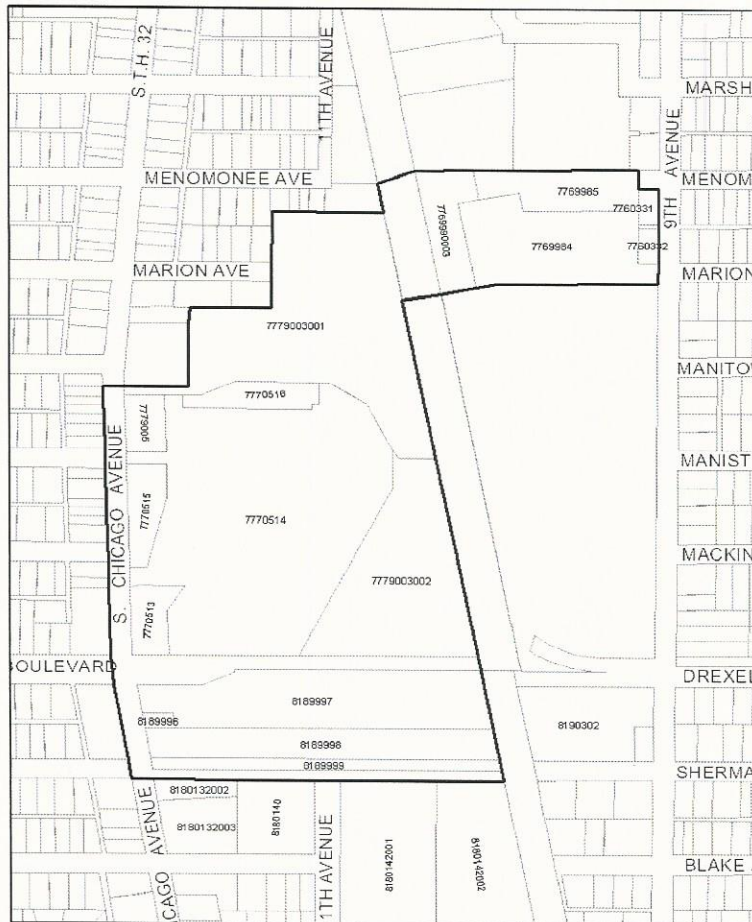


# TAX INCREMENT DISTRICT NO. 3 PROJECT AND REDEVELOPMENT PLAN CITY OF SOUTH MILWAUKEE



Common Council Approval: October 19, 2004  
Joint Review Board Approval: November 8, 2004  
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# TABLE OF CONTENTS

	<u>Page</u>
I. Introduction.....	1
A. General Summary of Tax Incremental Financing.....	1
B. Intent of this Document.....	1
C. Approval Process.....	2
D. Joint Review Board.....	3
E. Description of Project Area & Plan of Redevelopment.....	3
II. Statement of Kind, Number and Location of Proposed Public Works And Improvements Within The District.....	5
III. Detailed List Of Project Costs.....	8
IV. Economic Feasibility Study.....	9
V. Financing Methods And Timetable.....	11
VI. Analysis Of Overlying Taxing Districts.....	12
VII. Maps Showing Existing Uses And Zoning (See Attachments -Maps 3, 4 & 5).....	13
VIII. Maps Showing Proposed Projects (See Attachments -Map 6).....	13
IX. Proposed Changes In The Master Plan, Maps, Building Codes And City Ordinances.....	13
X. A List Of Estimated Non-Project Costs.....	13
XI. Proposed Method For The Relocation Of Any Displaced Persons.....	13
XII. Statement Indicating How Creation Of The TID Promotes The Orderly Development Of The City Of South Milwaukee.....	14
XIII. District Boundaries .....	14



# LIST OF ATTACHMENTS

## A. Financial Attachments

- A-1 TID Summary
- A-2 Planned Project Costs & Analysis of Proposed Projects
- A-3 Debt Service Plan
- A-4 Tax Increment Pro Forma
- A-5 Cash Flow Worksheet
- A-6 Analysis of Overlying Taxing Jurisdictions
- A-7 Parcel List
- A-8 Letter from HSE Regarding financial/Economic Feasibility Data

## B. Resolutions, Notices & Correspondence

- B-1 CDA Resolution No. 04-05 (Resolution relating to the formation of TID No. 3)
- B-2 Council Resolution No. 04-45 (Resolution declaring Redevelopment Project Area No. 3 as Blighted area)
- B-3 Notice of Public Hearing
- B-4 Notification Letter to Property Owners
- B-5 Joint Review Board (JRB) Organizational Meeting Notice & Meeting Minutes, JRB Meeting Notice for October 13, 2004 Meeting and Minutes, JRB Meeting Notice for November 8, 2004 Meeting & Minutes
- B-6 CDA Meeting Minutes of September 28, 2004 and Summary of Public Hearing Comments
- B-7 CDA Resolution No. 04-08 (Resolution Recommending TID No. 3)
- B-8 City Attorney Opinion Letter
- B-9 Common Council Resolution No. 04-49 (Resolution Creating TID No. 3)
- B-10 Joint Review Board Resolution
- B-11 Common Council Resolution Amending 04-49 New Resolution 05-43

## C. Maps

- 1 District Boundary
- 2 Parcel Numbers
- 3 Existing Zoning
- 4 Existing Land Uses
- 5 Proposed Land Uses
- 6 Proposed Projects
- 7 Proposed Newly Platted Residential Development

## D. Miscellaneous

- D-1 Tax Incremental Finance – An Intergovernmental/Private Partnership (Dept. of Revenue)
- D-2 TID Criteria Matrix (Dept. of Revenue)
- D-3 Press Clippings

**TAX INCREMENT DISTRICT NO. 3  
PROJECT AND REDEVELOPMENT PLAN  
CITY OF SOUTH MILWAUKEE**

**I. INTRODUCTION**

**A. General Summary of Tax Incremental Financing**

This section is intended for those readers not familiar with Tax Increment Financing (TIF) to provide general information regarding TIF. Starting in 1975, Wisconsin enacted legislation enabling local governments to establish a TIF district. Wisconsin Statute 66.1105, Tax Increment Law, describes the procedures required to establish a district.

In basic terms, TIF divides tax revenue from properties in the district into two categories: Taxes on the predevelopment value of the tax base (the tax increment base) are kept by each taxing body, while the taxes from the increased value of property resulting from redevelopment (the tax increment) are deposited in a tax increment fund, which is maintained by the city. Money in the tax increment fund is used to repay bonds that are issued to finance improvements or redevelopment projects within the district. Using this method, the City does not incur expenses from the general fund and does not need to raise taxes to support the redevelopment projects.

The Community as a whole benefits from the improvement of deteriorating areas or unsightly properties, and surrounding areas directly benefit since the property within the district is improved. After the bonds are retired and the district is terminated, the City and all other taxing units (such as school districts) have the advantage of the enhanced tax base. Attachment D-1 is a document prepared by the Department of Revenue explaining TIF.

**B. Intent of this Document**

This project and redevelopment plan for Tax Increment District No. 3 (TID No. 3) in the City of South Milwaukee has been prepared to comply with Wisconsin Statutes 66.1105 Tax Increment Law; 66.1331 Blighted Area Law; and 66.1333 Blight Elimination and Slum Clearance Act. For the purposes of this document, the term "Project Plan" shall mean the Redevelopment Plan as defined under 66.1331(3) and Project Plan as referenced under 66.1105(4). The Project Plan establishes a need for the district, the proposed improvements within the district, an estimated time schedule, and an estimated budget.

TID No. 3 will be designated as a mixed-use district based on proposed residential and commercial redevelopment projects within the boundaries. However, the area is considered a blighted area in need of urban renewal



based on properties with deteriorating buildings, structures, or site improvements impairing solid growth of the community. The Common Council adopted Resolution No. 04-45 declaring the area blighted (Attachment B-2). This allows the CDA to proceed with projects under the authority granted by state law. This project plan will also include a detailed description of the Tax Increment District boundaries.

### **C. Approval Process**

On August 16, 2004, the CDA adopted CDA Resolution No. 04-05 relating to the formation of Tax Increment District No. 3, City of South Milwaukee, for the purpose of promoting redevelopment. (Attachment B-1). Notice of the Public Hearing was published September 9, 2004 and September 16, 2004 (Attachment B-3). Owners of property within the boundaries of TID No. 3 were notified by certified mail on or before September 13, 2004 of the proposed inclusion of their property within TID No. 3 and of the Public Hearing (Attachment B-4).

A Public Hearing was held on September 28, 2004. Prior to the hearing a presentation of tax incremental financing and the proposed TID projects was provided by City Engineer Kyle Vandercar and City Planner Jac Zader. Based on comments at the public hearing, the district boundary was revised, reducing the overall TID area where specific projects had not been identified. The minutes of the September 28, 2004 CDA meeting and a summary of public hearing comments are included as Attachment B-6. The CDA adopted CDA Resolution No. 04-08 on October 13, 2004 recommending the TID and project plan. (Attachment B-7)

On October 19, 2004, the Common Council adopted Resolution No. 04-49 creating Tax Incremental District No. 3 (See Attachment B-9). On November 8, 2004, the Joint Review Board approved the Council Resolution and made the findings required by statute. (Attachment B-10)

As required by Wisconsin Statutes Chapter 66.1105 (5)(b), a copy of the Project Plan will be submitted to the Wisconsin Department of Revenue and used as the basis for the certification of Tax Increment District No. 3 in the City of South Milwaukee.

This document is to be used as the official plan that guides redevelopment activities within TID No. 3. Implementation of the Project Plan and construction of the proposed improvements will require a case-by-case authorization by the Common Council. The Community Development Authority will be the primary agent for implementing this Project Plan. Public expenditures for projects listed in the Project Plan will be based on the development status of the land, the merits of the proposed project and economic conditions existing at the time the project is scheduled for construction. All projects that require expenditures will require a development agreement executed or authorized by the Common Council.

The Common Council is not mandated to make expenditures described in this plan and is limited to implementing only those projects identified. Changes in boundaries or additional projects not identified here will require formal amendment to the project plan involving public review and Common Council approval.

**D. Joint Review Board**

The TID No. 3 project plan will be considered by a Joint Review Board as required by Wisconsin Statutes consisting of:

**City of South Milwaukee**  
Thomas Zepecki, Acting Mayor  
2424 15<sup>th</sup> Avenue  
South Milwaukee, WI 53172

**Milwaukee County**  
Bob Dennik  
Milwaukee County Courthouse  
901 N. 9<sup>th</sup> Street  
Room 306  
Milwaukee, WI 53233

**Milwaukee Area Tech. College**  
Renee Dudley  
MATC  
700 West State Street  
Milwaukee, WI 53233-1443

**South Milwaukee School District**  
Michael Stritchko  
903 N. Chicago Avenue  
South Milwaukee, WI 53172

**At-Large**  
Robert Morgan  
503 Manistique Avenue  
South Milwaukee, WI 53172

**E. Description of Project Area & Plan of Redevelopment**

This area of South Milwaukee is characterized by underutilized and/or deteriorating properties and some vacant sites. The vacant land can be considered as part of the blighted area based on the obsolete platting and diversity of ownership which is impairing economic growth of the area. Several redevelopment projects will be undertaken by private developers in the area and the City will assist with the redevelopment of such properties by making funds available to the CDA to support redevelopment activities. The City intends to construct infrastructure in certain areas to improve the physical functioning of the area, including utility extensions or upgrades, and street reconstruction.

The TID No. 3 boundary contains a total area of 48.49 acres. The land area of the parcels (excluding right-of-way) comprises 42.92 acres. There is currently a mix of land uses including residential, commercial, and industrial. The proposed land uses include commercial, mixed-use residential (MU-R) and mixed-use commercial (MU-CR). The parcels currently designated as industrial zoning and land use will not continue as



such based on the City's Comprehensive Plan 2020 which designates MU-R land use (Mixed-Use Residential). A listing of all parcels in TID No. 3, their use, value and condition is included as Attachment A-7. Map 1 shows the District Boundary; Map 2 shows the parcel numbers which are keyed to the parcel list; Map 3 shows existing zoning, Map 4 shows existing land uses; Map 5 shows proposed land uses; and Map 6 shows proposed projects. All maps are located in the back of this document under Section C.

State Highway 32 (South Chicago Avenue) abuts the westerly side of the district. South Chicago Avenue is in poor condition and is scheduled for reconstruction to adequately serve the District after redevelopment. Union Pacific Railroad has a main line running through the District. There are no rail terminals or passenger stations in proximity to the District. A former rail passenger station is located just beyond the north edge of the District, but this facility has been converted to office and storage use.

The entire District is served by City sanitary sewer, water service and storm sewer. WE Energies provides electric and gas service. Public utilities are adequate to serve proposed redevelopment of the District, with the exception of services and new mains required for residential development westerly of 9<sup>th</sup> Avenue between Menomonee and Marion.

There are no recreational facilities within the District; however, the District is well served by Oak Creek Parkway and Grant Park – major regional parks with recreational opportunities including bicycling, hiking, golfing and swimming.

There are no community facilities within the District. The City-owned Self Deposit Station is just south of the district and is a highly used facility by residents to deposit recyclables, trash, brush, yard waste, etc. Several schools and churches serve the District within a ten block radius.

Planned redevelopment activities primarily include three projects with locations shown on Map No. 6. Project No. 1 is the redevelopment of approximately 4.7 acres of land along 9<sup>th</sup> Avenue for residential use (condominiums). The site has been used in the recent past as a contractor's storage yard and fill site. The TID project costs include site preparation, excavation, infrastructure construction, environmental remediation and other costs to make the site viable for redevelopment.

Project No. 2 is identified as the Lawson-Continental redevelopment at 909 Menomonee Avenue. The Lawson-Continental building is considered architecturally unique and is listed in the National Register of Historic Places. The City has acquired this property and intends to retrofit the structure in partnership with a developer as condominium units with possible commercial space. The final redevelopment/retrofit will depend



on the feasibility and costs associated with the project. The properties within Projects 1 and 2 as outlined above overlap the boundary of TID No. 1. As a blight elimination TID, costs incurred for these projects are eligible costs. However, under the amended TIF law effective for TIDs created after October 1, 2004, a mixed-use TID has been determined to be more appropriate for these projects, based on the proposed residential use.

Project No. 3 is the renovation of Grant Park Plaza Shopping Center. The shopping center is in declining value to the community based on the condition and lack of anchor tenants. Kohl's Department Store relocated to a newly constructed larger store in 1998, and Kohl's Food Store closed in 2003 when the parent company closed numerous stores in the area. With the loss of these two major tenants, the shopping center has deteriorated and smaller tenants are vacating. The proposed project includes complete renovation of the shopping center in partnership with the owner to attract a major anchor tenant (Roundy's/Pick 'n Save) with a long term lease. With two anchor tenants (Walgreens and Pick 'n Save), smaller tenants will be more successful and a high occupancy rate is anticipated. 150 new jobs will be created with the opening of a new Roundy's/Pick 'n Save at Grant Park Plaza, exclusive of construction related jobs.

Parcels south of Drexel Boulevard within the proposed District could provide good redevelopment opportunities; however, there are no specific proposals for redevelopment at this point in time. The City would like to encourage the redevelopment of those parcels through the creation of TID No. 3.

Population density, land coverage and building intensity are at comparable or lesser levels than adjacent areas due to underutilized parcels within the District. Redevelopment activities proposed for the District will help to bring population density, land coverage and building intensity up to a standard which is consistent with that of the surrounding areas.

## **II. STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND IMPROVEMENTS WITHIN THE DISTRICT**

TID No. 3 of the City of South Milwaukee will be created primarily a mixed-use TID under Wisconsin Statutes 66.1105 in order to improve a portion of the City, enhance the value of property, broaden the property tax base, and relieve the tax burden of residents and home owners. The CDA contemplates expending funds on infrastructure and redevelopment activities. Section 66.1105(2)(f) defines various project costs that can be considered "eligible" costs within a TID.

Any cost directly or indirectly related to achieving the objectives of promoting redevelopment and blight elimination, rehabilitation, or conservation can be considered a "project cost" and eligible to be paid from tax increments of this tax increment district, including but not limited to the list below. The costs of



planning, engineering, design, surveying, legal and other consultant fees, testing, environmental studies, permits necessary for the public work, easements, judgments or claims for damages, and other expenses for all projects can be included as project costs.

**A. Capital Construction Costs:**

Capital construction costs can include costs for infrastructure improvements to serve projects such as watermain, sanitary sewer, storm sewer, and upgrading to natural gas or electrical services. Capital costs can also include costs contributed to construction of new buildings, remodeling, repair or reconstruction of existing buildings.

Capital costs incurred by the City/CDA will need to be consistent with the purpose of TID No. 3 and be eligible project costs as defined under statutes. Such eligibility will be determined by the Common Council at the time the projects are being considered.

**B. Site Preparation/Improvements:**

Site development activities required to make sites suitable for reuse include, but are not limited to: excavation of material, stripping topsoil, grading, compacted granular fill, topsoil replacement, access drives, parking areas, landscaping, storm water detention areas, razing existing structures, relocating power lines; installing utilities, signs, fencing, lighting and related activities. Other site preparation and improvement activities, unknown at this time, may be eligible costs as long as they are consistent with the purpose of TID No. 3 and approved by the Common Council.

**C. Environmental Remediation:**

Asbestos removal prior to demolition of structures, environmental studies or investigation, clean-up or remediation to make sites suitable for reuse.

**D. Real Estate Acquisition:**

This may include, but is not limited to purchase of fee title, easements, appraisals, consultant fees, closing costs, surveying and mapping, lease and/or sale of property at below market price to encourage or make feasible a blight elimination or redevelopment project.

**E. Relocation Costs:**

Relocation of existing businesses for redevelopment projects or relocation costs in the event any property is acquired for the above projects, including the cost of a relocation plan, director, staff, publications,

appraisals, land and property acquisition costs and relocation benefits as required by Wisconsin Statutes 23.19 and 32.195.

**F. CDA Redevelopment Funds:**

The Common Council may provide funds to the Community Development Authority for the purpose of acquiring property, entering into financial (development) agreements with property owners or developers or any other activity authorized by Wisconsin Statutes to be undertaken by such an Authority. This may include payments which are found to be necessary or convenient to the implementation of the Project Plan, such as redevelopment incentives. See 66.1105 (2)(f)(1)(i)

**G. Promotion & Development:**

Promotion and development of TID No. 3, including professional services for marketing, recruitment, realtor commissions and fees in lieu of commissions, marketing services and materials, advertising costs, administrative costs and support of development organizations are all eligible costs under this section.

**H. Administration & Planning Costs:**

Imputed administrative costs including, but not limited to, a portion of the salaries of the City employees and elected officials, professional fees for audits, legal review, planning and engineering services, professional assistance with the general administration of TID No.3, and others directly involved with the projects over the expenditure period.

**I. Organization Costs:**

Organization costs including, but not limited to, the fees of the financial consultant, attorney, engineers, planners, surveyors, appraisers, title companies, map makers, and other contracted services related to the creation of the TID.

**J. Financing Costs:**

Interest, finance fees, bond discounts, bond redemption premiums, legal opinions, ratings, capitalized interest, bond insurance and other expenses related to financing.

The project costs listed above will provide necessary facilities and support to enable and encourage the development of TID No. 3. These projects may be implemented in varying degrees in response to development needs.



### III. DETAILED LIST OF PROJECT COSTS

The table below shows the estimated expenditures anticipated for major categories of project costs in TID No. 3. Estimated expenditures for each project are as outlined in Attachment A-2. The plan will be amended if additional projects and affiliated costs are recommended by the CDA.

All costs listed are based on 2004 prices and are preliminary estimates. The City reserves the right to revise these cost estimates to reflect change in project scope, inflation and other unforeseen circumstances between 2004 and the time of construction or implementation. If feasible, the City will pursue grant programs to help share project costs included in this project plan. As an example, the City has used Community Development Block Grant Funds in TID Nos. 1 and 2 for demolition work to reduce overall project costs. Planned project costs are listed in the table below. A more detailed list of planned project costs is included as Attachment A-2.

The City may fund specific project cost items shown below in significantly greater or lesser amounts in response to opportunities which will help the City accomplish the purposes of TID No. 3. The City will generally use overall benefit to the City and economic feasibility, i.e., the availability of future revenue to support additional project costs, in determining the actual budget for project cost items over the course of the TID's expenditure period.

SOUTH MILWAUKEE TID NO. 3 PLANNED PROJECT COSTS	
Cost Category	Total Cost
A. Capital Construction	\$2,990,000
B. Site Preparation/Improvements	\$1,520,000
C. Environmental Remediation	\$ 175,000
D. Real Estate Acquisition	\$ 390,000
E. Relocation Costs	\$ 180,000
F. CDA Redevelopment Funds	\$ 200,000
G. Promotion & Development	\$ 60,000
H. Administration & Planning	\$ 40,000
I. Organizational Costs	\$ 10,000
<b>PROJECT COST SUBTOTAL</b>	<b>\$5,565,000</b>
J. Capitalized Interest (3 years)	\$ 562,500
J. Financing Fees	\$ 122,500
<b>TOTAL TID EXPENDITURE (Excluding Interest Payments)</b>	<b>\$6,250,000</b>

Attachment A-3 shows financing summary and preliminary debt service plan based on the above expenditure.

