

Tax Incremental Financing in Milwaukee

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**Redevelopment Authority of the
City of Milwaukee**

City of Milwaukee TID Facts

- TID No. 1, Menomonee Valley, created May, 1976
- TID No. 69, New Avenue Commerce Center, created May 2007
- 23 TIDs have been retired to date
 - Districts closed in 2006 resulted in \$270 million in new tax base
 - 3 more closed in 2007 (\$65 million in new tax base generated)
- Milwaukee's average payback is 19 years (statutory limit is 27 years)

City of Milwaukee TID Facts

- 37 Districts were created in the last 10 years; of these, 23 were created in the last 5 years
- As of 2006, active TIDs had added \$878 million in property value
- Annually, these districts generate \$22.5 million in tax increment revenue
- Future project costs to be recovered, including interest on bonds, are estimated at \$367 million
- Costs include payments to 8 “Developer Funded” districts
- Future impact of TIF: Tax rate has declined from \$42/1,000 since first district created, to \$22/1,000 last year. Ability to assist projects, without other funding sources, is declining.

Milwaukee TIF Policy/Philosophy

- TIF Guidelines available on City of Milwaukee website (www.mkedcd.org)
- Stated Policy Goals:
 - Attract and retain family supporting jobs
 - Increase tax base
 - Improve blighted properties or clean up brownfields
 - Support planning initiatives

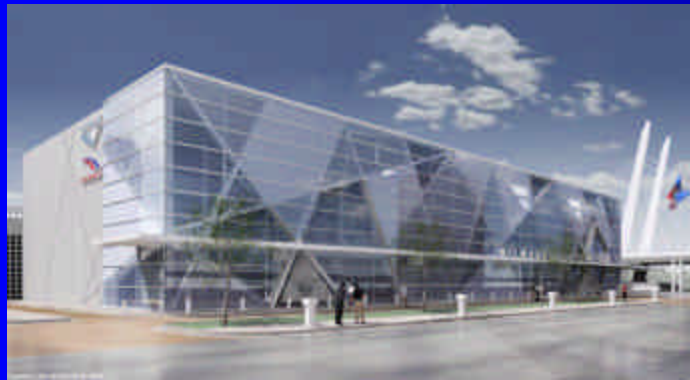
Milwaukee TIF Policy/Philosophy

- Underwriting Process
 - Is the project catalytic?
 - Does the project meet the city of Milwaukee policy goals?
 - Do measurable extraordinary costs exist (infrastructure, environmental, site challenges)?
 - Are the market realities such that costs make the project as proposed infeasible?
 - Will the project generate sufficient resources to amortize the up-front public investment?
 - Are project returns within acceptable market range?

Milwaukee TIF Policy/Philosophy

- TIF Examples

- Project Specific – Amtrak Station, Harley-Davidson Museum, Manpower Headquarters, Direct Supply



Milwaukee TIF Policy/Philosophy

- TIF Examples
 - Catalytic Corridors – Park East Corridor, Menomonee Valley, Beerline B



Milwaukee TIF Policy/Philosophy

- TIF Examples

- Neighborhood Projects – City Homes, Lindsey Heights, Bronzeville, Metcalfe Park



TIF Website

City of Milwaukee Department of City Development

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Tax Incremental Financing (TIF)

Tax Incremental Financing (TIF) is an economic development tool used by the City of Milwaukee and other municipalities to leverage private development investment. This tool has been available since the state of Wisconsin adopted a TIF statute in 1975.

Milwaukee has created nearly 70 Tax Incremental Districts (TIDs) to support a wide variety of projects. In recent years, TIF has leveraged such high-profile investments as the construction of a new headquarters for Manpower International, the development of the Harley-Davidson Museum, the creation of the Menomonee Valley Industrial Center, and the installation of the Riverwalk. The tool also has been used for neighborhood-scale projects, such as the City Homes subdivision and the Lindsay Heights housing development.

For more information, click on the links below:

- » [Explanation of Tax Incremental Financing](#)
- » [Milwaukee's TIF guidelines](#)
- » [2006 annual report of Milwaukee Tax Incremental Finance Districts](#)
- » [Milwaukee TID project summaries as of Dec. 31, 2006](#)
- » [Milwaukee TIF districts created since 2005](#)
- » [Map of Milwaukee TIDs](#)
- » [State of Wisconsin's TIF manual](#)

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City of Milwaukee
Office of Mayor Tom Barrett

[Tax Incremental Financing – TIF – What is TIF and What is the approval process for TIF projects in the City of Milwaukee?](#)

[Milwaukee Tax Incremental Financing District Guidelines](#)

