,433			6,425,269	8,550,649			6,425,269	8,550,649	(68,017,061)	No
15	2016	2017	45,325,600	229,929,800	184,604,200	5,435,846		(4,261,802)	2,540,480			3,714,524	12,265,173			3,714,524	12,265,173	(60,040,735)	No
16	2017	2018	45,325,600	255,715,400	210,389,800	6,212,312		(4,289,658)	2,321,613			4,244,267	16,509,440			4,244,267	16,509,440	(51,506,810)	No
17	2018	2019	45,325,600	305,195,700	259,870,100	7,239,113		(4,520,347)	747,874			3,466,640	19,976,080			3,466,640	19,976,080	(43,519,823)	No
18	2019	2020	45,325,600	308,247,657	262,922,057		1,611,712	(4,670,037)	211,040	(638,213)		(3,485,498)	16,490,582	5,710,667	(2,042,282)	182,888	20,158,967	(35,986,404)	No
19	2020	2021	45,325,600	311,330,134	266,004,534		1,630,608	(4,604,964)		(638,213)		(3,612,569)	12,878,012	5,777,618	(2,042,282)	122,767	20,281,735	(28,578,178)	No
20	2021	2022	45,325,600	314,443,435	269,117,835		1,649,692	(4,460,709)		(638,213)		(3,449,229)	9,428,783	5,845,239	(2,042,282)	353,728	20,635,463	(21,083,246)	No
21	2022	2023	45,325,600	317,587,869	272,262,269		1,668,968	(4,053,010)		(638,213)		(3,022,255)	6,406,528	5,913,536	(2,042,282)	849,000	21,484,462	(13,500,742)	No
22	2023	2024	45,325,600	320,763,748	275,438,148		1,688,436	(2,826,167)		(638,213)		(1,775,944)	4,630,584	5,982,517	(2,042,282)	2,164,291	23,648,753	(5,829,789)	No
23	2024	2025	45,325,600	323,971,385	278,645,785		1,708,099	(2,974,346)		(638,213)		(1,904,461)	2,726,123	6,052,186	(2,042,282)	2,105,444	25,754,197	1,930,496	YES
24	2025	2026	45,325,600	327,211,099	281,885,499		1,727,958	(2,980,387)		(638,213)		(1,890,642)	835,481	6,122,553	(2,042,282)	2,189,629	27,943,826	9,781,007	YES
25	2026	2027	45,325,600	330,483,210	285,157,610		1,748,016	(2,735,109)		(638,213)		(1,625,306)	(789,825)	6,193,623	(2,042,282)	2,526,036	30,469,862	17,722,646	YES
26	2027	2028	45,325,600	333,788,042	288,462,442		1,768,275	(2,740,655)		(638,213)		(1,610,593)	(2,400,418)	6,265,404	(2,042,282)	2,612,529	33,082,391	25,756,325	YES
27	2028	2029	45,325,600	337,125,923	291,800,323		1,788,736	(4,645,571)		(638,213)		(3,495,048)	(5,895,466)	6,337,903	(2,042,282)	800,573	33,882,964	33,882,964	YES
						37,185,848	16,990,500	(68,647,681)	14,957,997	(6,382,130)	-			60,201,248	(20,422,818)	33,882,964			

Annual appreciation	1.010	
Interest Rate	4.50%	
Base Value	45,325,600	
Property Tax rate(City,MPS,MMSD)	2.172%	77.9892%
Property Tax rate(County,MATC)	0.613%	22.0108%
Issuance Costs	50,000	
Project Costs	5,000,000	
Streetcar amendment	16,000,000	

[1] Excess increment withheld from use on streetcar costs, if applicable.