#### **IV. ECONOMIC FEASIBILITY STUDY**

In order to evaluate the economic feasibility of the TID, it is necessary to project the amount of tax incremental revenue that can reasonably be generated from the district. The ability of the municipality to finance proposed projects must also be determined. TID No. 3 is economically feasible if the tax incremental revenue projected to be generated over the life of the TID is sufficient to pay all project and financing costs incurred during the TID's expenditure period. The components of such an analysis include:

- A. The expected increase in property valuation due to inflation and the impact of general economic conditions on the TID.
- B. The expected increase in property valuation due to new development encouraged by the TID.
- C. Any change that may take place in the full value tax rate.

Following is a discussion of these components. Financing issues are discussed in the next section.

##### **A. Inflation**

Throughout the past twenty years, the annual rate of inflation has averaged under six percent. Currently the State of Wisconsin Department of Administration Office of Budget and Finance is using long term inflation rates of three percent to five and one-half percent. In order to account for a long term national trend toward lower rates of inflation, the inflation rate, for the purpose of making projections of equalized value, will be assumed to be three percent (3%). Inflation for purposes of projecting future project costs is also assumed to be three percent (3%).

##### **B. Increase in Property Value**

The proposed plan for TID No. 3 will encourage the redevelopment of several properties within the TID. The formation of TID No. 3 will enable the City to financially assist with redevelopment projects in the area. This redevelopment will create increased property valuation. The increase in property valuation due to the redevelopment projects is estimated to be over \$19 million. An analysis of each proposed project below is included as Attachment A-2. Other miscellaneous improvements may occur within the TID.

##### **C. Full Value Tax Rate**

The third variable to consider in projecting TID revenues is the full value tax rate. The full value tax rate is adjusted annually based on property valuation and the amount of funds required by all taxing jurisdictions to



support their adopted annual budgets. The following chart summarized the historic full value tax rate in the City between 1993 and 2003.

Year	Full Value Rate	Percent Change
1993	.03177	N/A
1994	.02975	-6.36%
1995	.02945	-1.01%
1996	.02542	-13.68%
1997	.02437	-4.13%
1998	.02253	-7.55%
1999	.02448	+8.66%
2000	.02913	+19%
2001	.02940	+0.09%
2002	.02493	-15.2%
2003	.02509	+0.06%

The 2004 total equalized value of the City of South Milwaukee is over \$1 billion (\$1,046,794,500). A full value tax rate of .02509 with zero percent change will be used in this plan to project TID revenues.

#### **D. TIF Revenues**

Utilizing an average inflation rate of three percent (3%), projected increment of \$19,400,000 and an initial full-value tax rate of .02509, which is assumed to remain constant, the projected TIF Revenue from TID No. 3 will be as shown in the Tax Increment Pro Forma in Attachment A-4.

The total tax increment revenue is sufficient to pay all TID related costs for the projects and amounts shown in the Planned Project Costs on Page 8.

#### **E. Cash Flow**

Another consideration regarding the adequacy of TID revenues toward paying TID project costs is the relative timing of revenue and expenditure, or cash flow. As previously stated, there are sufficient TID revenues over the life of the TID to pay all costs. In addition, there are sufficient TID revenues in each year to pay all costs. The City anticipates borrowing additional funds to pay interest expense on borrowings (capitalized interest) to bridge temporary cash flow gaps caused by the two-year lag in collecting tax revenue on new increment. The Tax Increment Cash Flow Worksheet shown on Attachment A-5 summarizes the assumed cash flow.

## **V. FINANCING METHODS AND TIMETABLE**

### **A. Financing Methods**

An important aspect to consider in assessing the economic feasibility of TID No. 3 is the ability of the City to finance desired projects to encourage and support development. Financial resources available to the City include general obligation notes and bonds, revenue bonds, special assessments, and federal and state community development programs. Additionally, the City may finance project costs within a TID and the City may apply TID revenue to service the debt incurred to finance eligible projects within the TID.

General obligations of the City are limited by state law to five percent of the equalized property value. The City has a current total debt capacity of \$52,339,725 and \$22,365,000 in existing General Obligation debt. Using this data, the current remaining debt capacity is \$29,974,725. This is more than adequate financing capacity to finance the planned project costs of approximately \$5,565,000.

The City has the capacity to finance some project costs through direct debt or bond instruments, utilizing the general revenue capacity of the City to secure those instruments. There are other mechanisms available to pay for some project costs that would not count against the City's constitutional debt capacity.

The City may utilize revenue bonds repaid from fees for services charged by the City. Common examples of such revenue are charges for sewer and water usage. There is no statutory limit on the amount of revenue bonds that can be issued; however, the City must demonstrate the ability to repay the debt from anticipated revenues. A further factor that could potentially limit revenues is that utility rates may be regulated by the Wisconsin Public Service Commission.

Some project costs can potentially be paid through special assessments levied on properties directly benefiting from the improvements. Costs of streets, curbs, gutters, and sewer and water extensions are commonly paid through special assessments. The City can issue special assessment bonds, pledging revenues from the special assessments on individual properties to repay the debt. Property owners are generally permitted to pay the special assessments in installments. These bonds are not counted against the City's constitutional debt limit.

### **B. Timetable**

Pursuant to the TIF law, as amended in 2003, and effective for TIDs created after October 1, 2004, the City of South Milwaukee has an expenditure period of fifteen years to incur TIF expenses for projects



outlined in this Plan or subsequent amendments. The Common Council is not mandated to make the improvements defined in this Plan; each project will require case-by-case review and approval. The decision to proceed with a particular project will be based on the merits of the project; economic conditions and budgetary constraints at the time a project is scheduled for consideration. Actual implementation of the projects may be accelerated or deferred, depending on conditions existing at the time. Projects outlined in the Plan are expected to begin in 2005 and be substantially complete by 2008. However, the CDA may make recommendations to amend the Plan and/or boundary throughout the fifteen year expenditure period.

Approximate timing for each of the planned redevelopment projects is shown in Attachment A-2. Additionally, the TID Pro Forma (Attachment A-4) and TID Cash Flow (Attachment A-6) worksheets show the timing of increment, revenue, and debt for each year of the TID.

**C. Description of Methods of Financing and Time Such Costs or Related Monetary Obligations are to be Incurred**

Financing for the projects shown above will be done as summarized in the Financing Summary and the Debt Service plans for the borrowing shown in Attachments A-3 thru A-5. The actual number, timing and amounts of debt issues will be determined by the City and the CDA at its convenience and as dictated by the nature of the projects as they are implemented. All monetary obligations will be incurred within the fifteen year expenditure period, unless a relocation requires extending beyond the fifteen year period. The City's financial advisor, Mr. Jeffrey G. Belongia, of Hutchinson, Shockey, Erley & Co. (HSE) has recommended using an interest rate of 4.75% for the TID Plan based on current bond rates.

Based on financial assumptions outlined in the plan, the TID could close in 18 years (15 principal payments) or the year 2023.

**VI. ANALYSIS OF OVERLYING TAXING DISTRICTS**

Taxing Districts overlying the City of South Milwaukee TID No. 3 include Milwaukee County, South Milwaukee School District, Milwaukee Area Technical College and the State of Wisconsin. Impact on the overlying taxing districts is based on the percentage of tax collections within TID No. 3 boundary in 2003. Total TIF Increment over the life of the district is divided by a proportionate share of each taxing jurisdiction. Any analysis of the impact on overlying taxing districts is included as Attachment A-6.

Redevelopment projects planned for the TID would not occur or would occur at significantly lower values but for the availability of tax incremental financing. TID No. 3 is a mechanism to make improvements in an area of South Milwaukee which is experiencing blighting influences. All taxing jurisdictions will benefit

from the increased property values and community vitality which will result from the projects planned in TID No. 3.

**VII. MAPS SHOWING EXISTING ZONING, LAND USES, AND PROPOSED LAND USES**

(SEE MAPS 3, 4 & 5)

**VIII. MAPS SHOWING PROPOSED PROJECTS**

(SEE MAP 6)

**IX. PROPOSED CHANGES IN THE MASTER PLAN, MAPS, BUILDING CODES AND CITY ORDINANCES**

The City of South Milwaukee approved a Comprehensive Plan in 2003 to meet the new Wisconsin standards for comprehensive plans. The anticipated changes required for the implementation of this Project Plan are the re-zoning of parcels for Project No. 1 (776-9984, 776-9990, 776-0332) and Project No. 2 (776-9985) from M-2 Industrial and to Residential (Planned Development). The change is zoning complies with the land use plan in the Comprehensive Plan.

**X. A LIST OF ESTIMATED NON-PROJECT COSTS**

There are no project costs planned for TID No. 3 which would directly benefit property outside the TID, therefore there are no "non-project" costs.

**XI. PROPOSED METHOD FOR THE RELOCATION OF ANY DISPLACED PERSONS**

No persons are expected to be displaced or relocated as a result of proposed projects in TID No. 3. The following is the method proposed to be followed by the CDA if future projects require displacement or relocation. Before negotiations begin for the acquisition of property or easements, all property owners will be contacted to determine if there will be displaced persons as defined by Wisconsin Statutes and Administrative Rules. If it appears there will be displaced person, all property owners and prospective displacees will be provided an information pamphlet prepared by the Wisconsin Department of Commerce (DOC). If any person is to be displaced as a result of the acquisition, they will be given a pamphlet on "Relocation Benefits" as prepared by the DOC. The City will file a relocation plan with the DOC and shall keep records as required in Wisconsin Statute 32.27. The City will provide each owner a full narrative appraisal, a map showing the owners of all property affected by the proposed project and a list of neighboring landowners to whom offers are being made as required by law.



## **XII. STATEMENT INDICATING HOW CREATION OF THE TID PROMOTES THE ORDERLY DEVELOPMENT OF THE CITY OF SOUTH MILWAUKEE**

The creation of TID No. 3 will encourage the redevelopment of deteriorating and otherwise economically distressed and underutilized property in the City. Creation of the TID will also, in general, promote the public health, safety and general welfare. Successful implementation of the projects planned in TID No. 3 will build tax base for the city and overlying taxing jurisdictions and improve the vitality of the neighborhood by bringing more people to live in the neighborhood. This will provide a greater market for neighborhood businesses, which will improve the stability of those businesses.

## **XIII. DISTRICT BOUNDARIES**

As part of the consideration of the area to be included within the TID, the CDA reviewed established criteria outlined in the Wisconsin Statutes as follows:

1. The aggregate value of equalized taxable property of the TID cannot exceed 7% of the total value of equalized taxable property in the City, or equalized value of district plus value increments of all other districts will not exceed 5% of the total value of equalized taxable property in the City.
2. All lands within the TID shall be contiguous.
3. Designated wetlands are excluded from the TID Boundary.

Boundary Description: City of South Milwaukee, Tax Increment District No. 3 follows:

Being located in part of the NW $\frac{1}{4}$  and SW $\frac{1}{4}$  of the SE $\frac{1}{4}$ , part of the NE $\frac{1}{4}$  and SE $\frac{1}{4}$  of the SW $\frac{1}{4}$ , all in Section 11, T5N R22E, and in part of the NW $\frac{1}{4}$  of NE $\frac{1}{4}$ , part of the NE $\frac{1}{4}$  of NW $\frac{1}{4}$  all in Section 14, T5N R22E, in the City of South Milwaukee, Milwaukee County, Wisconsin, described as follows:

Beginning at the Northeast corner of Lot 1, Block 8, of South Milwaukee Capital Co's Subdivision; thence Northwesterly, along Northwest line of South Chicago Avenue, 371.47 feet to the intersection with Drexel Boulevard centerline; thence Northerly, along Northwesterly line of South Chicago Avenue, 652.44 feet to the Northeast corner of Lot 2, Block 6, of South Milwaukee Land Company Subdivision; thence Easterly, 66 feet to Southwest corner of lands described as Parcel 2, C.S.M. No. 3725; thence continuing Easterly, along the South line of said Parcel 2, C.S.M. No. 3725, 201.27 feet to the Southeast corner thereof; thence North, along the East line of said Parcel 2, C.S.M. No. 3725, 215 feet to the Northeast corner thereof; thence Northeasterly, along East line of Parcel 1, C.S.M. No. 3013, 54.84 feet to Northeast corner thereof; thence Easterly, along North line of lands described as Parcel 3, C.S.M. No. 3725, 252.04 feet to the Northeast corner thereof; thence Northerly, along West line of said Parcel No. 3, C.S.M. No. 3725,

330 feet to Northwest corner thereof; thence Easterly, along North line of said Parcel No. 3, C.S.M. No. 3725, 348 feet to Northeast corner thereof, and to the intersection with the Northwesterly 123 foot right of way of said Union Pacific Railroad; thence Northwesterly along Northwesterly 123 foot right of way of said Union Pacific Railroad, 101.87 feet to Northeast corner of Parcel No. 1, C.S.M. No. 2572; thence Northeasterly at right angles to the centerline of Union Pacific Railroad, 123 feet to the intersection with the Northeasterly right of way of the said Union Pacific Railroad and Northwest corner of lands described as Parcel No. 1 in Reel 3033 Image 209 as Document No. 6763926; thence Easterly along unplatted lands, 696.30 feet, more or less, to Southwest corner of Lot 3, Block 15, South Milwaukee Boulevard Heights; thence Southerly along West line of South Milwaukee Boulevard Heights, 66 feet to Northwest corner of Lot 2, Block 16, South Milwaukee Boulevard Heights; thence Easterly, 64 feet to Northeast corner of Lot 1, Block 16, South Milwaukee Boulevard Heights; thence Southerly, along West line of Ninth Avenue, 328.61 feet to the Northeast corner of Lot K of Bogle's Park; thence Westerly 501.4 feet along the North line of said Bogle's Park to Northwest corner of Lot K of Bogle's Park; thence Southwesterly at right angles to the centerline of Union Pacific Railroad, 177 feet to the intersection with the Northeasterly right of way of the said Union Pacific Railroad and the Southwesterly corner of lands described as Parcel No. 2 in Reel 3967 Image(s) 1170-1172 as Document No. 7313991; thence Southwesterly, at right angles to the centerline of said Union Pacific Railroad, 123 feet to the intersection with the Southwesterly right of way of the said Union Pacific Railroad; thence Southeasterly, 1662.92 feet, more or less, along the said Southwesterly right of way of the Union Pacific Railroad to Northeast corner of Lot 2, C.S.M. No. 6687; thence Westerly, along South line of Sherman Avenue, 1159.24 feet to the point of beginning, exclusive of boundary of designated wetland areas.

All distances are based upon documents of record.



## **ATTACHMENTS A**

### **FINANCIAL ATTACHMENTS**

**CITY OF SOUTH MILWAUKEE  
TID #3  
SUMMARY**

**TAX PROFILE -2003**

County	Milwaukee
City Mill Rate(Assessed)	0.02509
City Mill Rate(Equalized)	0.02454
Total Equalized Value in City	\$979,545,118
Percent Assessment Ratio	97.81%
Assessed Value of Taxable Property	\$958,093,080

**DEBT CAPACITY(Based On 2004 equalized value of \$ 1,046,794,500)**

Statutory Debt Limit	\$52,339,725
Oustanding General Obligation Debt	\$22,365,000
Remaining Debt Capacity	\$29,974,725

**ANALYSIS OF EXISTING TID CAPACITY**

Equalized Value of Taxable Property in Existing TIDs	\$29,127,700
Percent of City's Equalized Value in Existing TIDs	2.97%*

\* Does not include proposed TID No.1 Amendment

**ANALYSIS OF PROPOSED TID**

Projected Base Value of TID(Assessed)	\$12,553,500
Projected Base Value of TID(Equalized)	\$12,834,577
Percent of City's Equalized Value in Proposed TID	1.31%
Projected Equalized Value of Property in all TIDs	\$41,962,277
Percent of City's Equalized Value in all TID	4.28%
Total Area Within TID Boundary(acres)	48.49
Land Area of Parcels Included in Proposed TID(acres)	42.92
Blighted Area	28.86
Percent Blighted Area	59.52%
Area in TID Vacant > 7 Years(Acres)	12.01
Area in TID Vacant > 7 Years Not Contaminated(Acres)	8.42
Percent of Area Vacant > 7 years Not Contaminated	17.36%



**CITY OF SOUTH MILWAUKEE  
TID NO. 3  
PLANNED PROJECT COSTS &  
ANALYSIS OF PROPOSED PROJECTS**

**PROJECT NO. 1**

9<sup>th</sup> Avenue Condominiums (a.k.a. Rawson Plumbing) 2616 9<sup>th</sup> Avenue  
Parcels # 776-9984, 776-9990, 776-0332, 776-0331

**PROJECT COSTS**

Capital Construction	\$ 600,000
Site Preparation/Improvements	\$ 400,000
Environmental Remediation	\$ 100,000
Property Acquisition & Relocation (2600 9 <sup>th</sup> Avenue)	\$ 130,000
Redevelopment Incentives	<u>\$ 200,000</u>

**TOTAL            \$1,430,000**

---

Base Value:	\$ 172,000
Projected Valuation (32 units @ \$155,000)	\$4,960,000
<b>Total Increment Created</b>	<b>\$4,788,000</b>
Years(s) Increment Created	2006, 2007
Annual TIF Revenue	\$ 120,131
Debt Service (20 years @ 4.75% interest)	\$ 112,327
Cash Flow	\$ 7,804

**CITY OF SOUTH MILWAUKEE  
TID NO. 3  
PLANNED PROJECT COSTS &  
ANALYSIS OF PROPOSED PROJECTS**

**PROJECT NO. 2**

Lawson Continental, 909 Menomonee Avenue  
Parcel No. 776-9985

**PROJECT COSTS**

Capital Construction	\$ 100,000
Site Preparation/Improvements	\$ 170,000
Environmental Remediation	\$ 25,000
Property Acquisition	\$ 210,000
Relocation & Moving Expenses	<u>\$ 120,000</u>

**TOTAL        \$ 625,000**

---

Base Value:	\$ 250,000
Projected Valuation (25,000 S.F. @ \$95.00)	\$2,375,000
<b>Total Increment Created</b>	<b>\$2,125,000</b>
Years(s) Increment Created	2008
Annual TIF Revenue	\$ 53,316
Debt Service (20 years @ 4.75% interest)	\$ 49,094
Cash Flow	\$ 4,222



**CITY OF SOUTH MILWAUKEE  
TID NO. 3  
PLANNED PROJECT COSTS &  
ANALYSIS OF PROPOSED PROJECTS**

**PROJECT NO. 3**

Grant Park Plaza – 2901 S. Chicago Avenue, Parcel No. 777-0514

**PROJECT COSTS**

Capital Construction	\$ 2,290,000
Site Preparation/Improvements	\$ 950,000
Environmental Remediation	\$ 50,000
Real Estate Acquisition	\$ 50,000
Relocation Costs	\$ 60,000

**TOTAL           \$ 3,400,000**

---

Base Value:	\$ 3,500,000
Projected Valuation	\$15,815,000
<b>Total Increment Created</b>	<b>\$12,315,000</b>
Years(s) Increment Created	2005
Annual TIF Revenue	\$ 308,983
Debt Service (20 years @ 4.75% interest)	\$ 267,072
Cash Flow	\$ 41,911

NOTE: Projected Valuation to be verified by property appraisal and city assessor

## SUPPLEMENT TO ATTACHMENT A-2

### Detail of Project Costs for Project No. 3 and Jobs Created (Grant Park Plaza)

- 150 new jobs created by construction and opening of new Roundy's/Pick n' Save at Grant Park Plaza plus affect on other business with plaza.

The TIF Assistance Application submitted by the owner/developer of Grant Park Plaza includes the following proposed project costs. The final amounts of categorical costs provided by CDA will depend on development agreement and certified cost breakdown, and is subject to change.

#### CDA Project Costs (TIF Assistance)

<u>Category</u>	<u>Amount</u>
Proposed acquisition	\$ 50,000
Relocation expense	60,000
Demolition	185,000
Environmental remediation	50,000
Infrastructure	250,000
Site Improvements	510,000
Additions to Buildings	300,000
Reconstruction & Remodeling	<u>1,995,000</u>
TOTAL TIF ASSISTANCE	\$ 3,400,000
Developer's Construction Loan: (Developer's Project Cost & Existing Debt Retirement)	\$11,500,000
TOTAL FUNDING	<u>\$14,900,000</u>



	A	B	C	D	E	F
1	<b>PLANNED PROJECT COSTS</b>		11/1/2004			
2	<b>TID #3</b>					
3						
4	G. Inflation Cost Adjustment	\$0				
5	H. Capitalized Interest	\$562,500				
6	I. Interest, Finance, Fees, Etc.	\$122,500				
7	<b>TOTAL TID EXPENDITURE</b>	<b>\$6,250,000</b>				
8						
9						
10						
11	<b>FINANCING SUMMARY</b>					
12	<b>TID #3</b>					
13	<b>Subtotal</b>	<b>\$5,565,000</b>				
14	Inflation factor cost adjustment	\$0				
15	<b>Total Project Cost</b>	<b>\$5,565,000</b>				footnote (1)
16	Finance Fees	\$122,500	1.96%			footnote (2)
17	Capitalized Interest (3 yrs.)	\$562,500	3.000%			
18	Less Interest Earned	\$0				
19	<b>BORROWING REQUIRED</b>	<b>\$6,250,000</b>				
20	Interest Payment					
21	<b>Total TID Expenditure</b>	<b>\$6,250,000</b>				
22						
23	<b>Recon</b>	<b>\$6,250,000</b>				
24						
25	<b>Term</b>	<b>20</b>				
26	<b># of Principal Payments</b>	<b>17</b>				
27						
28				footnote (1)	2600 9th ave.	\$209,000
29					909 Menomonee	\$106,000
30					<b>Allocation STD</b>	<b>\$315,000</b>
31						
32				footnote (2)	Project 1	\$1,430,000
33					Project 2	\$625,000
34					Project 3	\$3,400,000
35					<b>Total</b>	<b>\$5,455,000</b>
36					less STD	(\$315,000)
37					<b>Net Projects</b>	<b>\$5,140,000</b>
38						
39						
40						

1 page

Summary of status  
of 3 projects.