<http://www.mkedcd.org/business/TIF/index.html>

TIF Website

TID Project Summaries

All summaries in PDF format.
Return to the TIF information page

Listed in numerical order

14 Historic King Place
15 27th & North Avenue
17 Curry / Pierce Project
18 New Covenant Housing
20 Florida Yards
21 Industrial Jobs Bank
22 Beerline B
23 City Hall Square
24 Rivanworks
25 Calumet Woods
27 Clarke Square
28 City Homes
30 Westown Village
32 King Drive & Walnut
34 Third Ward Riverwalk
35 27th & Wisconsin
38 Granville Estates/Park
37 Grand Avenue Redevelopment
38 Grange Avenue Project
39 Hilton Hotel
40 West North Avenue
41 Time-Warner
42 Midtown
44 Walnut-Locust
45 Wilson Commons
48 Grand Avenue / New Arcade
47 875 E. Wisconsin
48 Park East Corridor Redevelopment
49 Cathedral Place
50 Solar Paints
51 Granville Station
52 Sigma-Aldrich Corporation
53 Menomonee Valley Shops
54 Stadium Business Park
55 Holt Plaza
56 Erie / Jefferson Riverwalk
57 Harley Davidson Museum
58 20th / Walnut
59 Bronzeville
60 Amtrak Intermodal Passenger Station
61 Chase Commerce Center
62 DRS Power & Technology
63 Falk / Rexnord
64 Direct Supply
66 North 20th / West Brown Streets
66 Metcalfe Park Homes
67 Pabst Brewery / The Brewery Project
68 Fifth Ward / First Place

Listed in alphabetical order

20th / Walnut, TID 58
North 20th / West Brown Streets, TID 65
27th & North Avenue, TID 15
27th & Wisconsin, TID 35
875 E. Wisconsin, TID 47
Amtrak Intermodal Passenger Station, TID 60
Beerline B, TID 22
Bronzeville, TID 59
Calumet Woods, TID 25
Cathedral Place, TID 49
Chase Commerce Center, TID 61
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Clarke Square, TID 27
Curry / Pierce Project, TID 17
Direct Supply, TID 64
DRS Power & Technology, TID 62
Erie / Jefferson Riverwalk, TID 56
Falk / Rexnord, TID 63
Fifth Ward / First Place, TID 68
Florida Yards, TID 20
Grand Avenue / New Arcade, TID 48
Grand Avenue Redevelopment, TID 37
Grange Avenue Project, TID 38
Granville Estates/Park, TID 38
Granville Station, TID 51
Harley Davidson Museum, TID 57
Hilton Hotel, TID 39
Historic King Place, TID 14
Holt Plaza, TID 50
Industrial Jobs Bank, TID 21
King Drive & Walnut, TID 32
Menomonee Valley Shops, TID 53
Metcalfe Park Homes, TID 66
Midtown, TID 42
New Covenant Housing, TID 18
Pabst Brewery / The Brewery Project, TID 67
Park East Corridor Redevelopment, TID 48
Rivanworks, TID 24
Sigma-Aldrich Corporation, TID 52
Solar Paints, TID 50
Stadium Business Park, TID 54
Third Ward Riverwalk, TID 34
Time-Warner, TID 41
Walnut-Locust, TID 44
West North Avenue, TID 40
Westown Village, TID 30
Wilson Commons, TID 45



TID 22 (Beerline B) Periodic Report 12/31/06

District Created: 1993
Authorized expenditure (excluding interest): \$25,146,965
Authorizing resolution(s): File #930935, #990110 and #051169
Projected TID dissolution: 2016
Maximum legal life: 2020
Base property value: \$7,761,700

Project description

This district is located along the west side of the Milwaukee River, from E. Pleasant Street to E. North Avenue. The original project budget was \$6.25 million and was amended to \$12.3 million in 1999 and \$13.8 million in 2002. The district boundary was also expanded to include the Humboldt Yards area, Caesar Park, and property on the east side of the river, along N. Water Street to N. Humboldt Avenue. Initially, the district funded a \$1.2 million loan for Brewer's Point Apartments, a 107-unit conversion of the former Gumbels warehouse on N. Commerce Street.

Other completed projects include the conversion of a former ward yard at 1872 N. Commerce Street into the new home for Lakefront Brewery. The 16-unit Crescent Condominium was completed in 2000, adding upwards of \$6 million in new investment to the area. In 2001, the first phase of the 66-unit River Homes condominium project at 1942-2000 N. Commerce Street was completed. In addition, New Land Enterprises completed 27 units of the Highbridge Condominiums, a 53-unit project on remnant bluff land at Astor and Water Streets at a cost of \$15 million. The 12-unit first phase of Commerce Bluff Condominiums at 1801 N. Commerce Street has also been completed. The second 12-unit building was completed in 2003, along with the new Roots Restaurant that opened in February 2004.

In 2003, Riverbridge Condominium project, a 117-unit development at Humboldt and Water Streets was begun. The project included a riverwalk and the redevelopment of an historic former ward yard. In addition, the Trostel Square development at Commerce and Vine Streets was completed. This development includes 99 apartments and 27 condominiums with an estimated value of \$20 million. Also in 2003, RACM approved the sale of property at 2029-57 N. Commerce Street to Vetter Denk Properties for the construction of 38 condominium units with an estimated investment of \$10.8 million, and the sale of 2101 N. Humboldt Avenue to Legacy Real Estate Development for the development of a mixed use building comprised of 45 condominiums and approximately 7,400 s.f. of commercial space, with an estimated value of \$6.7 million.

In 2004, ground was broken for two new projects in the Beer Line "B." Park Terrace is a 37-unit residential development at 2029-57 N. Commerce Street. It is comprised of 21 townhouse units and 16 single-family detached units with a total investment estimated at \$14 million. Union Point is a mixed-use development comprised of 74 residential condominiums, 12,500 s.f. of retail space and 81 parking spaces, with a total estimated value of \$15 million.

<http://www.mkedcd.org/business/TIF/index.html>