- Say that some  
assumptions appear  
to be optimistic

Continued

^ vacancy rate  
GPP hasn't met <sup>will prevent 30% annual</sup> increase

requirements.

inland is delayed.

TID 3 could use  
the Bolstering



	A	B	C	D	E	F
41						
42	Loan #			TID #3		
43	Principal	\$6,250,000	Project Cost		\$5,565,000	
44	Interest	4.750%	Finance Fees		\$122,500	
45	Term	20	Interest Earned		\$0	
46	# of Principal Payments	17				
47	Date of Issue	1/1/2005	Capitalized Int. & yrs.	3	\$562,500	
48	Total TID Cost of Loan					
49						
50				TID #3		
51	Year	Principal Pymt #	Unpaid Principal	Principal Pymt.	Interest Pymt.	Total Pymt.
52						
53	2005	0	\$6,250,000	\$0	\$187,500	\$187,500
54	2006	0	\$6,250,000	\$0	\$187,500	\$187,500
55	2007	0	\$6,250,000	\$0	\$187,500	\$187,500
56	2008	1	\$6,002,809	\$247,191	\$296,875	\$544,066
57	2009	2	\$5,743,876	\$258,933	\$285,133	\$544,066
58	2010	3	\$5,472,644	\$271,232	\$272,834	\$544,066
59	2011	4	\$5,188,529	\$284,115	\$259,951	\$544,066
60	2012	5	\$4,890,918	\$297,611	\$246,455	\$544,066
61	2013	6	\$4,579,171	\$311,747	\$232,319	\$544,066
62	2014	7	\$4,252,615	\$326,556	\$217,510	\$544,066
63	2015	8	\$3,910,548	\$342,067	\$201,999	\$544,066
64	2016	9	\$3,552,233	\$358,315	\$185,751	\$544,066
65	2017	10	\$3,176,898	\$375,335	\$168,731	\$544,066
66	2018	11	\$2,783,734	\$393,164	\$150,902	\$544,066
67	2019	12	\$2,371,895	\$411,839	\$132,227	\$544,066
68	2020	13	\$1,940,494	\$431,401	\$112,665	\$544,066
69	2021	14	\$1,488,601	\$451,893	\$92,173	\$544,066
70	2022	15	\$1,015,243	\$473,358	\$70,708	\$544,066
71	2023	16	\$519,395	\$495,842	\$48,224	\$544,066
72	2024	17	\$0	\$519,395	\$24,671	\$544,066
73	TOTAL			\$6,249,994	\$3,561,628	\$9,811,622

# TAX INCREMENT PRO FORMA

TID #3

1	A	B	C	D	E	F	G	H	I	J	K	L
2	BASE VALUE	\$12,834,577			TERM (YRS.)	20						
3	INITIAL TAX RATE	2.509%	CURRENT	2.509%								
4	INFLATION INCREMENT	3.00%										
5	ANNUAL INCREASE TAX RATE	0.00%										
6	YEAR											
7		PREVIOUS VALUATION	INFLATION INCREMENT	INFLATION INCREMENT	TIF INCREMENT REAL PROPERTY	TIF INCREMENT PERSONAL	VALUATION DECREASE	TOTAL VALUATION	CUMULATIVE INCREMENT	TIF TAX RATE	REAL ESTATE SALES	TIF REVENUE
8	2005	\$12,834,577	3.00%	\$385,037	\$0	\$0	\$0	\$13,219,614	\$385,037	2.509%	\$0	\$0
9	2006	\$13,219,614	3.00%	\$396,588	\$0	\$0	\$0	\$13,616,203	\$781,626	2.509%	\$0	\$0
10	2007	\$13,616,203	3.00%	\$408,486	\$14,640,000	\$0	\$0	\$28,664,689	\$15,830,112	2.509%	\$0	\$9,661
11	2008	\$28,664,689	3.00%	\$859,941	\$2,463,000	\$0	\$0	\$31,987,629	\$19,153,052	2.509%	\$0	\$19,611
12	2009	\$31,987,629	3.00%	\$959,629	\$2,000,000	\$0	\$0	\$34,947,258	\$22,112,681	2.509%	\$0	\$397,178
13	2010	\$34,947,258	3.00%	\$1,048,418	\$0	\$0	\$0	\$35,995,676	\$23,161,099	2.509%	\$0	\$480,550
14	2011	\$35,995,676	3.00%	\$1,079,870	\$0	\$0	\$0	\$37,075,546	\$24,240,969	2.509%	\$0	\$554,807
15	2012	\$37,075,546	3.00%	\$1,112,266	\$0	\$0	\$0	\$38,187,813	\$25,353,236	2.509%	\$0	\$581,112
16	2013	\$38,187,813	3.00%	\$1,145,634	\$0	\$0	\$0	\$39,333,447	\$26,498,870	2.509%	\$0	\$608,206
17	2014	\$39,333,447	3.00%	\$1,180,003	\$0	\$0	\$0	\$40,513,451	\$27,678,874	2.509%	\$0	\$636,113
18	2015	\$40,513,451	3.00%	\$1,215,404	\$0	\$0	\$0	\$41,728,854	\$28,894,277	2.509%	\$0	\$664,857
19	2016	\$41,728,854	3.00%	\$1,251,866	\$0	\$0	\$0	\$42,980,720	\$30,146,143	2.509%	\$0	\$694,463
20	2017	\$42,980,720	3.00%	\$1,289,422	\$0	\$0	\$0	\$44,270,141	\$31,435,564	2.509%	\$0	\$724,957
21	2018	\$44,270,141	3.00%	\$1,328,104	\$0	\$0	\$0	\$45,598,246	\$32,763,669	2.509%	\$0	\$756,367
22	2019	\$45,598,246	3.00%	\$1,367,947	\$0	\$0	\$0	\$46,966,193	\$34,131,616	2.509%	\$0	\$788,718
23	2020	\$46,966,193	3.00%	\$1,408,986	\$0	\$0	\$0	\$48,375,179	\$35,540,602	2.509%	\$0	\$822,040
24	2021	\$48,375,179	3.00%	\$1,451,255	\$0	\$0	\$0	\$49,826,434	\$36,991,857	2.509%	\$0	\$856,362
25	2022	\$49,826,434	3.00%	\$1,494,793	\$0	\$0	\$0	\$51,321,227	\$38,486,650	2.509%	\$0	\$891,714
26	2023	\$51,321,227	3.00%	\$1,539,637	\$0	\$0	\$0	\$52,860,864	\$40,026,287	2.509%	\$0	\$928,126
27	2024	\$52,860,864	3.00%	\$1,585,826	\$0	\$0	\$0	\$54,446,690	\$41,612,113	2.509%	\$0	\$965,630
28	TOTAL		3.00%	\$22,509,113	\$19,103,000	\$0	\$0				\$0	\$11,380,471



# CASH FLOW WORKSHEET

## TID #3

1	A	B	C	D	E	F	G	H	I	J
2	ALL PROJECTS									
3	YEAR	BEGINNING BALANCE	CAPITAL INTEREST	TIF REVENUES	INTEREST INCOME	TOTAL REVENUES	DEBT SERVICE	OTHER EXPENSES	ANNUAL SURPLUS (DEFICIT)	ENDING BALANCE
5	2005	\$0	\$187,500	\$0	\$0	\$187,500	\$187,500	\$0	\$0	\$0
6	2006	\$0	\$187,500	\$0	\$0	\$187,500	\$187,500	\$0	\$0	\$0
7	2007	\$0	\$187,500	\$9,661	\$0	\$197,161	\$187,500	\$0	\$9,661	\$9,661
8	2008	\$9,661		\$19,611	\$0	\$19,611	\$544,066	\$0	(\$524,455)	(\$514,794)
9	2009	(\$514,794)		\$397,178	\$0	\$397,178	\$544,066	\$0	(\$146,888)	(\$661,683)
10	2010	(\$661,683)		\$480,550	\$0	\$480,550	\$544,066	\$0	(\$63,516)	(\$725,199)
11	2011	(\$725,199)		\$554,807	\$0	\$554,807	\$544,066	\$0	\$10,741	(\$714,458)
12	2012	(\$714,458)		\$581,112	\$0	\$581,112	\$544,066	\$0	\$37,046	(\$677,412)
13	2013	(\$677,412)		\$608,206	\$0	\$608,206	\$544,066	\$0	\$64,140	(\$613,272)
14	2014	(\$613,272)		\$636,113	\$0	\$636,113	\$544,066	\$0	\$92,047	(\$521,225)
15	2015	(\$521,225)		\$664,857	\$0	\$664,857	\$544,066	\$0	\$120,791	(\$400,434)
16	2016	(\$400,434)		\$694,463	\$0	\$694,463	\$544,066	\$0	\$150,397	(\$250,037)
17	2017	(\$250,037)		\$724,957	\$0	\$724,957	\$544,066	\$0	\$180,891	(\$69,146)
18	2018	(\$69,146)		\$756,367	\$0	\$756,367	\$544,066	\$0	\$212,301	\$143,155
19	2019	\$143,155		\$788,718	\$0	\$788,718	\$544,066	\$0	\$244,652	\$387,807
20	2020	\$387,807		\$822,040	\$0	\$822,040	\$544,066	\$0	\$277,974	\$665,781
21	2021	\$665,781		\$856,362	\$0	\$856,362	\$544,066	\$0	\$312,296	\$978,078
22	2022	\$978,078		\$891,714	\$0	\$891,714	\$544,066	\$0	\$347,648	\$1,325,725
23	2023	\$1,325,725		\$928,126	\$0	\$928,126	\$544,066	\$0	\$384,060	\$1,709,785
24	2024	\$1,709,785		\$965,630	\$0	\$965,630	\$544,066	\$0	\$421,564	\$2,131,349
25	TOTAL			\$11,380,471	\$0	\$11,942,971	\$9,811,622	\$0	\$2,131,349	

# ATTACHMENT A-6

## TID NO. 3

### ANALYSIS OF OVERLYING TAXING JURISDICTIONS

#### ASSUMPTIONS

Projected Base Value of TID:	\$12,834,577
Initial Tax Rate	0.02509
Inflation of Increment	0%
Annual Increase in Tax Rate	0%
Value of TID with Increment	\$31,937,577

#### OVERLYING JURISDICTIONS

2003 Share	Schools 38.32%	MATC 7.30%	County 22.36%	State 0.74%	City 31.27%
------------	-------------------	---------------	------------------	----------------	----------------

	Annual Taxes Collected Without Increment For TID Area	Annual Taxes Collected With Increment For TID Area	% Change
Schools	\$ 123,400	\$307,063	149%
MATC	23,510	58,496	149%
County	72,007	179,174	149%
State	2,383	5,930	149%
City	<u>100,700</u>	<u>250,571</u>	149%
<b>TOTAL</b>	<b>\$ 322,000</b>	<b>\$801,234</b>	<b>149%</b>



**PARCEL DATA  
CITY OF SOUTH MILWAUKEE  
TIF #3**

Parcel #	Owner Name	Property Address	Land Value	Improvement Value	Total Value	Use	Area (acres)	Reason for Blight Designation			Dilapidation	Deterioration	Age	Obsolescence	Endanger life or property	Obsolete Platting	Diversity of Ownership	Deter. of Structures	Deter. of Site Improvement	Impairs sound growth
								Vacant > 7 yrs	Vacant > 7 yrs Not Contaminated	Mixed use Development	Retail Use									
7770514	Century Shopping Ctr Fund2	2901 S Chicago Ave	1,645,000	1,855,000	3,500,000	Commercial	12.29			x	x									
7770513	Century Shopping Ctr Fund2	3009 S Chicago Ave	110,000	15,000	125,000	Commercial	0.68			x										
7770515	Century Shopping Ctr	2929 S Chicago Ave	130,000	493,000	623,000	Commercial	0.80				x									
7779005	Century Shopping Ctr Fund2	2815 S Chicago Ave	92,000	242,000	334,000	Commercial	0.57				x									
7770516	Century Shopping Ctr Fund2	2901 S Chicago Ave	200,000	578,000	778,000	Commercial	0.75				x									
8189997	Mary Becker Life Estate	3105 S Chicago Ave	231,000	1,000	232,000	Residential	4.53													
8189996	Catherine C Schaal	3107 S Chicago Ave	28,500	116,000	144,500	Residential	0.11													
7769984	Mark P Derouin	2616 9th Ave	95,000	30,000	125,000	Industrial	3.41													
7769985	Richard Schumacher	909 Menomonee Ave	81,000	66,000	147,000	Industrial	1.46													
8189999	City of South Milwaukee	1100 Sherman Ave	0	0	0	Vacant	0.97	x	x											
7779003001	Grant Park Sq Apt Co	2825 S Chicago Ave	755,000	5,535,000	6,290,000	Commercial	8.16													
7779003002	Grant Park Sq Apt Co	1100 Drexel Blvd	0	0	0	Vacant	5.05	x	x											
7760332	Mark Derouin	2610 9th Ave	30,500	0	30,500	Vacant	0.18	x												
7760331	Richard Schumacher	2600 9th Ave	31,500	73,500	105,000	Residential	0.18													
8189998	Catherine Schaal	3111 S Chicago Ave	103,000	0	103,000	Vacant	2.54	x	x											
7769990003	Mark Derouin	2500 10th Ave	16,500	0	16,500	Vacant	1.24	x												

# HSE

HUTCHINSON, SHOCKEY, ERLEY & CO.

Established 1957

1110 Old World 3rd Street - Suite 630 • Milwaukee, WI 53203

Phone: (414) 298-9898

Fax: (414) 298-9893

October 5, 2004

Mr. John Leupold  
CDA Executive Director  
City of South Milwaukee  
2424 - 15<sup>TH</sup> Avenue  
South Milwaukee, WI 53172

Dear Mr. Leupold:

I have reviewed the financial/economic feasibility data for the City's amendment to Tax Incremental District No. 1 and proposed Tax Incremental District No. 3.

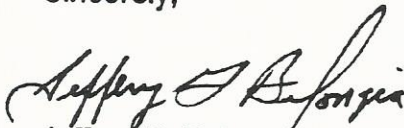
I find the assumptions with respect to valuation and tax mill levy to be reasonable and very conservative. The interest rate assumption of 6.125% is quite conservative. \*

I make this statement based on a historic review of the City's growth in equalized value and current gross mill levy for the overlapping taxing entities, along with historical interest rates and the current interest rate markets for projects of this nature.

The proposed or estimated costs of improvements within the proposed Districts can be supported from the estimated revenues to be generated by the respective District.

I look forward to discussing these projects with you in greater detail.

Sincerely,



Jeffery G. Belongia  
Senior Vice President

JGB/crc

\*Note: The draft project plan included an interest rate of 6.125%, but was revised in the final draft and final plan to 4.75% based on recommendation of HSE (Jeffery Belongia)



**ATTACHMENTS B**

**RESOLUTIONS, NOTICES &  
CORRESPONDENCE**

**CDA RESOLUTION NO. 04-05**

**RESOLUTION RELATING TO THE FORMATION OF  
TAX INCREMENTAL DISTRICT NO. 3, CITY OF SOUTH MILWAUKEE,  
FOR THE PURPOSE OF PROMOTING REDEVELOPMENT**

**WHEREAS**, the Common Council of the City of South Milwaukee (City) created the Community Development Authority (CDA), in part, to revitalize deteriorating commercial, industrial, and residential areas of the City and to promote redevelopment projects within the City to sustain economic growth; and

**WHEREAS**, the City has determined that the City's financial investment in redevelopment projects is not financially feasible without the use of Tax Incremental Financing; and

**WHEREAS**, CDA has identified a blighted area of the City where potential exists for successful public-private partnerships to promote redevelopment and revitalization projects utilizing Tax Incremental Financing (TIF); and

**WHEREAS**, on July 6, 2004, the Common Council authorized the CDA to proceed with preliminary work to create a mixed-use Tax Incremental District (TID); and

**WHEREAS**, CDA has reviewed the boundaries for a proposed TID No. 3 as shown in Exhibit A attached to this Resolution; and

**WHEREAS**, CDA has determined a need for redevelopment projects, as described under ss 66.1331 (3)(m); and

**WHEREAS**, the formation of a TID requires the City to create and convene a Joint Review Board to review, evaluate and approve or deny the creation of the proposed TID; and

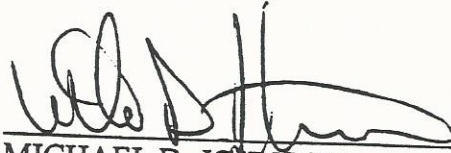
**WHEREAS**, the Common Council has previously authorized the creation of a Joint Review Board pursuant to ss 66.1105(4m) and designated the Mayor as representative for the City on the Joint Review Board;

**NOW THEREFORE BE IT RESOLVED**, that the Community Development Authority of the City of South Milwaukee hereby:

- 1.) will hold a public hearing on September 20, 2004 at which interested parties will be afforded a reasonable opportunity to express their views of the proposed creation of TID No. 3, the boundaries of the district and project plan; and
- 2.) recommends that the boundary for Redevelopment Project Area No. 3 be designated effectively the same as TID No. 3 for the purpose of carrying



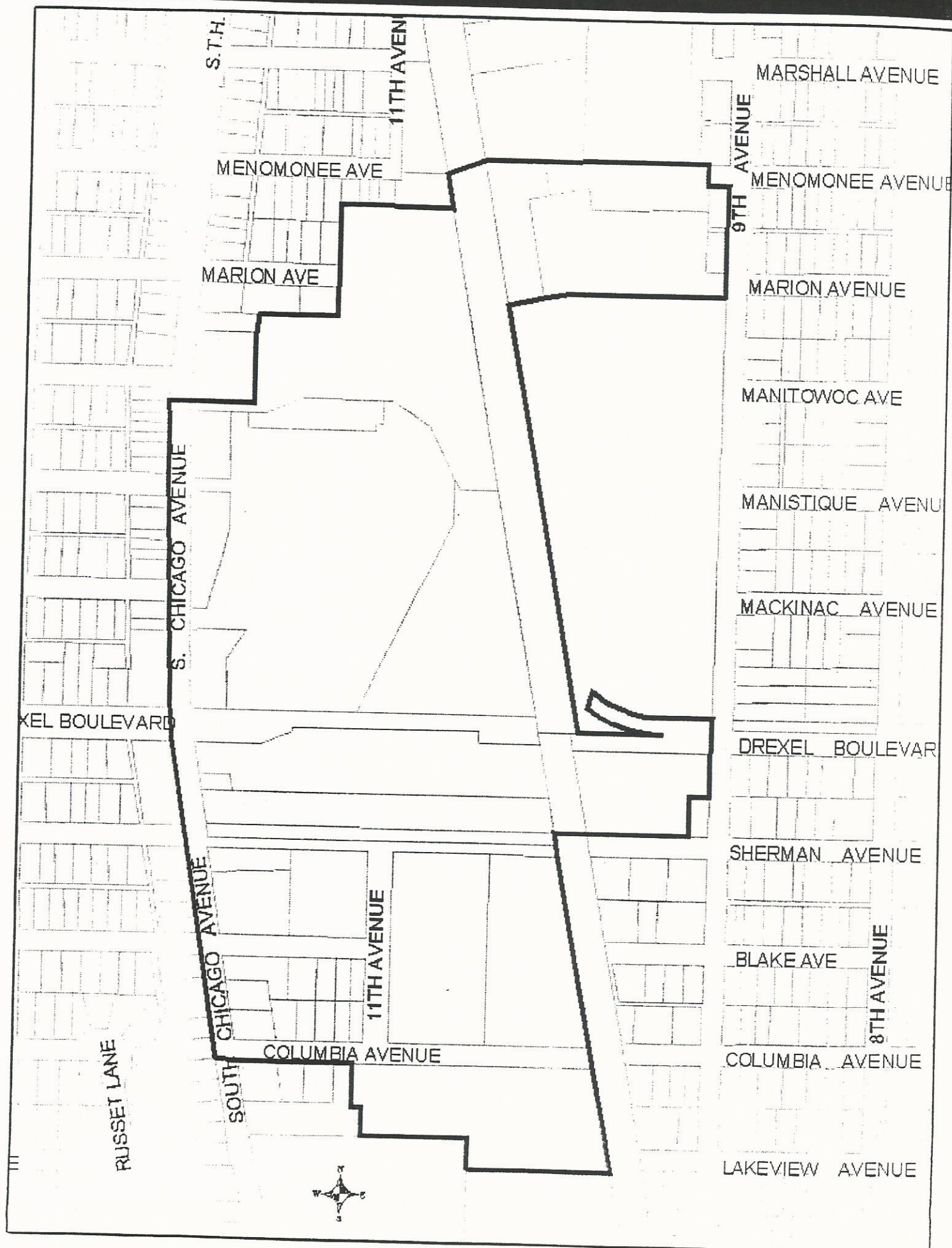
- out such projects pursuant to ss 66.1333, subject to Common Council approval; and
- 3.) directs staff to prepare a project plan for proposed TID No. 3 pursuant to the requirements of ss 66.1105(4)(f) and ss 66.1331; and
  - 4.) will notify appropriate public agencies of the creation of a Joint Review Board for consideration of the proposed TID.

A handwritten signature in black ink, appearing to read 'Michael D. Johnson', written over a horizontal line.

MICHAEL D. JOHNSON,  
CHAIRPERSON

Adopted: August 16, 2004

# TIF 3 PROPOSED BOUNDARY - Exhibit A





**RESOLUTION NO. 04-45**

**RESOLUTION DECLARING REDEVELOPMENT PROJECT AREA NO. 3  
A BLIGHTED AREA**

**WHEREAS**, the City of South Milwaukee Community Development Authority (CDA) adopted CDA Resolution No. 04-05 on August 16, 2004 designating proposed boundaries of Tax Incremental District (TID) No. 3; and

**WHEREAS**, proposed TID No. 3 will be classified as a mixed-use district containing a combination of industrial, commercial or residential uses; and

**WHEREAS**, proposed TID No. 3 is a blighted area in need of blight elimination and urban renewal projects as described under ss 66.1331(3)(m); and

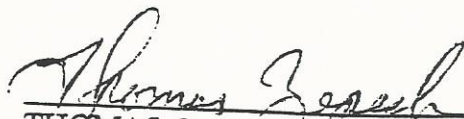
**WHEREAS**, said CDA Resolution No. 04-05 recommends that the boundary for Redevelopment Project Area No. 3 be designated effectively the same as TID No. 3 for the purpose of carrying out redevelopment projects pursuant to ss 66.1333, subject to the city of South Milwaukee Common Council declaring the area to be blighted; and

**WHEREAS**, blighted area is defined under 66.1333(2m); and for proposed Redevelopment Project Area No. 3, it is considered an area which has deteriorating buildings, structures or site improvements impairing solid growth of the community and constitutes an economic and social liability in its present condition and use; and

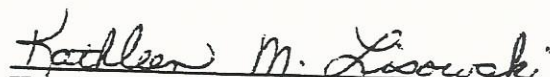
**WHEREAS**, the CDA intends to prepare a project area redevelopment plan and hold a public hearing on September 28, 2004.

**NOW THEREFORE BE IT RESOLVED**, that the Common Council of the City of South Milwaukee hereby declares Redevelopment Project Area No. 3 as shown on Exhibit A attached to this Resolution, to be a blighted area in need of blight elimination and urban renewal projects; and

**BE IT FURTHER RESOLVED**, the Common Council hereby authorizes and requests the CDA to prepare a redevelopment plan for Redevelopment Project Area No. 3 and conduct a public hearing on said plan.

  
THOMAS G. ZEPECKI, Acting Mayor

Attest:

  
KATHLEEN M. LISOWSKI, City Clerk

Adopted: September 7, 2004

Approved: September 8, 2004

I, Kathleen M. Lisowski, Clerk of the City of South Milwaukee, certify that the foregoing Resolution was duly and regularly adopted by the Common Council at a duly scheduled meeting held at the City Hall on September 7, 2004. Motion by Zepecki, seconded by Raduenz, to adopt the Resolution.

Vote: 8 yes 0 no



## OFFICIAL NOTICE

### **CITY OF SOUTH MILWAUKEE COMMUNITY DEVELOPMENT AUTHORITY NOTICE OF PUBLIC HEARING ON BOUNDARY AND PROJECT PLAN FOR TAX INCREMENTAL DISTRICT NO. 3**

**PLEASE TAKE NOTICE**, that on Tuesday, September 28, 2004, at 6:00 p.m., the City of South Milwaukee Community Development Authority (CDA) will hold a Public Hearing pursuant to sections 66.1105(4)(a), 66.1105(4)(e), and 66.1333(6)(b)(3) of the Wisconsin State Statutes at the City Administration Building, 2424 15<sup>th</sup> Avenue, South Milwaukee, Wisconsin. At that time a reasonable opportunity will be afforded all interested parties to express their view on the proposed creation of Tax Incremental District (TID) No. 3, proposed TID boundaries, and proposed Project Plan. Staff will be available prior to the hearing starting at 5:00 p.m. to answer questions. Arrangements can be made to meet with staff in advance of the hearing date as indicated below. If you cannot attend the hearing, written comments can be directed to the CDA and will read into the official record.

A copy of the draft Project Plan will be available for review at the above address beginning September 16<sup>th</sup> and will be provided upon request. Arrangements to meet with staff or to receive a copy of the draft Project Plan may be made by contacting Kyle Vandercar, City Engineer, at 414-762-2222 X-136, fax: 414-768-8068 or e-mail: [vandercar@ci.south-milwaukee.wi.us](mailto:vandercar@ci.south-milwaukee.wi.us).

This hearing may begin at 6:00 p.m. or as soon as possible following the conclusion of other hearings scheduled for this date and time.

A map showing the approximate boundaries of the area to be included in the proposed Tax Increment District No. 3 follows:

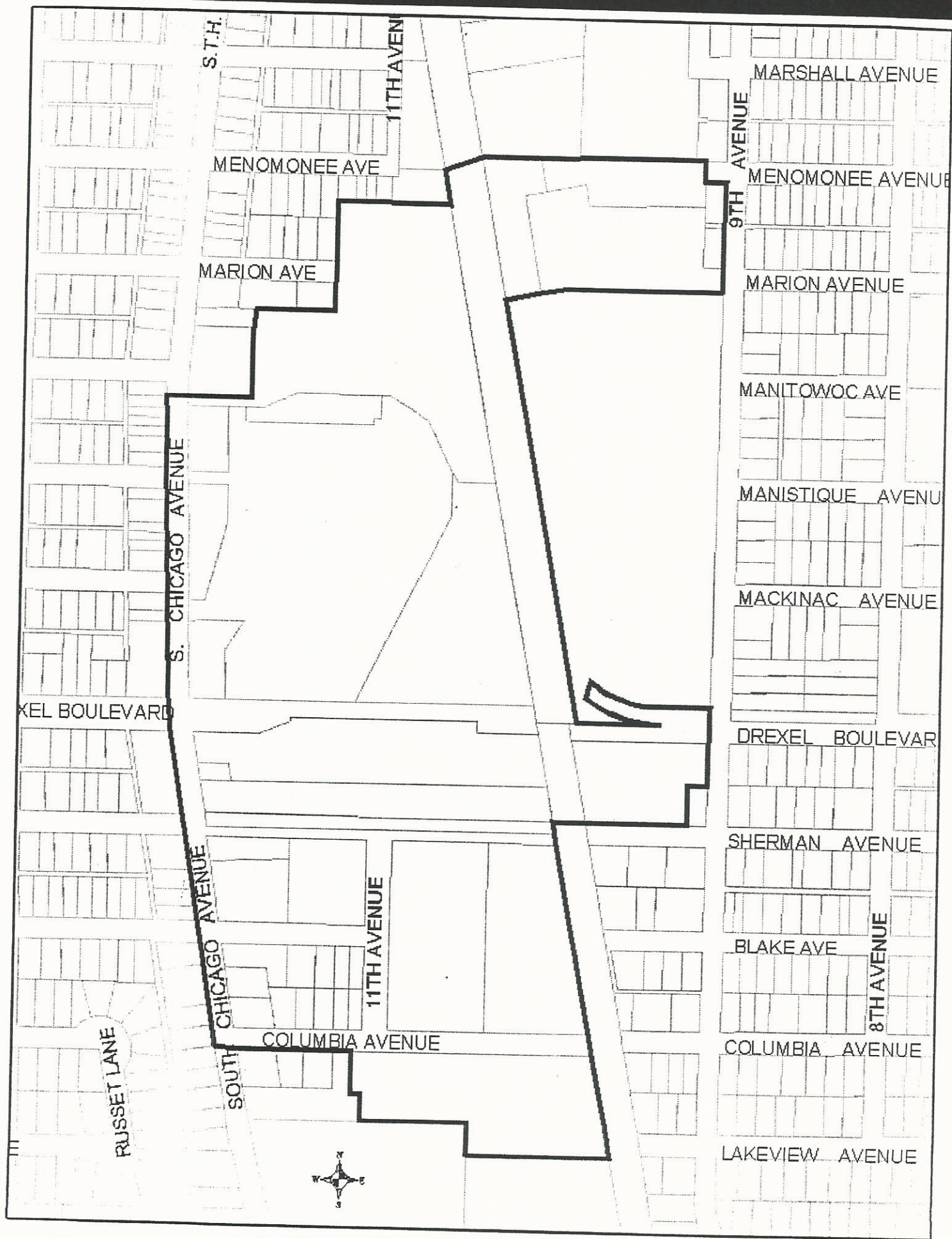
[DISTRICT BOUNDARY MAP ATTACHED]

Dated: September 2, 2004

Michael D. Johnson, Chairman  
South Milwaukee Community Development Authority

Publish:       September 9, 2004  
                  September 16, 2004

# TIF 3 PROPOSED BOUNDARY - Exhibit A







city of . . .

# South Milwaukee

OFFICE OF THE CITY ENGINEER

(414) 768-8053

FAX: (414) 768-8068

September 10, 2004

CERTIFIED MAIL

<address block>

Re: Notice of Public Hearing on Project Area Redevelopment Plan

The City of South Milwaukee Community Development Authority (CDA) is proposing to create Tax Incremental District (TID) No. 3. A TID is often referred to as a Redevelopment District since it is targeted toward promoting redevelopment and rehabilitating areas declining in value. Property that you own is within the proposed boundaries of TID No. 3. As required by State law, a public hearing will be held on the proposed TID and Project Area Redevelopment Plan ("Plan") on Tuesday, September 28, 2004. Enclosed is a copy of the hearing notice, boundary map and parcel data. A copy of the draft plan is available for review pursuant to the notice.

The primary target for redevelopment in the proposed Plan is Grant Park Plaza, 2901 S. Chicago Avenue. The CDA intends to work with the owner of the Plaza and provide some public funds to renovate the property for a new anchor tenant (Pick 'n Save). However, the proposed boundary includes other properties in the vicinity which may be redeveloped during the estimated 20-year life of the TID. State law requires the CDA to notify you that your property might be acquired for urban renewal (redevelopment) purposes. **Although, we are required to notify you of this, the CDA currently has no plans to acquire property by condemnation/ eminent domain.** The Plan will be amended and property owner(s) notified in the future if the City intends to acquire property.

Any property owner within the proposed boundaries of the Redevelopment Area who wishes to object to the Plan is required to state his or her objections and reasons for objection in writing. The written statement of objection must be filed either prior to the public hearing, at the time of the public hearing, or within 15 days after the public hearing. The statement must contain the owner's mailing address and must be signed by the property owner. Following the public hearing, the CDA may revise the boundary and Plan prior to recommendation to the Common Council.

If you have questions or need additional information, please contact me at 414-762-2222 X-136 or 768-8053.

Sincerely,

Kyle Vandercar  
City Engineer

Enclosure

Attachment B-4

Century Shopping Center Fund  
c/o Olympic Realty Corp  
PO Box 2348  
Oshkosh, WI 54903

Charles W. Lessard  
3205 S. Chicago Avenue  
South Milwaukee, WI 53172

Mary Becker Life Estate  
620 Downing Drive  
Waukesha, WI 53186

Catherine C. Schaal  
3107 S. Chicago Avenue  
South Milwaukee, WI 53172

John J. Racine  
904 Sherman Avenue  
South Milwaukee, WI 53172

William E. Marinkovich  
PO Box 970339  
Coconut Creek, FL 33097

Terry M. and Sharon E. Patnode  
1102 Columbia Avenue  
South Milwaukee, WI 53172

Virgil Shauger, LC *Don Freichels*  
913 16<sup>th</sup> Avenue  
South Milwaukee, WI 53172  
*1104 Columbia*

Joseph F. Balestrieri  
319 Southtowne Pl CC104  
South Milwaukee, WI 53172

Nicholas J. Jasunas  
3303 S. Chicago Avenue  
South Milwaukee, WI 53172

International Production Specialists  
PO Box ~~117~~ 125  
Honey Creek, WI 53138

TNR Enterprises LLC  
1005 Columbia Avenue  
South Milwaukee, WI 53172

Grant Park Sq. Apt. Co.  
c/o Metropolitan Associates  
1123 N. Astor Street  
Milwaukee, WI 53202

Debra K. Petrovic  
3201 S. Chicago Avenue  
South Milwaukee, WI 53172

Kenneth J. Pire  
3311 S. Chicago Avenue  
South Milwaukee, WI 53172

John J. Ludwiczak  
3305 S. Chicago Avenue  
South Milwaukee, WI 53172

Robert F. Shoman  
401 Montana Avenue  
South Milwaukee, WI 53172



Kylie

**NOTICE OF PUBLIC MEETING  
CITY OF SOUTH MILWAUKEE  
JOINT REVIEW BOARD  
ORGANIZATIONAL MEETING ON CREATION OF  
TAX INCREMENT DISTRICT NO. 3 AND  
AMENDEMENT TO TAX INCREMENT DISTRICT NO. 1**

NOTICE IS HEREBY GIVEN that on Monday, September 20, 2004 at 3:30 p.m. the City of South Milwaukee Joint Review Board will hold an organizational meeting. The purpose of this meeting is to convene the Joint Review Board as part of the proposed creation of Tax Increment District No. 3 and amendment to Tax Increment District No. 1, pursuant to Section 66.1105 (4m) of the Wisconsin Statutes. The meeting will be held in the South Milwaukee City Administration Building, 2424 15<sup>th</sup> Avenue, South Milwaukee, Wisconsin.

**AGENDA**

1. Call to Order
2. Roll Call
3. Appointment of Chairman
4. Appointment of Public (At Large) Member
5. Brief Presentation of Proposed TID Project Plans and Boundaries
6. Schedule Additional Meetings
7. Adjourn

**PUBLIC NOTICE**

**PLEASE NOTE:** Upon reasonable notice, a good faith effort will be made to accommodate the needs of disabled individuals through sign language, interpreters or other auxiliary aid at no cost to the individual to participate in public meetings. Due to the difficulty in finding interpreters, requests should be made as far in advance as possible, preferably a minimum of 48 hours. For additional information or to request this service, contact the South Milwaukee City Clerk at (414) 762-2222, (FAX) (414) 762-3272, or write to the ADA Coordinator, City Hall, 2424 15<sup>th</sup> Avenue, South Milwaukee, WI 53172. The City of South Milwaukee is TDD equipped and can be accessed by calling (414) 768-8060.

**MINUTES OF JOINT REVIEW BOARD**  
**September 20, 2004 - 3:30 p.m.**

**MEMBERS:** Acting Mayor Thomas Zepecki X  
Renee Dudley, MATC X  
Gregory Reiman, Milwaukee County X  
Michael Stritchko, School Board X

Also present: City Engineer Kyle Vandercar, City Planner Jac Zader, CDA Executive Director John Leupold and interested parties.

1. Meeting called to order at 3:43 p.m.
2. Gregory Reiman represented Milwaukee County in place of Bob Dennik, who was unable to attend the meeting due to a family illness. It is expected that Mr. Dennik will represent Milwaukee County at the next Joint Review Board Meeting.
3. **Motion made by Dudley, seconded by Stritchko, to appoint the mayor or acting mayor of the City of South Milwaukee as chairperson. All voted aye. Motion carried.**
4. Vandercar recommended the appointment of Robert Morgan of 503 Manistique Avenue as the At Large Committee Member.

**Motion made by Zepecki, seconded by Stritchko to appoint Robert Morgan as the At Large Committee Member. All voted aye. Motion carried.**

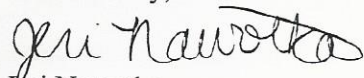
Mr. Morgan is to be notified of his appointment and to be forwarded all materials.

5. Vandercar gave a brief presentation of the proposed project plans and boundaries for the amendment to TID No. 1 and the proposed TID No. 3. Dudley would like to see a breakdown of the \$3.4 million in construction costs proposed in TID No. 3. Staff is to provide a breakdown of those costs to all Joint Review Board members by the next meeting. Dudley questioned the City's 20% contribution to the total project costs as being high. Dudley also questioned the southern section of proposed TID No. 3 because of the lack of projects in that area. Staff will provide a supplement to Joint Review Board members regarding possible projects in this southern section of proposed TID No. 3. Reiman would like an estimate of the number of jobs that would be created as a result of the revitalization of Grant Park Plaza in proposed TID No. 3.

6. There will be a public hearing on Tuesday, September 28, 2004 at 6:00 regarding the proposed amendment to TID No. 1 and the proposed TID No. 3. The next meeting of the Joint Review Board will be held on Wednesday, October 13, 2004 at 3:30 p.m.

7. **Motion made by Dudley, seconded by Stritchko, to adjourn. All voted aye. Motion carried.** Meeting adjourned at 4:50 p.m.

Submitted by,



Jeri Nawotka  
Recording Secretary



**NOTICE OF PUBLIC MEETING  
CITY OF SOUTH MILWAUKEE  
JOINT REVIEW BOARD MEETING ON  
TAX INCREMENT DISTRICT NO. 3 AND  
AMENDEMENT TO TAX INCREMENT DISTRICT NO. 1**

NOTICE IS HEREBY GIVEN that on Wednesday, October 13, 2004 at 3:30 p.m., the City of South Milwaukee Joint Review Board will hold a meeting. The purpose of this meeting is review and discussion on the proposed creation of Tax Increment District No. 3 and amendment to Tax Increment District No. 1, pursuant to Section 66.1105 (4m) of the Wisconsin Statutes. The meeting will be held in the South Milwaukee City Administration Building, 2424 15<sup>th</sup> Avenue, South Milwaukee, Wisconsin.

**AGENDA**

1. Call to Order
2. Roll Call
3. Approval of Minutes of September 20, 2004 meeting.
4. Review and discussion of Tax Increment District No. 3
5. Review and discussion of Amendment to Tax Increment District No. 1
6. Schedule Additional Meetings
7. Adjourn

**PUBLIC NOTICE**

*PLEASE NOTE: Upon reasonable notice, a good faith effort will be made to accommodate the needs of disabled individuals through sign language, interpreters or other auxiliary aid at no cost to the individual to participate in public meetings. Due to the difficulty in finding interpreters, requests should be made as far in advance as possible, preferably a minimum of 48 hours. For additional information or to request this service, contact the South Milwaukee City Clerk at (414) 762-2222, (FAX) (414) 762-3272, or write to the ADA Coordinator, City Hall, 2424 15<sup>th</sup> Avenue, South Milwaukee, WI 53172. The City of South Milwaukee is TDD equipped and can be accessed by calling (414) 768-8060.*

**MINUTES OF JOINT REVIEW BOARD**  
**October 13, 2004 – 3:30 p.m.**

MEMBERS:	Acting Mayor Thomas Zepecki	<u>X</u>
	Renee Dudley, MATC	<u>X</u>
	Bob Dennik, Milwaukee County	<u>X</u>
	Michael Stritchko, School Board	<u>X</u>
	Robert Morgan, At-Large Member	<u>X</u>

Also present: City Engineer Kyle Vandercar, City Planner Jac Zader, CDA Executive Director John Leupold and interested parties.

1. Meeting called to order at 3:40 p.m.
2. **Motion made by Dudley, seconded by Zepecki, to approve the minutes of the September 20, 2004 meeting. All voted aye. Motion carried.**
3. Vandercar updated the Board and reviewed changes made to the boundaries of Tax Increment District No. 3 and the amendment to Tax Increment District No. 1 as a result of the comments received at the Public Hearings held on September 28, 2004.
4. Vandercar presented a tentative time line for approval of the plans as follows:  
  
CDA to meet on October 13, 2004 at 6:00 pm for approval of Tax Increment District No. 3 and the amendment to Tax Increment District No. 1; Common Council to meet on October 19, 2004 for approval; and the Joint Review Board to meet for final approval on November 1, 2004.
5. Vandercar offered to present the plans at each of the members' respective boards. Dudley and Stritchko declined. Dennik asked that Vandercar contact Supervisor McCue in regard to the plans.
6. The next meeting of the Joint Review Board is scheduled for Monday, November 1, 2004 at 3:30 pm.
7. **Motion made by Morgan, seconded by Stritchko, to adjourn. All voted aye. Motion carried.** Meeting adjourned at 4:08 p.m.

Submitted by,

Jeri Nawotka  
Recording Secretary



**NOTICE OF PUBLIC MEETING  
CITY OF SOUTH MILWAUKEE  
JOINT REVIEW BOARD MEETING ON  
TAX INCREMENTAL DISTRICT NO. 3 AND  
AMENDMENT TO TAX INCREMENTAL DISTRICT NO. 1**

NOTICE IS HEREBY GIVEN that on Monday, November 8, 2004 at 3:30 p.m., the City of South Milwaukee Joint Review Board will hold a meeting. The purpose of this meeting is review the planning documents and resolutions adopted by the Common Council for creation of Tax Incremental District No. 3 and amendment to Tax Incremental District No. 1, pursuant to Section 66.1105 (4m) of the Wisconsin Statutes. The meeting will be held in the South Milwaukee City Administration Building, 2424 15<sup>th</sup> Avenue, South Milwaukee, Wisconsin.

**AGENDA**

1. Call to Order
2. Roll Call
3. Approval of Minutes of October 13, 2004 meeting.
4. Discussion and decision regarding Council Resolution No. 04-49 creating Tax Incremental District No. 3 and adoption of resolution.
5. Discussion and decision regarding Resolution No. 4-50 Amending Tax Incremental District No. 1 and adoption of resolution.
6. Recommendation to leave Joint Review Board in place for review of TID No. 2 Project Plan amendment.
7. Adjourn

**PUBLIC NOTICE**

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**MINUTES OF JOINT REVIEW BOARD**  
**November 8, 2004 – 3:30 p.m.**

MEMBERS:	Acting Mayor Thomas Zepecki	<u>X</u>
	Renee Dudley, MATC	<u>EXC</u>
	Bob Dennik, Milwaukee County	<u>X</u>
	Michael Stritchko, School Board	<u>X</u>
	Robert Morgan, At-Large Member	<u>X</u>

Also present: City Engineer Kyle Vandercar, City Planner Jac Zader, CDA Executive Director John Leupold and interested parties.

1. Meeting called to order at 3:42 p.m. Vandercar informed the Board that Renee Dudley had called him stating that she was caught in traffic and would not be able to attend the meeting. She stated that she had her questions answered satisfactorily in regard to both the amendment to TID No. 1 and the creation of TID No. 3 and it was her intention to vote in favor of both. She will verify this information with a fax to Vandercar. (Fax attached to these minutes.)
2. **Motion made by Morgan, seconded by Stritchko, to approve the minutes of the October 13, 2004 meeting.** On the question, Vandercar informed the Board that Mayor Kieck had sent an informational letter to Supervisor McCue in regard to the TID plans, as had been requested by Dennik. **All voted aye. Motion carried.**
3. There was discussion regarding Common Council Resolution No. 04-49 creating Tax Incremental District No. 3. Zepecki read the Joint Review Board Resolution Concerning City of South Milwaukee Tax Incremental District No. 3 approving Common Council Resolution No. 04-49.  
**Motion made by Zepecki, seconded by Morgan, to approve the Joint Review Board Resolution Concerning City of South Milwaukee Tax Incremental District No. 3.** On the question, Vandercar reviewed financial data regarding TID No. 3. **All voted aye. Motion carried.**
4. There was discussion regarding Common Council Resolution No. 04-50 amending Tax Incremental District No. 1. Zepecki read the Joint Review Board Resolution Concerning City of South Milwaukee Amendment to Tax Incremental District No. 1 approving Common Council Resolution No. 04-50.  
**Motion made by Morgan, seconded by Dennik, to approve the Joint Review Board Resolution Concerning City of South Milwaukee Amendment to Tax Incremental District No. 1.** On the question, Vandercar informed the Board of funds that were added for streetscaping and also reviewed financial data regarding TID No. 1. **All voted aye. Motion carried.**
5. The Joint Review will be left in place for the review of the anticipated TID No. 2 Project Plan amendment.
6. **Motion made by Morgan, seconded by Stritchko, to adjourn.** **All voted aye. Motion carried.** Meeting adjourned at 3:55 p.m.

Submitted by,



Jeri Nawotka

Recording Secretary



MILWAUKEE AREA  
TECHNICAL COLLEGE  
700 WEST STATE ST.  
MILWAUKEE WI  
53233

# Fax

To: Kyle Vandercar

From:

Renee Dudley  
414-297-6663

Fax: 768-8068

Pages:

1

Phone:

Date:

11/8/04

Re:

CC:

☐ Urgent

☐ For Review

☐ Please Comment

☐ Please Reply

☐ Please Recycle

Kyle -

As we discussed please accept  
this as a proxy to vote in favor  
of the amendment of TID # 1  
and the creation of TID # 3.  
Please let me know. Thanks,

Renee Dudley

**CITY OF SOUTH MILWAUKEE**  
**MINUTES OF COMMUNITY DEVELOPMENT AUTHORITY**  
**September 28, 2004 – 6:00 P.M.**

MEMBERS: Terrence Browne X Mike Johnson X Heather Page EXC  
Ald. Baumgartner EXC Ald. Zepecki X Edward Magnuson X

Also present: Executive Director Leupold, City Attorney Murphy, City Engineer Kyle Vandercar, and City Planner Jac Zader. John Lange present as a citizen.

Public Hearings began at 6:00 p.m. Vandercar introduced the CDA members to the public in attendance.

- **Public Hearing on Boundary and Project Plan for Tax Incremental District No. 3**

1. Vandercar gave a brief slide presentation on TID 3.
2. Johnson read the official notice and outlined the procedures to be followed for the public hearing. Johnson asked that the remarks be brief as there were two other public hearings to follow. Questions asked by the public will be written down and answered later in the meeting.
3. A letter from Elizabeth S. Almon of 701 Clark Avenue was read into the minutes. The letter spoke in favor of TIF for Grant Park Plaza citing the poor impression the present condition of the Plaza presents of the City and her own personal experiences of not having a local grocery store to shop at.
4. Citizens present were given the opportunity to address the CDA. See attached list of citizens who spoke at the hearing.

**Motion made by Zepecki, seconded by Browne to close the Public Hearing on Boundary and Project plan for Tax Incremental District No. 3. All voted aye. Motion carried.**

- **Public Hearing on Boundary and Project Plan Amendment for Tax Incremental District No. 1**

1. Johnson read the official notice.
2. Vandercar gave a brief slide presentation on TID 1 Amendment.
3. Citizens present were given the opportunity to address the CDA. See attached list of citizens who spoke at the hearing.

**Motion made by Browne, seconded by Zepecki, to close the Public Hearing on Boundary and Project Plan Amendment for Tax Incremental District No. 1. All voted aye. Motion carried.**

- **Public Hearing on Sale of Real Property in Project Area No. 2 (Tax Incremental District No. 2) for Private Use.**

1. Johnson read the official notice.
2. A letter from Brett Briesemeister of 718 Walnut was read into the minutes. The letter expressed his concerns with regard to the below market sale of



the property and the inappropriate use of the property. He would like to see commercial development.

3. Vandercar gave a brief presentation on the proposed sale of 221 N. Chicago Avenue.
4. Citizens present were given the opportunity to address the CDA. See attached list of citizens who spoke at the hearing.

**Motion made by Zepecki, seconded by Browne, to close the Public Hearing on the Sale of Real Property in Project Area No. 2 (Tax Incremental District No. 2) for Private Use.**

Meeting called to order at 7:45 p.m.

1. **Motion made by Zepecki, seconded by Browne, to approve the minutes of August 16, 2004. All voted aye. Motion carried.**
2. **Motion made by Zepecki, seconded by Magnuson, to approve the minutes of the special meeting of August 30, 2004. All voted aye. Motion carried.**
3. There was discussion regarding questions that had been asked during the Public Hearing regarding TID No.3 Boundaries and Project Plan. There was lengthy discussion regarding the southern and eastern boundaries with some Board members wishing to address the citizen concerns expressed during the Public Hearing.
4. **Motion made by Zepecki, seconded by Browne, to refer back to staff the TID No. 3 Boundary and Project Plan to amend the boundaries and recalculate the base value and other criteria. The boundaries of TID No. 3 are to be Sherman Avenue on the south and the railroad tracks on the east, except for property on the north end of the proposed district which overlaps TID No. 1. Property on the north side of Columbia Avenue (930 and 1040) is to be added back to the district if required to meet the requirements of the TID. All voted aye. Motion carried.**
5. There was discussion regarding the Boundary and Project Plan Amendment for TID No. 1. It was brought to the Board's attention that one of the houses in the Amendment on Michigan Avenue is used as a residence even though it is zoned commercial. Members felt that this property as well as the one next to it should not be included in the Project Plan.
6. **Motion made by Zepecki, seconded by Magnuson, to approve the TID No. 1 Boundary and Project Plan Amendment with the exception of the two properties at 1011 and 1015 Michigan Avenue. The Amendment was referred back to staff for revision, after which the Joint Review Board and Community Development Authority would need to approve before referral to the Common Council. All voted aye. Motion carried.**
7. There was discussion regarding the public hearing comments on the sale of land at 221 N. Chicago Avenue. It was decided to hold this item over to the next meeting after the public hearing scheduled for October 5, 2004 on the rezoning of the property.

8. There was no need to go into closed session regarding Agenda Item No. 8.
9. There was a review of the bids for demolition of 312 N. Chicago Avenue. The low bid was AZAR, LLC, dba: Sam Azarian Wrecking Co. in the amount of \$7,944.00.

**Motion made by Browne, seconded by Johnson, to approve a contract with AZAR, LLC for the demolition of 312 N. Chicago Avenue, in an amount not to exceed \$7,944.00. All voted aye. Motion carried.**

10. There was discussion regarding CDA funding of \$400.00 for Jac Zader to attend Asbestos Inspector class. This would allow the City to do inspections in-house.

**Motion made by Browne, seconded by Zader, to approve CDA funding for Jac Zader to attend Asbestos Inspector class. All voted aye. Motion carried.**

11. There was discussion regarding Parkcrest one-year and five-year plans. Browne expressed the Board's appreciation to Leupold for his work on this project. The Board had also received a copy of the CFP grant amendment in the amount of \$104,645.

**Motion made by Zepecki, seconded by Magnuson, to accept the recommendation to approve the Parkcrest one-year and five-year plans and to adopt CDA Resolution 04-06 approving these plans. All voted aye. Motion carried.**

12. There was no need to go into closed session regarding Agenda Item No. 13.
13. There was discussion regarding 1010 Davis Avenue and 211 11<sup>th</sup> Avenue. Murphy gave a summary on the background of these properties and the situation with the owner.

**Motion made by Browne, seconded by Magnuson, to reject the latest offer made to the City by the owner of 1010 Davis Avenue and 211 11<sup>th</sup> Avenue and to request that the City Attorney pursue a court order to proceed with Phase 2 environmental study. All voted aye. Motion carried.**

14. Next meeting – Wednesday, October 13, 2004 – 6:00 p.m.
15. **Motion made by Johnson, seconded by Browne to adjourn. All voted aye. Motion carried. Meeting adjourned at 8:55 p.m.**

Submitted by,



Jeri Nawotka  
Recording Secretary



**City of South Milwaukee**  
**Public Hearings – September 28, 2004**

**The following citizens spoke regarding TID 3:**

- Steve Parsons – 3801 9<sup>th</sup> Avenue  
Written questions were given to Johnson to be answered on a personal basis. In favor.
- A. J. Walek – 728 Montana Avenue  
In favor. Recommends that developer be checked for financial stability.
- Terry Patnode – 1102 Columbia Avenue  
Does not agree with boundaries. Suggests southern boundary at Drexel Ave.
- Robert Sarver – 1207 Oak Creek Parkway  
Opposed. Situation at Plaza best left to free market.
- Jeff Racine – 904 Sherman Avenue  
Opposed. Questioned borders and ability to fill up the Plaza with tenants.
- Mike Karbowski – 1119 Milwaukee Avenue  
Questions: How long is the lease? How long is the payback? What happens if the developer declares bankruptcy?
- Gary Jacobson – 313 Lakeview Avenue  
Opposed. Felt boundaries were expanded to cover mistakes in other districts.
- Representative for Mary Becker and Katherine Schall – 3105, 3111, 3107 S. Chicago  
In favor.
- Brian Fisher – Representative for Anderson Ashton  
Presently only two locations in the Plaza are without a commitment.
- Brad McKendry – 612 Walnut Street  
In favor. He has not heard any negative comments from those residents he has spoken with. Applauds efforts to try to move the city forward.
- Sue Kuzmic – 828 Columbia Avenue  
In favor. Great step forward.
- Kate Bernovich – 317 Laurel Lane  
In favor. Keeps residents spending money in the city.
- Dawn Green – 2825 S. Chicago Avenue  
In favor. Moved here because of access via wheelchair to shopping center. Wants this to move forward ASAP.
- Dan Ferrell – Vice President for Roundy's, Inc.  
Roundy's looks forward to serving the community. Project will not happen without TIF assistance. Roundy's commitment to project is \$3-4 million dollars.
- Craig Maass – 117 Brookdale Dr.  
Question: Why is the boundary bigger?
- Debra Witkowski – 1015 16<sup>th</sup> Avenue  
Opposed.
- Kevin Kuhnke – 1307 Milwaukee Avenue  
Opposed. Question: Why does district go so far south? In favor of grocery store but not of \$3.5 million city contribution.
- Steve Parsons – 3801 9<sup>th</sup> Avenue  
Spoke again in favor. Considers this a stepping stone for city.
- David Kieck – 212 16<sup>th</sup> Avenue  
In favor. 150 jobs to be created in Plaza. If nothing is done, assessed valuation of Plaza will decline. Project has been in works for a long time.

Barbara Hintz – 1711 Manistique Avenue

In favor.

Bill Bates – 614 Cherry Avenue

In favor. Would like boundaries looked at.

Tom Zingale – 917 Michigan Avenue

In favor. South Milwaukee would become ghost town without it.

**The following citizens spoke regarding TID 1:**

Robert Sarver – 1207 Oak Creek Pkwy

Opposed to refinancing.

A.J. Walek – 728 Montana Avenue

In favor. Expansion of MetalCut will provide jobs.

**The following citizens spoke regarding the Sale of Real Property in Project Area No. 2 (Tax Incremental District No. 2) for Private Use:**

Mike Karbowski – 1119 Milwaukee Avenue

Opposed.

Steve Parsons – 3801 9<sup>th</sup> Avenue

In favor.

A.J. Walek – 728 Montana Avenue

Opposed. Density too high. Wait for a better plan.

*Note: This is a summary of comments made at the meeting. Tape recording of public hearing is on file in City Engineer's office.*

*Sign-in Sheets are on file for those attendees who chose to sign in at the hearings. The list is not a comprehensive list of citizens, only those who provided names and addresses*



COMMUNITY DEVELOPMENT AUTHORITY OF  
THE CITY OF SOUTH MILWAUKEE

CDA RESOLUTION NO. 04-08

RESOLUTION RECOMMENDING BOUNDARIES OF TAX INCREMENT  
DISTRICT NO. 3; ADOPTION OF PROJECT PLAN; AND SUBMISSION  
OF PLAN TO COMMON COUNCIL

**WHEREAS**, the Community Development Authority of the City of South Milwaukee (CDA) adopted CDA Resolution No. 04-05 on August 16, 2004 recommending the creation of Tax Increment District (TID) No. 3; and

**WHEREAS**, said CDA Resolution No. 04-05 designates the boundary for Redevelopment Project Area No. 3 effectively the same as TID No. 3 for the purpose of carrying out redevelopment projects pursuant to ss 66.1333; and

**WHEREAS**, the Common Council of the City of South Milwaukee adopted Resolution No. 04-45 on September 7, 2004 declaring Redevelopment Project Area No. 3 a blighted area in need of blight elimination and renewal projects; and

**WHEREAS**, the CDA established a proposed boundary for said TID NO. 3 and caused a Project Plan and Project Area Redevelopment Plan to be prepared which identifies redevelopment projects in the district with required supporting analysis, maps, and data as described under ss 66.1105 (4) (f) and 66.1331 (3)(m); and

**WHEREAS**, on September 28, 2004 the CDA conducted a public hearing on said TID boundary and Project Plan after duly notifying property owners and overlying taxing jurisdictions of said public hearing, and publishing the Official Notice as a Class 2 notice; and

**WHEREAS**, the CDA has caused the proposed TID Boundary and Project Plan to be revised based on public hearing comments, and has approved said revisions; and

**WHEREAS**, the Joint Review Board has been convened to review the proposed TID and Project Plan;

**NOW THEREFORE BE IT RESOLVED**, after due consideration, the Community Development Authority of the City of South Milwaukee hereby recommends that the Common Council adopt a resolution to create TID No. 3 and approve the Project Plan and Project Area Redevelopment Plan.

**BE IT FUTHER RESOLVED THAT** the CDA hereby designates the boundaries of Redevelopment Project Area No. 3 effectively the same as TID No. 3 for the purposes of carrying out redevelopment projects pursuant to ss 66.1331, subject to approval of the Project Area Redevelopment Plan by the Common Council.

  
MICHAEL D. JOHNSON, CHAIRPERSON

Adopted: October 13, 2004

**CITY OF SOUTH MILWAUKEE  
CITY ATTORNEY**

P. O. Box 308

South Milwaukee, WI 53172

Phone: 414-764-4410

Fax: 414-764-6769

October 19, 2004

Mayor David M. Kieck  
City of South Milwaukee  
2424 15<sup>th</sup> Avenue  
South Milwaukee, WI 53172

**Re: Tax Incremental District No. 3  
Opinion Letter Regarding Compliance with ss 66.1105(4)**

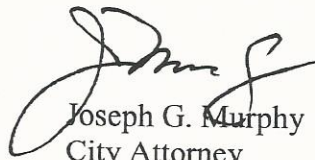
Dear Mayor Kieck:

As City Attorney for the City of South Milwaukee, I have been requested to review the Tax Incremental District (TID) No. 3 Project Plan, which has been recommended by the Community Development Authority and submitted to the Common Council for approval. In accordance with ss 66.1105 (4)(f), I have reviewed the Project Plan and Resolution to be adopted by the Common Council. It is my opinion that the Project Plan is complete and complies with Wisconsin Statute 66.1105 (4).

For the purposes of ss 66.1105 (4)(gm)(6), it is my understanding that TID No. 3 will be declared a mixed-use TID, suitable for mixed-use development. For the purposes of ss 66.1331 and 66.1333, it is my opinion that the TID is a blighted area in need of redevelopment projects.

This letter should be attached to the final Project Plan, assuming it is adopted by the Common Council. Any questions regarding this opinion may be directed to me.

Yours truly,



Joseph G. Murphy  
City Attorney  
City of South Milwaukee



**RESOLUTION NO. 04-49**

**RESOLUTION CREATING TAX INCREMENTAL DISTRICT NO. 3**

**WHEREAS**, the Community Development Authority of the City of South Milwaukee (CDA) adopted CDA Resolution No. 04-05 on August 16, 2004 recommending the creation of Tax Incremental District (TID) No. 3; and

**WHEREAS**, said CDA Resolution No. 04-05 designates the boundary for Redevelopment Project Area No. 3 effectively the same as TID No. 3 for the purpose of carrying out Redevelopment Projects pursuant to ss 66.1333; and

**WHEREAS**, the Common Council of the City of South Milwaukee adopted Resolution No. 04-45 on September 7, 2004 declaring Redevelopment Project Area No. 3 a blighted area in need of blight elimination and renewal projects; and

**WHEREAS**, the CDA established a proposed boundary for said TID NO. 3 and caused a Project Plan and Project Area Redevelopment Plan to be prepared which identifies redevelopment projects in the district with required supporting analysis, maps, and data as described under ss 66.1105 (4) (f) and 66.1331 (3)(m); and

**WHEREAS**, on September 28, 2004 the CDA conducted a public hearing on said TID boundary and Project Plan after duly notifying property owners and overlying taxing jurisdictions of said public hearing, and publishing the Official Notice as a Class 2 notice; and

**WHEREAS**, the CDA has caused the proposed TID Boundary and Project Plan to be revised based on public hearing comments, and has approved said revisions; and

**WHEREAS**, the Joint Review Board has been convened to review the proposed TID and Project Plan;

**WHEREAS**, CDA Resolution No. 04-08 was adopted on October 13, 2004 recommending that the Common Council adopt a resolution to create TID No. 3 and approve the Project Plan and Project Area Redevelopment Plan.

**NOW THEREFORE BE IT RESOLVED**, after due consideration, the Common Council of the City of South Milwaukee hereby creates Tax Incremental District No. 3, City of South Milwaukee, and said District shall be created effective January 1, 2005; and

**BE IT FURTHER RESOLVED**, that the boundaries for TID No. 3 shall be as delineated on Exhibit A attached hereto and as described in the Project Plan, included herein by reference; and

**BE IT FURTHER RESOLVED**, the boundaries of TID No. 3 contain only whole units of property as are assessed for property tax purposes and excludes any designated wetlands; and

**BE IT FURTHER RESOLVED**, the City hereby confirms that less than 25 percent of the real property within TID No. 3 has stood vacant for an entire seven-year period prior to the adoption of this resolution; and

**BE IT FURTHER RESOLVED** that the City makes the following findings:

A. Not less than 50 percent, by area, of the real property within the TID boundary as delineated on Exhibit A, is suitable for mixed-use development; and

B. The improvement of properties within TID No. 3 is likely to enhance significantly the value of substantially all of the other real property in the district; and

C. The project costs identified in the Project Plan relate directly to eliminating blight and promoting mixed-use development within the TID; and

D. The equalized value of taxable property of the TID plus the value increment of all existing TIDs does not exceed 12 percent of the total equalized value of taxable property within the City.

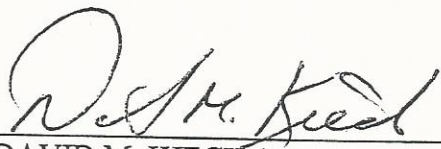
**BE IT FURTHER RESOLVED**, TID No. 3 is hereby declared a mixed-use TID, for the purpose of ss 66.1105(4)(gm)(6).

**BE IT FURTHER RESOLVED**, pursuant to Wisconsin Statutes 66.1105(4)(g), the Common Council hereby approves the Project Plan recommended by the CDA and finds said plan feasible and in conformance with the City's Comprehensive (Master) Plan.

**BE IT FURTHER RESOLVED**, pursuant to Wisconsin Statutes 66.1331(5)(b)(3), the Common Council hereby designates the boundaries of Redevelopment Project Area No. 3 as shown on Exhibit A and approves the Project Area Redevelopment Plan for the purpose of carrying out redevelopment projects; and finds said plan feasible and in conformance with the City's Comprehensive (Master) Plan.

**BE IT FURTHER RESOLVED**, the CDA is authorized to proceed with the projects identified in the Project Plan subject to Common Council's approval of funding for said projects.



  
\_\_\_\_\_  
DAVID M. KIECK, Mayor

Attest:

  
\_\_\_\_\_  
KATHLEEN M. LISOWSKI, City Clerk

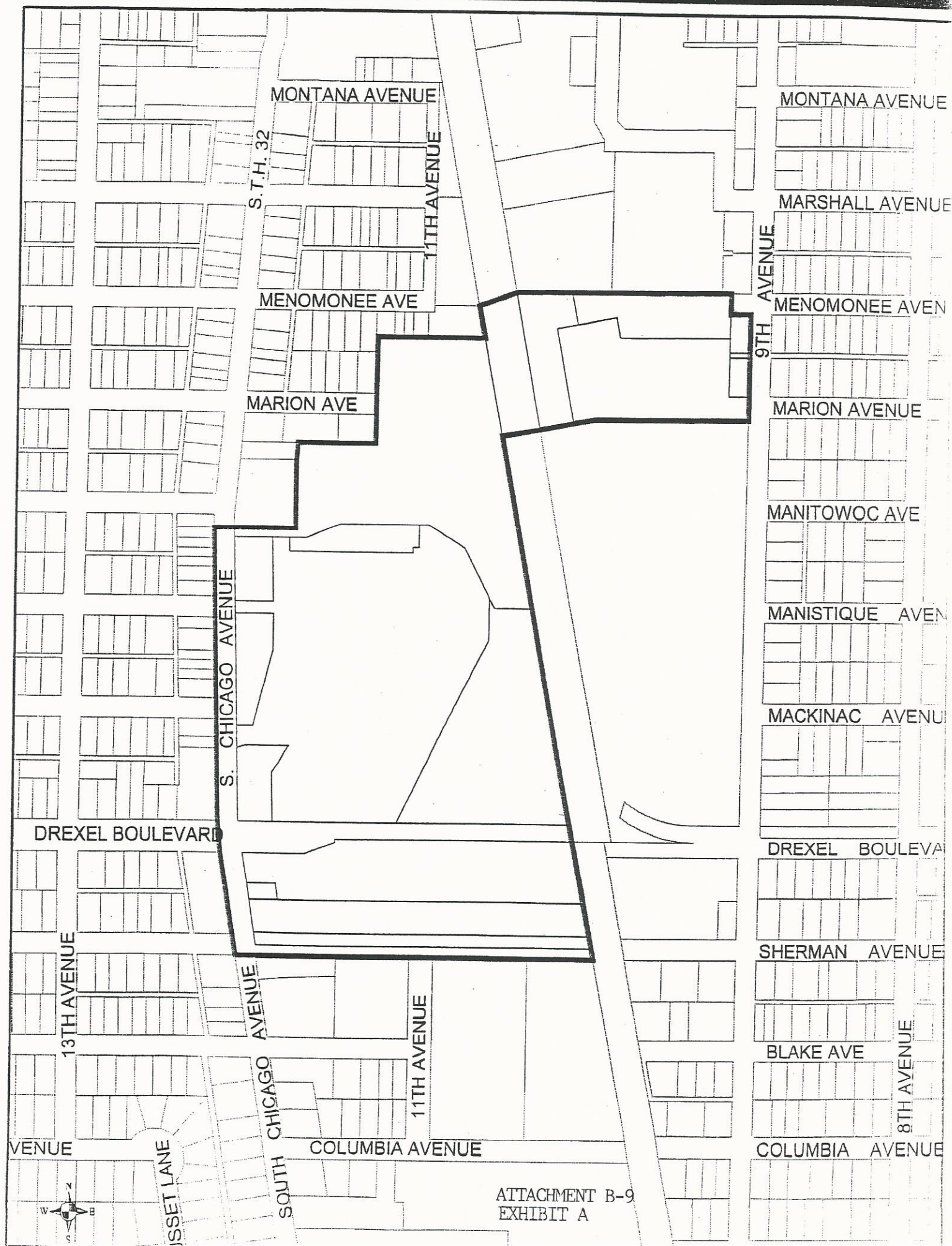
Adopted: October 19, 2004

Approved: October 20, 2004

I, Kathleen M. Lisowski, Clerk of the City of South Milwaukee, certify that the foregoing Resolution was duly and regularly adopted by the Common Council at a duly scheduled meeting held at the City Hall on October 19, 2004. Motion by Zepecki, seconded by Raduenz, to adopt the Resolution.

Vote: 8 yes, 0 no

TIF 3 PROPOSED BOUNDARY - MAP NO. 1



ATTACHMENT B-9  
EXHIBIT A



**JOINT REVIEW BOARD RESOLUTION CONCERNING  
CITY OF SOUTH MILWAUKEE TAX INCREMENTAL DISTRICT NO. 3**

WHEREAS, the Joint Review Board duly appointed pursuant to Wisconsin Statutes 66.1105(4m), having met and reviewed the public record, planning documents and Resolution No. 04-49 passed by the city of South Milwaukee Common Council creating Tax Incremental District No. 3, hereby makes the following findings:

- (A) The development expected in the Tax Incremental District would not occur without the use of Tax Incremental Financing; and
- (B) The economic benefits of the Tax Incremental District, as measured by increased employment, business and personal income and property value are sufficient to compensate the cost of the improvements; and
- (C) The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

NOW THEREFORE BE IT RESOLVED THAT based on this Board's review and its findings, the Board hereby approves Resolution 04-49 adopted pursuant to Wisconsin Statutes 66.1105(4)(gm) by the Common Council for the City of South Milwaukee on October 19, 2004.

This Resolution is adopted this 8<sup>th</sup> day of November 2004 by a majority vote of the Joint Review Board.

  
Thomas Zepecki, Chairperson

**CERTIFICATION**

This is to certify that the above Resolution was duly and regularly adopted by the Joint Review Board at a meeting held on November 8, 2004. Motion was made by Zepecki and seconded by Morgan to adopt the resolution. Vote was 5 in favor and 0 against. Resolution adopted.

  
Jeri L. Nawotka, Recording Secretary

**RESOLUTION NO. 05-43**

**RESOLUTION AMENDING RESOLUTION NO. 04-49  
(CREATION OF TAX INCREMENTAL DISTRICT NO. 3)  
CITY OF SOUTH MILWAUKEE**

**WHEREAS**, Common Council of the City of South Milwaukee adopted Resolution No. 04-49 on October 20, 2004, creating Tax Incremental District (TID) No. 3; and

**WHEREAS**, TID No. 3 was declared a mixed-use TID for the purpose of ss 66.1105 (4)(gm)(6); and


**WHEREAS**, for mixed-use districts, it is required that newly platted residential development in the project plan not exceed 35 percent, by area, of the real property in the district; and

**WHEREAS**, for mixed use districts, it is required that if projects costs are included for newly platted residential development, that such developments have a density of three units per acre, or be located in a conservation subdivision, or be part of a traditional neighborhood development; and

**WHEREAS**, Resolution No. 04-49 did not contain the above findings as required and said resolution must be amended to include the findings to satisfy the Department of Revenue.

**NOW THEREFORE BE IT RESOLVED**; by the Common Council of the City of South Milwaukee, Wisconsin that Resolution No. 04-49 is hereby amended to include the following findings:

1. New platted residential development as shown in the project plan for TID No. 3 does not exceed 35 percent, by area, of the real property in the district.
2. Newly platted residential development within TID No. 3 will have a density of at least three units per acre; and such density will be shown on a map submitted to the Department of Revenue.
3. If the TID project plan is amended to include additional newly platted residential projects, the total area will not exceed 35 percent of the area in the district and the density will be a minimum of three units per acre.

  
\_\_\_\_\_  
DAVID M. KIECK, Mayor

Attest:

  
\_\_\_\_\_  
KATHLEEN M. LISOWSKI, City Clerk

Adopted: December 6, 2005

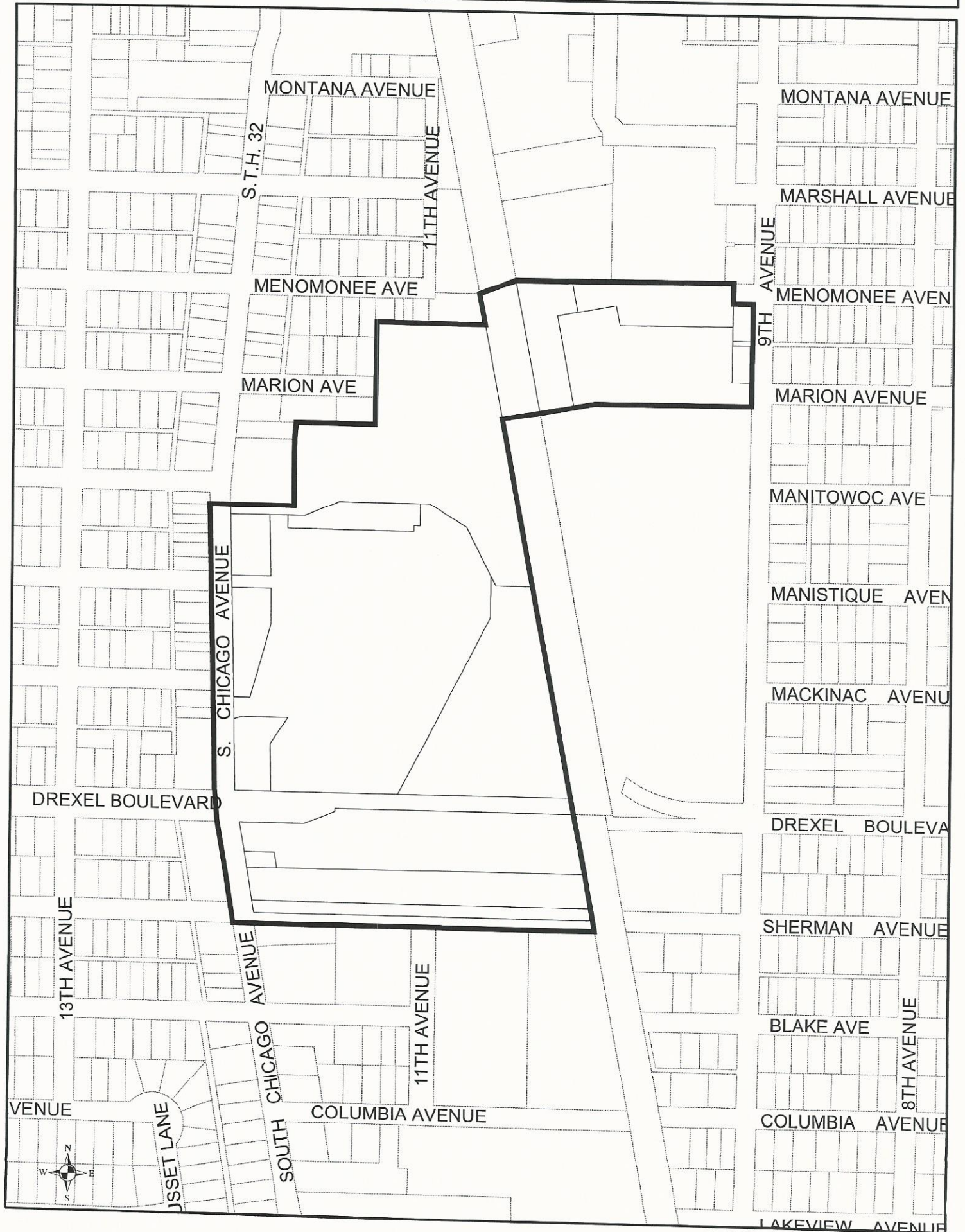
Approved: December 7, 2005



# **ATTACHMENTS C**

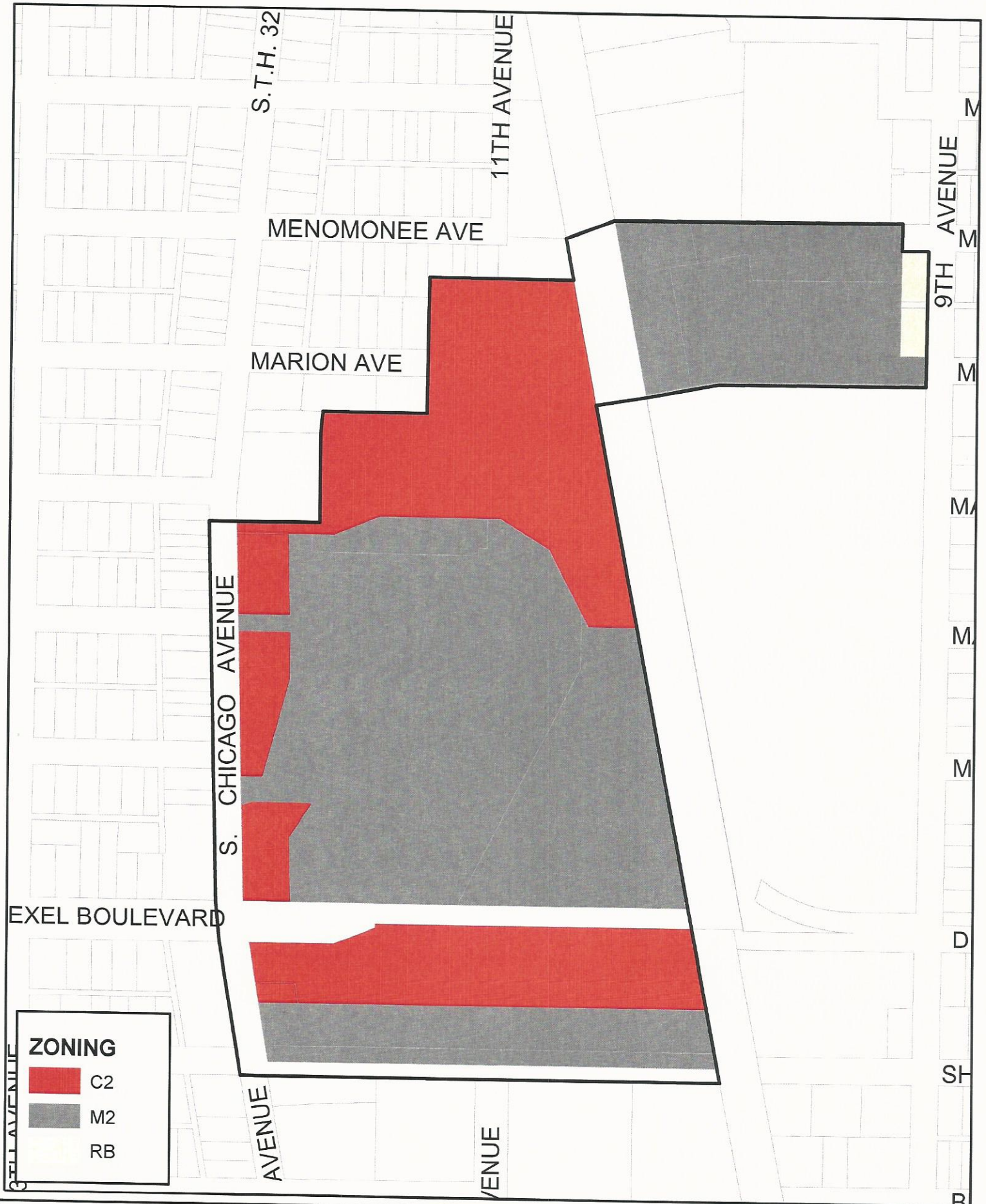
## **MAPS**

# TIF 3 BOUNDARY - MAP NO. 1









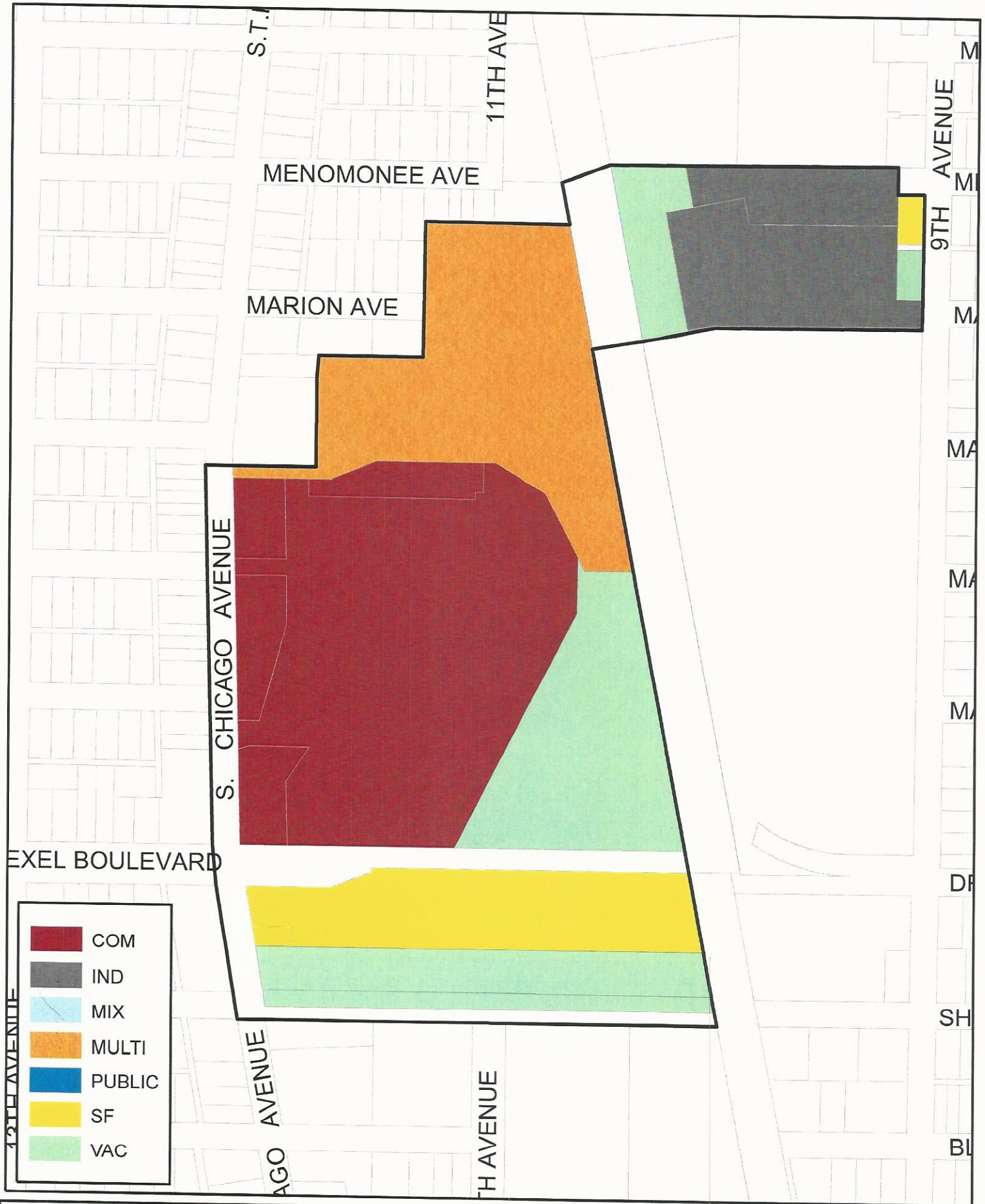
Tax Increment District No. 3  
Redevelopment Area

Existing Zoning

Map No. 3

January 2005





1 inch equals 300 feet

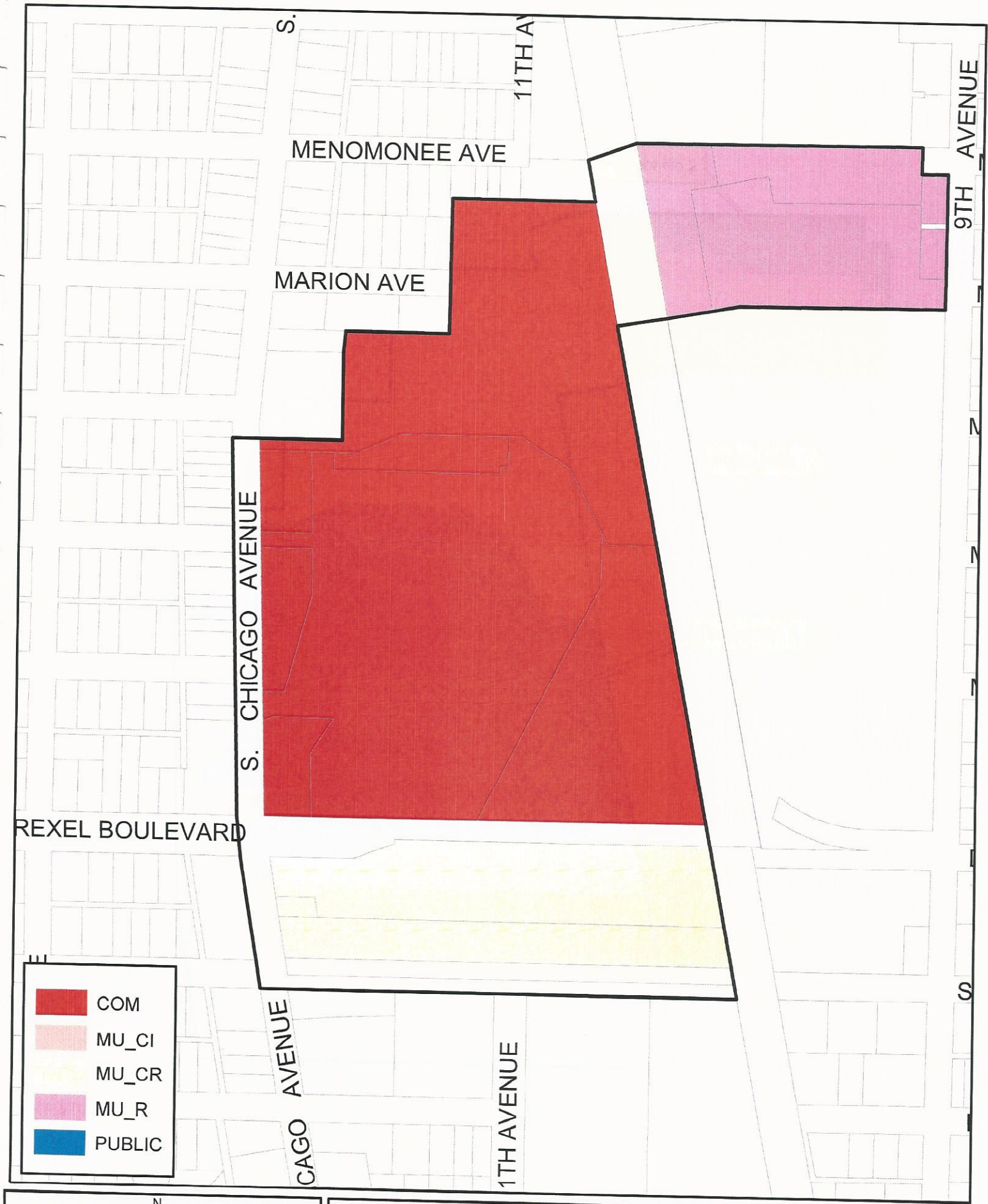
Tax Increment District No. 3  
Redevelopment Area

Existing Land Uses

Map No. 4

January 2005





1 inch equals 300 feet

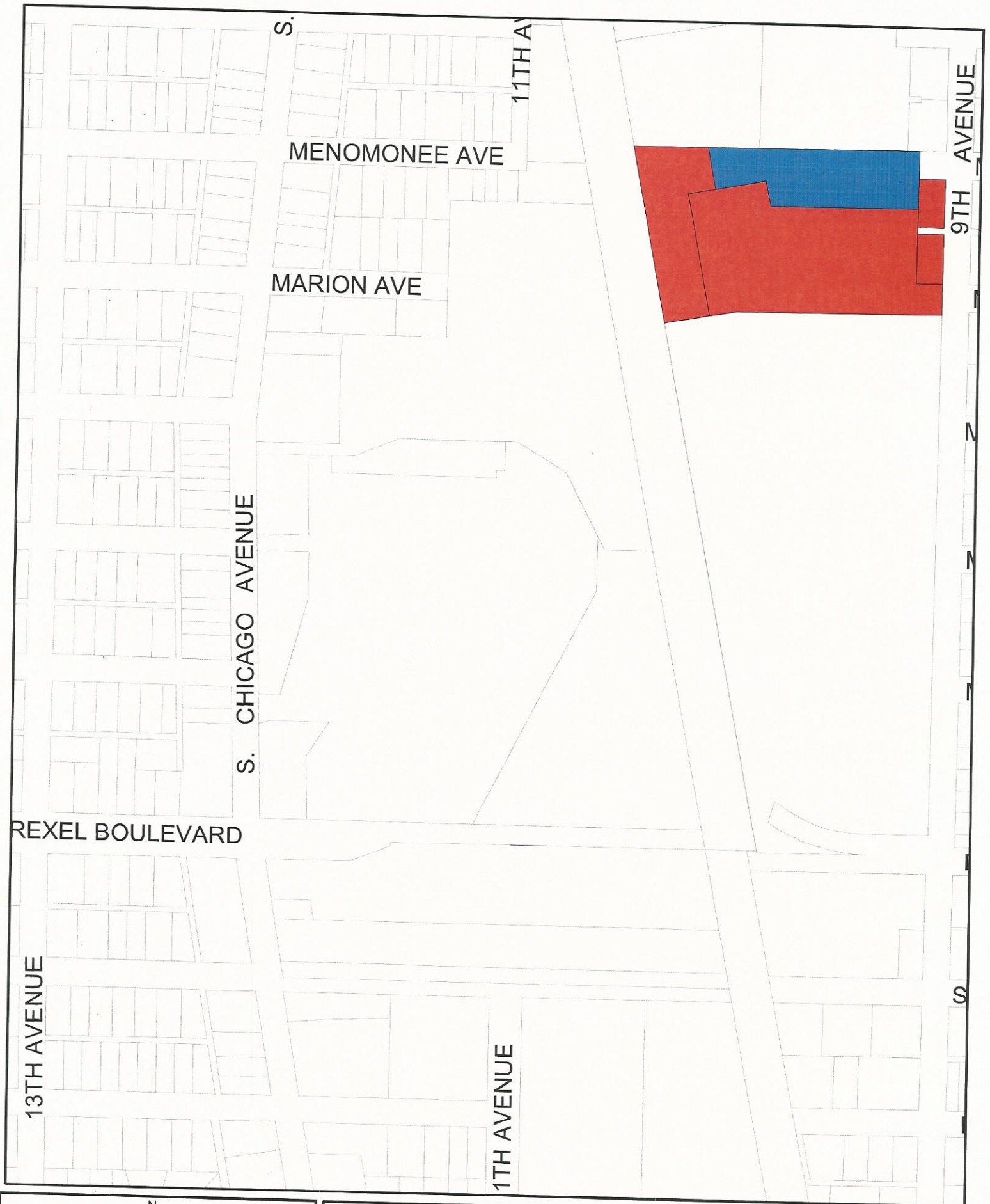
Tax Increment District No. 3  
Redevelopment Area

Proposed Land Use

Map No.5



January 2005





1 inch equals 300 feet

Tax Increment District No. 3  
Proposed Newly Platted  
Residential Development

 11 UNITS PER ACRE  
 8 UNITS PER ACRE

Map 7

January 2005

**ATTACHMENTS D**

**MISCELLANEOUS**



# Tax Incremental Finance – An Intergovernmental/Private Partnership

## What Is TIF?

The Tax Incremental Finance Law (TIF) was approved by the Wisconsin Legislature in 1975 as a financial tool cities and villages could use to promote tax base expansion. It is targeted toward eliminating blighted areas, rehabilitating areas declining in value, and promoting industrial development.

Before TIF, when a community installed public improvements to promote private development, its property owners bore these costs, but all taxing entities that shared the tax base benefitted. The legislature recognized this was an inequitable situation that sometimes discouraged development and redevelopment efforts. With TIF, all those who benefit directly or indirectly help pay development costs. All taxing entities become partners to promote expansion of their tax base.

TIF is a finance tool for tax base expansion. Benefits may also come in the form of increased employment, an improved business climate, and elimination of unsafe or unsightly areas.

## How Does TIF Work?

When a Tax Incremental District (TID) is created, the municipality and other taxing entities agree to support their normal operations from the existing tax base within the district. A finding must be made that no development would happen without this financing tool. If this is true, tax rates will be the same with or without the TID. Property tax rates for the school, county, technical college, and municipality are based on the taxable value of the TID at the time it is created. These rates are then applied to the TID value increment which results in additional revenues collected for the district's fund. Development costs are paid from these revenues before the added tax base is shared.

~~In theory, the tax increment added to each levy does not increase taxes for property owners in the various taxing entities. It comes from taxes paid by owners of property, within the TID, whose property values have increased since creation of the district. This is possible because levies are apportioned without the TID value increases.~~

TIF is not a tax freeze nor a tax increase, but a special allocation method for taxes collected on property value increases within the district.

## What Happens If TIF Revenues Fall Short?

Even the best laid plans can fall short of their goals. When this happens to a TID it results in a direct financial impact on the municipality. When projected revenues are lower than expected and expenditures are not met, a deficit occurs. If this deficit continues so that the TIF district cannot meet its obligations within its maximum life, what are the options for the municipality?

The municipality can continue with the TIF district in hopes that some potential development will change the projected deficit into a positive cash flow, or it can dissolve the district at which time the city shall become liable for all unpaid costs.

This is spelled out in the TIF Law in S. 66.1105(7)(b) which says, in part:

*The local legislative body, by resolution, dissolves the district at which time the city shall become liable for all unpaid project costs actually incurred which are not paid from the special fund under sub. (6)(c).*

Any municipality creating a TIF district must be willing to accept the possibility that it may not produce the desired results. When this happens, the taxpayers in that municipality will be responsible for assuming any unpaid project costs. For this reason, it is important to plan the district in a realistic way. Municipal officials, and overlying taxing jurisdiction officials should look at all available financing options and be familiar with the tax incremental law and its ramifications.



## How Are Other Taxing Districts Affected?

Each tax district involved participates in the TIF partnership. Each shares a common hope that TIF expenditures will promote property tax base growth that would not otherwise have occurred. However, each tax district is affected to a different degree, depending on the value of TIDs within its boundaries compared to its total value. Joint Review Board members should each analyze how TIF affects them.

### ➤ Municipal Representative

If a TID is effective and property values grow, the overlying tax districts will forgo the increase in property tax revenues until the municipality recoups its investment in the district. If the TID does not grow as planned, municipal taxpayers will ultimately pay some of the costs, themselves.

### ➤ School District Representative

The school district(s) will not have the benefit, for local tax purposes, of any expanded property tax base in the TID until it is terminated, which can take up to 27 years, for many TIDs.

This delay can be justified if it is concluded the growth in property tax base would not have occurred during that period without the TID. Details for the school district can be obtained from the school district business manager.

### ➤ Technical College Representative

Technical college districts, like school districts, forgo the benefits of any increased property tax base until the TID is terminated, which can be up to 27 years.

If it can be concluded growth would not have occurred without the TID during that period, it is ultimately beneficial to the district's finances.

However, if the growth would have happened without the TID, the technical college will have a higher tax rate than if the TID had not been created. Details for the technical college district can be obtained from the district business manager.

### ➤ County Representative

Counties are affected in the same manner as schools and technical colleges. Benefit of any property tax base increase is foregone until the TID is terminated, which can take up to 27 years.

If it can be concluded growth would not have occurred without the TID during the period, it is ultimately beneficial to county finances.

On the other hand, if growth would have happened without the TID, the county will have a higher tax rate than if the district had not been created. Details for the county can be obtained from the county finance officer.

## How Are Tax Increments Determined?

When a city or village creates a TID, it applies to the Department of Revenue for determination of property values within the district. This is the district's **Base Value**. As long as the TID exists, the Department determines its equalized value as of January 1 each year. This is called the **Current Value**. The difference between the base value and the current value is the **Value Increment**. The value increment is used to determine the amount of tax increment revenue that can be collected for that particular year.

Each taxing entity apportions its tax levy to the municipalities within its boundaries based on each one's share of its total equalized value. Only the base value of TIF districts is included in the apportionment process.

Some observers of the TIF law argue that since the base value of the TID may grow each year due to inflation, taxes on the "ordinary growth" in the base value should accrue to the respective taxing jurisdictions rather than to the TID's tax increment. However, the TIF law (s. 66.1105) provides that all value increases become part of the increment.

The example on the following pages shows how the county levy is apportioned and how the tax increment to be added is calculated. The same process is used to determine the tax increment added to each of the other levies, including that of the city or village that created the TID.



## Tax Incremental Calculation Example

The Tax Incremental Finance Law (TIF) was approved by the Wisconsin Legislature in 1975 as a financial tool cities and villages could use to promote tax base expansion. It is targeted toward eliminating blighted areas, rehabilitating areas declining in value, and promoting industrial development.

### Assumptions:

1. The entire county is composed of four cities, one of them has a TIF district.

2. The 2000 equalized values of property in the four cities are:

City A	\$400,000,000 *	
City B	70,000,000	
City C	20,000,000	
City D	10,000,000	
<b>Total</b>	<b>\$500,000,000 *</b>	*(includes \$30,000,000 incremental value)

3. City A has a tax incremental district (TID #1) with values of:

1995 Base Value	\$20,000,000
2000 Current Value	50,000,000
Value Increment	30,000,000

4. The county needs \$1,500,000 from property taxes for its budget.

**NOTE:** Values of the taxing entity and any municipality with one or more TIDs, are reduced by the value increment in any of the TIF districts.

### Chart A

Each city's percent of the county's value is obtained with the formula:

$$\% \text{ of the County's Value} = \text{Value of Municipality} \div \text{Value of County}$$

Municipality	TID/OUT Value of Municipality		TID/OUT Value of County		% of the County's Value
City A	\$370,000,000	÷	\$470,000,000	=	.787234
City B	70,000,000	÷	470,000,000	=	.148936
City C	20,000,000	÷	470,000,000	=	.042553
City D	10,000,000	÷	470,000,000	=	.021277
<b>Total</b>					<b>1.000000</b>

### Chart B

The county tax apportioned to each city is obtained with the formula:

$$\text{Apportioned Tax} = \% \text{ County Value} \times \text{County Levy}$$

Municipality	% County Value		County Levy		Apportioned Taxes
City A	.787234	x	\$1,500,000	=	\$1,180,850
City B	.148936	x	1,500,000	=	223,405
City C	.042553	x	1,500,000	=	63,830
City D	.021277	x	1,500,000	=	31,915
<b>Total</b>					<b>\$1,500,000</b>

### Chart C

The formula for the county mill rate for each city is:

$$\text{City Mill Rate} = \text{City Apportioned Tax} \div (\text{City Equalized Value} - \text{Increment})$$

Municipality	Apportioned City Taxes		City's TID/OUT Equalized Value		County Mill Rate for City
City A	\$1,180,850	÷	\$370,000,000	=	.0031915
City B	223,405	÷	70,000,000	=	.0031915
City C	63,830	÷	20,000,000	=	.0031915
City D	31,915	÷	10,000,000	=	.0031915

### Chart D

The formula for the county tax to be collected by each city is:

$$\text{County Tax Collected} = \text{Mill Rate} \times \text{Total Equalized Value of All City Property (includes the incremental value of TID \#1 in City A)}$$

Municipality	Mill Rate		Total Equalized Value of City		County Taxes Collected
City A	.0031915	x	\$400,000,000	=	\$1,276,600
City B	.0031915	x	70,000,000	=	223,405
City C	.0031915	x	20,000,000	=	63,830
City D	.0031915	x	10,000,000	=	31,915

Total County Taxes Collected	\$ 1,595,750
Total County Levy	1,500,000
Tax Increment retained by City A	\$ 95,750

The county tax collected is apportioned to individual property owners in each city based on the assessed value of each parcel.

The amount of the tax apportioned by the county is \$1,500,000. Chart B shows the amounts apportioned to each city.

The difference between the amount collected by the county by City A, and the amount apportioned is \$95,750. This is the "Tax Increment" retained by City A and deposited into the TID #1 fund to be used for the district's project costs.

### Chart E

Chart E below shows the effect on the county mill rate if the TIF district in City A had been terminated in 2000, and the county's levy and values of each city remain the same.

County Levy	County Equalized Value	Mill Rate
\$1,500,000	\$500,000,000*	.0030000

\* Includes TID value increase in TID #1, City A

There is a difference in the tax rate of 19.15 cents per thousand dollars of equalized value without the TID in City A, compared to the rate with the TID. This would mean a \$19.15 tax difference on a property with a \$100,000 market value.



# Tax Incremental District (TID) Criteria Matrix

Wis. Stats. 2001-02 as affected by 2003 Wis. Acts 126, 127, & 194 Sec. 66.1105						Wis. Stats. 2001-02 as created by Act 231 Sec. 60.85	
Creation Resolution date	Existing TID's	1. Blighted area		3. Suitable for Industrial sites		Town - Tourism, Agriculture, & Forestry (TAF)	
		2. In need of Rehabilitation or Conservation work		4. Mixed-Use TIDs created after 10/1/04			
Before 10/1/95		After 9/30/95 but before 10/1/04	After 10/1/04	After 10/1/95 but before 10/1/04	after 10/1/04	After 10/1/04	
Expenditure Period (5 yrs prior to termination)		22 years (6)(am) 1.		18 years (6) (am) 1	15 years (6) (am) 1.	5 years (6) (b) 1.	
Maximum Life before extensions - April 21, 2004		27 years	27 years		20 years	16 years	
Extensions Allowed - April 21, 2004		+ No	+ 4 yrs (7)(am)1.	+ 3 yrs (7) (am) 3.	+ No	+ No	
Maximum Life if extension granted - April 21, 2004		27 years	30 years	30 years	23 years	11 yrs after expenditure or 16 yrs maximum (6) (a) 2.	
\$1,000 Fee required	No	Certification or redeterminations after Mar. 6, 2004	Yes	Certification or redeterminations after Mar. 6, 2004	Yes	Yes	
Tax Increment allocations (6)(e) 1 a-d; 2, 3 New (6)(f) - July 1, 2004 ☆	Existing allocation criteria & new allocation criteria ☆	New allocation criteria: Recipient districts are limited to Project costs for low-cost housing; remediate environmental contamination; or TID's declared to be blight or rehab districts ☆					
Written notice of termination sent to DOR		☆ After 7/1/04 - Within 60 days of termination resolution (8) (a). Prior to 7/1/04 notification 10 days					
Final accounting to DOR after termination - 10/1/04		DOR form by agreed date (8)(c). Must include: 1. Total municipal expenditures; 2. total project costs; 3. total increments; 4. total amount of outstanding project costs.					
Annexation restrictions (4) (gm) 1. - 10/1/04	Just prior to creation or amendment	Just prior to creation or amendment	Yes (4) (gm) 1 - 3 yrs lapsed; pay town 5 yrs. taxes, boundary agreement	Just prior to creation or amendment	Yes (4) (gm) 1 - 3 yrs lapsed; pay town 5 yrs. taxes, boundary agreement	Yes (17)	
Limitation restrictions (4)(gm)4.c.	5% & 7% findings	7/1/04 - 5% & 7% - denial ☆	12% - denial	7/1/04 - 5% & 7% - denial ☆	12% - denial	5%/7% - denial (3)5.d.	
Number of territory amendments (4)(h)2. currently 1 during 1 <sup>st</sup> 7 years	Up to 4 times by subtracting or adding territory that does not change the contiguity of the district Effective 10/1/04						
City-owned Real Property included in base unless City Used (5)(bm)(c) & (d)	No	Yes (5)(bm)(c) & (d)	Yes (5)(bm)(c) & (d)	Yes (5)(bm)(c) & (d)	Yes (5)(bm)(c) & (d)	1 during 1 <sup>st</sup> 5 yrs - no more than 2 yrs. expenditure (3)(j)2. Yes (3)(l).	
☆ 7/1/04 ; 10/1/04							



*"There's an old saying  
that applies here  
that says,  
'When you stop growing,  
you start dying.'"*

**Brad McKendry**

resident of the 600 block of Walnut Street

*"These areas are better left  
to the free marketplace.  
Taxpayers should not  
be exposed  
to a possible tax increase."*

**Robert Sarver**

resident of the 1200 block of Oak Creek Parkway

## Concerns about boundaries emerge at hearing on TID 3

Staff to recalculate  
before proposal goes  
to council for approval

**By Lauren LeBlanc**  
Staff Writer

A Sept. 28 public hearing on the creation of a third tax-incremental financing district turned out hundreds of South Milwaukee residents with questions and concerns.

City Engineer Kyle Vandercar used Microsoft PowerPoint slides to demonstrate the proposal, the cost to the city and the estimated increase in property value.

The area proposed for inclusion in TID 3 stretches from Menomonee Avenue on the north to Lakeview Avenue on the south. South Chicago Avenue makes up the western border of the proposed district, but the eastern side does not have as clear a border; it includes edges ranging from the Union Pacific Railroad Line to Ninth Avenue.

TID 3 comprises three main projects: redevelopment of about five acres of land along Ninth Avenue for residential use; redevelopment of a historic structure in the 900 block of Menomonee Avenue; and the primary redevelopment of Grant Park Plaza, which would include renovation of the former Kohl's Department and Food stores, with

Roundy's/Pick 'n Save as the new anchor tenant.

### Many like proposal

Many residents think the use of TID funds for the new projects was a wise investment for the city.

"It's a win-win situation," said Steven Parsons of the 3800 block of Ninth Avenue. "It's a shame that Grant Park Plaza has deteriorated to the point it's at, and it will take a lot of money to build it back up ... I'm encouraging the (Community Development Authority) and Common Council to take whatever action is needed to make this a very busy shopping center."

Brad McKendry of the 600 block of Walnut Street said, "I've lived here a long time, and I've watched the city steadily decline. My wife and I both support this TIF district. There's an old saying that applies here that says, 'When you stop growing, you start dying.'"

### Some oppose TID 3

Some residents expressed concern with the city's use of funds.

"I'm opposed to TID 3," said Robert Sarver of the 1200 block of Oak Creek Parkway. "Property taxes are too high now and will increase in the future, and the city spends too much money as it is. These areas are better left to the free marketplace. Taxpayers should not be exposed to a possible tax increase."

### NEXT STEP

**WHAT:** Discussion of new boundaries of TID 3 has been referred back to the staff level, where boundaries will be recalculated.

**WHEN:** Common Council approval has been postponed until the recalculations are complete.

"But I guess if you support TID projects, you just support a more socialist marketplace."

Others expressed concern about the boundaries laid out for the proposed district.

"I don't agree with the boundaries set forth here because of the businesses and homes there," said Terry Patnode, owner of properties at 1102 Columbia Ave., 1112 Columbia Ave. and 1105 Blake St. "I'm just wondering why can't you back the plans up to Drexel and see how those areas work first, since the southern part of the outline doesn't have definitive projects just yet?"

After the hearing, the committee discussed the questions and amended the proposed outline. The Sherman Avenue right of way was established as the new southern boundary.

"I think the TID came out good," said Acting Mayor Tom Zepecki. "I think modifying the boundaries helped offset the fears that some people had that we were being too ambitious with the projects."



September 23, 2004

South Milwaukee Voice Graphic

## Proposed third TIF district includes Grant Park Plaza

By Lauren LeBlanc  
Staff Writer

### NEXT STEP

.....  
**WHAT:** public hearing regarding the creation of TID 3 and amendments to TID 1

**WHERE:** City Hall, 2424 15th Ave.

**WHEN:** 6 p.m. Tuesday, Sept. 28

**FOR INFORMATION:** Call John Leupold, (414) 762-4114.  
.....

About 57 acres of South Milwaukee soon may receive a face-lift.

The Joint Review Board met Sept. 20 to discuss the creation of a third tax-incremental financing district.

"This is the single biggest revitalization effort the city of South Milwaukee has seen in this lifetime," Acting Mayor Tom Zepecki said.

TIF is a tool that can help promote the development of underutilized and deteriorating parcels of land. It provides funds for municipalities to promote development without having to make major changes to the existing tax base. According to the Wisconsin Department of Revenue, "TIF is neither a tax freeze nor a tax increase, but a special allocation method for taxes collected on property value increases within the district."

The land in the proposed TID 3 outline would roughly include areas from Menomonee Avenue on the north to Lakeview Avenue on the south. South Chicago Avenue makes up the western border of the proposed district, but the eastern side does not have as clear a border, including edges ranging from the Union Pacific Railroad line to Ninth Avenue.

TID 3 comprises three main projects: the redevelopment of about 5 acres of land along Ninth Avenue for residential use; the redevelopment of a historic structure in the 900 block of Menomonee Avenue; and the primary redevelopment of Grant Park Plaza, which would include the renovation of the former Kohl's Department and Food stores and the inclusion of Roundy's/Pick 'n Save acting as a new anchor tenant.

"This is the key issue in South Milwaukee for the past two years," Zepecki said. "A city of 21,000 people doesn't have a grocery store. And not just that,

but a whole new mall would be there."

Other parcels of land included in the south side of the proposed TID have no development plans. City officials hope that the creation of TID 3 would promote development in those smaller parcels.

"We feel very strongly that with the development of Grant Park Plaza, that area is going to grow up sooner rather than later," said John Leupold, executive director of the Community Development Authority.

Leupold said other TIF districts in the area are moving along well in terms of development and increment. TID 1 is on the east-central side of South Milwaukee, and TID 2 is in the northeast corner.

The total cost for the development of Grant Park Plaza would be about \$15.9 million, with \$3.4 million of the cost coming from the city. The remaining cost comes from debt, which officials believe can be paid back from TID increment in the next 19 years.

The land included in TID 3 has an equalized base value of \$15.37 million. If the district is developed, pending approval of the project plan and boundary by the Community Development Authority and the recommendation of the Common Council, the value of the area included in the TID will double to \$31.43 million by 2007. By 2024, the base value of the proposed TID will have increased to \$59 million.

"If we don't do this TIF district," said city engineer Kyle Vandercar, "the value of this area is just going to go down."



## SPORTS BRIEFS

## Celebrity golf event planned at Grand Geneva

COA Youth and Family Centers and Bill Schroeder, the color commentator of the Milwaukee Brewers, will present the ninth annual Bill Schroeder COA Celebrity Golf Classic on Monday, Sept. 13, at Grand Geneva Resort and Spa in Lake Geneva.

This event partners a foursome with an area celebrity. The day includes a golf outing, an outdoor lunch, a silent auction, a raffle and a barbecue dinner and more. Past celebrity participants have included Bob Uecker and former Milwaukee Brewers Robin Yount, Jim Gantner and Gorman Thomas.

COA Youth and Family Centers offer services to children, teens and families. For details, call (414) 263-8383 or visit [www.coa-yfc.org](http://www.coa-yfc.org).

## Golf Park Indoor facility offers several discounts

Golf Park in Franklin, the area's largest indoor golf dome located at 11027 S. 27th St., is offering a discount club card for golfers practicing at the facility and a senior rate for golfers 55 and older.

The discount card is available for \$5 and enables golfers to save \$2 on the purchase of a large bucket of balls and \$1 on a medium bucket. The discount is offered from 9 a.m. to 5 p.m. Monday through Friday.

Senior golfers save \$2 on a large bucket of balls and \$1 on a medium bucket and save \$3 per hour on the use of one of the facility's four simulators that allow golfers to play courses throughout the world.

Golf Park is open daily from 8 a.m. to 10 p.m. Call (414) 304-2700 for details.

## Your Right to Know

Your right to know and be informed of the functions of your government are embodied in public notices. In that self-government charges all citizens to be informed, this newspaper urges every citizen to read and study these notices. We strongly advise those citizens seeking further information to exercise their right of access to public records and public meetings.

## CITY OF SOUTH MILWAUKEE

## Official Notice

Published by authority of the Common Council of the City of South Milwaukee pursuant to Section 125.04 of the Wisconsin Statutes.

Office of the City Clerk

September 2, 2004

Notice is hereby given that the following has made application to the

Common Council of the City of South Milwaukee for a license to sell intoxicating liquors and/or fermented malt beverages in the City of South Milwaukee, the granting of which is now pending:

**"CLASS B" - Intoxicating Liquor and Fermented Malt Beverage License Application - 2004-2005**

## Applicant

Reum Restaurant Services, Inc./William D. Reum, Agent

## Address

4118 S. Burrell St., Milwaukee

## Premises

113 N. Chicago Avenue

KATHLEEN M. LISOWSKI

City Clerk

## Notice of Public Hearing

## COMMUNITY DEVELOPMENT AUTHORITY

**NOTICE OF PUBLIC HEARING ON BOUNDARY AND PROJECT PLAN AMENDMENT FOR TAX INCREMENTAL DISTRICT (TID) NO. 1**  
PLEASE TAKE NOTICE, that on Tuesday, September 28, 2004, at 6:00 p.m., the City of South Milwaukee Community Development Authority will hold a Public Hearing pursuant to sections 66.1105(4)(a), 66.1105(4)(e) and 66.1333(6)(b)(3) of the Wisconsin State Statutes at the City Administration Building, 2424 15th Avenue, South Milwaukee, Wisconsin. At that time a reasonable opportunity will be afforded all interested parties to express their view on the proposed amendment to TID No. 1 Boundary, Project Plan, and Project Area Redevelopment Plan.

A copy of the Project Plan and will be available for review at the above address starting September 16th and a copy will be provided upon request. Arrangements to meet with staff or to receive a copy of the amended Plan may be made by contacting Kyle Vandercar, City Engineer, at 414-762-2222 X-136, fax: 414-768-8068 or e-mail: [vandercar@ci.south-milwaukee.wi.us](mailto:vandercar@ci.south-milwaukee.wi.us).

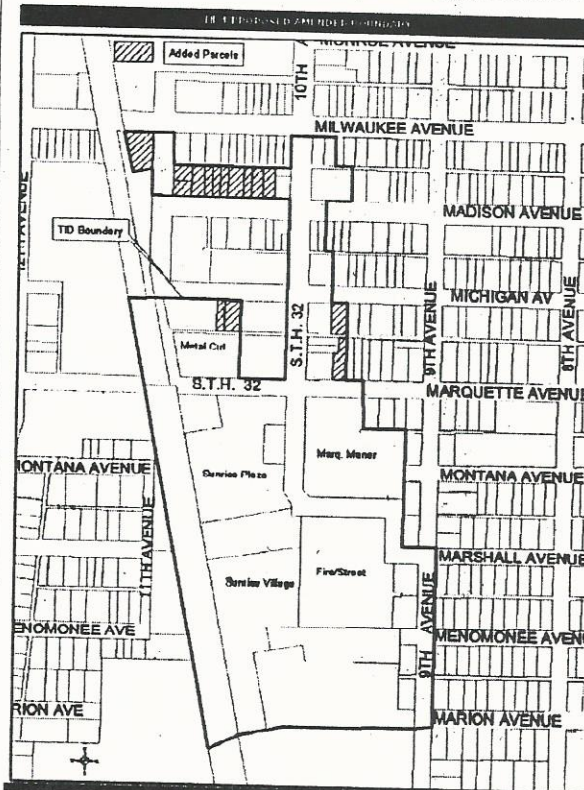
This hearing may begin at 6:00 p.m. or as soon as possible following the conclusion of other hearings scheduled for this date and time.

A map showing the approximate boundaries of TID 1 and amended areas proposed to be included in the Tax Incremental District follows:

Dated: September 2, 2004

Michael D. Johnson, Chairman

South Milwaukee Community Development Authority



## Notice of Public Hearing

COMMUNITY DEVELOPMENT AUTHORITY  
NOTICE OF PUBLIC HEARING ON BOUNDARY AND PROJECT PLAN FOR TAX INCREMENTAL DISTRICT NO. 3

PLEASE TAKE NOTICE, that on Tuesday, September 28, 2004, at 6:00 p.m., the City of South Milwaukee Community Development Authority (CDA) will hold a Public Hearing pursuant to sections 66.1105(4)(a), 66.1105(4)(e), and 66.1333(6)(b)(3) of the Wisconsin State Statutes at the City Administration Building, 2424 15th Avenue, South Milwaukee, Wisconsin. At that time a reasonable opportunity will be afforded all interested parties to express their view on the proposed creation of Tax Incremental District (TID) No. 3, proposed TID boundaries, and proposed Project Plan. Staff will be available prior to the hearing starting at 5:00 p.m. to answer questions. Arrangements can be made to meet with staff in advance of the hearing date as indicated below. If you cannot attend the hearing, written comments can be directed to the CDA and will read into the official record.

A copy of the draft Project Plan will be available for review at the above address beginning September 16th and will be provided upon request. Arrangements to meet with staff or to receive a copy of the draft Project Plan may be made by contacting Kyle Vandercar, City Engineer, at 414-762-2222 X-136, fax: 414-768-8068 or e-mail: [vandercar@ci.south-milwaukee.wi.us](mailto:vandercar@ci.south-milwaukee.wi.us).

This hearing may begin at 6:00 p.m. or as soon as possible following the conclusion of other hearings scheduled for this date and time.

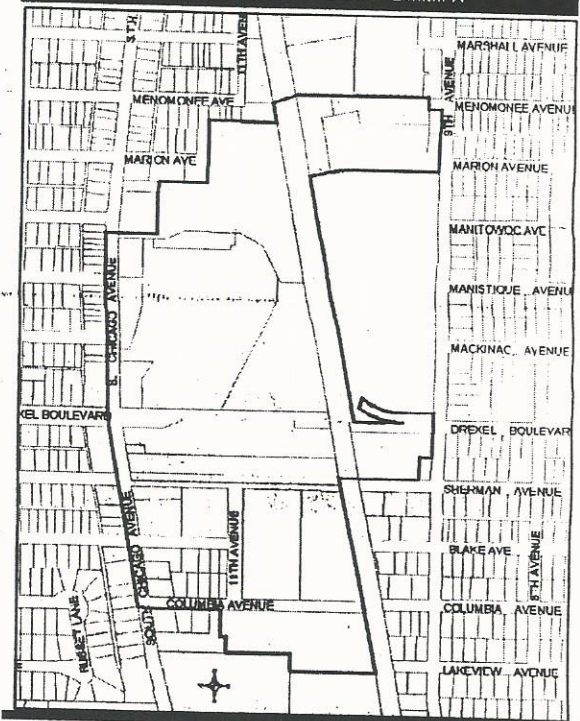
A map showing the approximate boundaries of the area to be included in the proposed Tax Incremental District No. 3 follows:

Dated: September 2, 2004

Michael D. Johnson, Chairman

South Milwaukee Community Development Authority

## TIF 3 PROPOSED BOUNDARY - Exhibit A



## Notice of Public Hearing

ON SALE OF REAL PROPERTY  
IN PROJECT AREA NO. 2 (TAX  
INCREMENTAL DISTRICT NO. 2)  
FOR PRIVATE USE

PLEASE TAKE NOTICE, that pursuant to ss 66.1331(6)(b) the City of South Milwaukee Community Development Authority will hold a public hearing on the proposed sale of property commonly known as 221 N. Chicago Avenue (Southeast corner of Badger Avenue/N. Chicago Avenue). The property has a total area of approximately 18,300 sq. ft.

Subject to rezoning approval by the Common Council, the proposed sale of the above described property will require construction of eight residential units (condominiums) in a two-story building pursuant to a proposal by HDC Contractors. Based on the proposed terms of the development agreement and the \$1,200,000 estimated valuation for the land and improvements following completion of the project, the

proposed sale price of the property has been established at \$40,000.

The public hearing will be held on Tuesday, September 28, 2004 at 6:00 p.m. in the City Administration Building, 2424 15th Avenue, South Milwaukee, Wisconsin. This hearing may begin at 6:00 p.m. or as soon as possible following the conclusion of other hearings scheduled for this date and time. All persons wishing to be heard on the proposed sale are invited to attend. A legal description of the property and preliminary plans of the development are on file in the Office of the Planning Director at the above address. Questions or comments should be directed to John Leupold, CDA Executive Director at 762-4114.

Dated: September 2, 2004

Michael D. Johnson, Chairman  
South Milwaukee Community Development Authority

CONTINUED ON NEXT PAGE

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# MILWAUKEE COUNTY

BRIEFING

MILWAUKEE JOURNAL SENTINEL

## New grocery store may hinge on TIF

Pick 'n Save proposed in South Milwaukee

By LINDA SPICE

lspice@journalsentinel.com

**South Milwaukee** — The prospect of a new grocery store in South Milwaukee could collapse if the city does not move toward a tax incremental financing district to lure Pick 'n Save to Grant Park Plaza, city engineer Kyle Vandercar said Monday.

Vandercar confirmed during a meeting of the city's Planning Commission the suspicions of many residents who have talked up rumors of a tax district's necessity to advance the project while questioning the final cost to taxpayers.

"I think it's going to make sense for us to support this project through some funding," Vandercar said. Unless a tax district is eventually approved, "what's going to happen is the whole thing is going to fall apart, and you're going to have a vacant store there. We're going to have to decide what's in the best interest of South Milwaukee," he said.

While some residents want to see the numbers before a final Common Council approval, others encouraged elected officials to move ahead because of the longing for a major grocery store in the community. South Milwaukee residents have had to do their shopping elsewhere since the city lost Kohl's Food Store last August.

"We do need a grocery store in this city, period," said Alice Berezinski, a city resident for 49 years. "If we have to pay a few taxes, so be it. What are you going to do?"

Under a tax incremental fi-

ancing district, taxes collected on new development in the district are used to pay for public improvements, such as upgraded roads, sewers and water mains to accommodate the new construction. Revenue is therefore temporarily diverted from the city, schools, county and technical college.

The Planning Commission unanimously granted a conditional use permit for building renovations and site improvements for the proposed Pick 'n Save at 2901 S. Chicago Ave. The full Common Council will consider the permit Aug. 3. The Community Development Authority will likely discuss the tax district on Aug. 9.

Robert C. Kaebisch, project designer with Anderson Ashton Inc. of New Berlin, which is overseeing the store design, said Monday that the Pick 'n Save would move into a former Kohl's Department Store, which encompasses 59,000 square feet.

Kaebisch said one of project's main goals will be to allow easier access to the plaza off S. Chicago Ave. The north side of the plaza will be demolished to create parking, and tenants will be moved into the area that once housed the Kohl's Food Store.

The new Pick 'n Save has signed a lease with the plaza contingent upon site improvements such as landscaping and pavements, Vandercar said. The plaza's owners estimate that improvements could cost up to \$9 million and have started discussion of a tax district with city officials.

### South Milwaukee may create new tax district

**South Milwaukee** — The city's Community Development Authority today will likely consider the creation of a tax incremental financing district where a new Pick 'n Save has been proposed but will hear from residents first.

City staff will be available for questions at City Hall, 2424 15th Ave., starting at 5 p.m. A formal presentation will begin at 6 p.m. followed by a public hearing. After the hearing, the authority will consider the creation of what would become the boundaries of Tax Incremental District 3, and project plans.

In a tax incremental financing district, taxes collected on new development pay for public improvements such as upgraded roads, sewers and water mains to accommodate the new construction. Revenue is therefore temporarily diverted from the city, schools, county and technical college.

John Leupold, director of the city's Community Development Authority, said Monday that the district would be needed to solidify plans for the proposed grocery store, which would be located in Grant Park Plaza, at 2901 S. Chicago Ave. The city has been without a grocery store since Kohl's moved out in August 2003.

Also on the authority's agenda for Tuesday is consideration of an amendment to the city's TID 1, in which two parcels would be moved to the newly created TID 3, for future residential redevelopment, Leupold said.

### 2 parental responsibility ordinances move ahead

**Cudahy** — Two South Shore communities are poised to approve similar ordinances addressing parental responsibility for juvenile misconduct, under which

parents could be fined up to \$1,000.

Common Council committees in Cudahy and St. Francis approved and recommended ordinances that will go to aldermen in both communities Oct. 5 for consideration and final approval.

City attorneys in Cudahy and St. Francis drafted ordinances that both said puts the burden on the municipalities by requiring evidence that a parent's action, or lack thereof, was a direct cause of the child's misconduct.

### Jarosh pleads not guilty of drunken driving

**City of Pewaukee** — St. Francis Ald. Ted Jarosh has entered a not guilty plea in Pewaukee Municipal Court on a first-offense drunken driving ticket issued in late July.

Attorney John J. Forrestal, representing Jarosh, contacted court officials last week by letter prior to Jarosh's scheduled initial appearance. The plea letter served in lieu of Jarosh's actual appearance in court on Sept. 22.

The case has been scheduled for a pretrial conference Oct. 20. Forrestal said Monday that he does not want to "say anything definitive," but "Our ultimate goal would be to resolve this with the city attorney at the pretrial."

Jarosh was arrested July 31 while eastbound on Highway 16 in the City of Pewaukee, where an officer saw his vehicle cross over to the shoulder and drift back toward the center line. He failed a series of field sobriety tests, police said.

Test results from a state lab in Madison showed Jarosh had a blood-alcohol level of 0.196, more than twice the 0.08 limit that is considered evidence of intoxication for adults in Wisconsin, according to police.



The Business  
Journal

04-02-04

**Mark Horne**  
Manpower Inc.

Manpower introduced the card to 1,100 offices nationwide in March. To

## Roundy's seeking South Milwaukee grocery store

BY ERIK BROOKS

ebrooks@bizjournals.com

Roundy's Inc. is negotiating to open a 65,000-square-foot Pick 'n Save Warehouse Foods Store at a South Milwaukee shopping center.

Real estate sources said the Milwaukee-based grocery store chain is seeking a lease for a food store at Grant Park Plaza, which has had both a Kohl's Department Store and Kohl's Food Store leave in the last decade. The department store, where a source said the Pick 'n Save would be located, closed in 1998.

The Kohl's grocery store at 2901 S. Chicago Ave. closed in August, along with 22 other area Kohl's food stores.

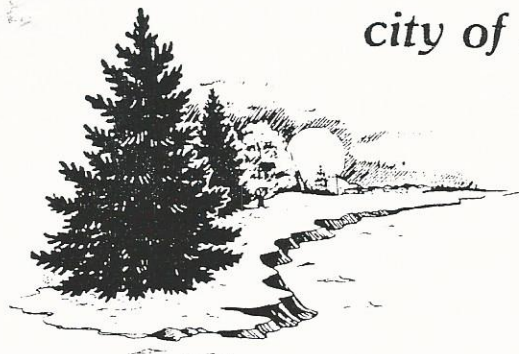
Talks between Roundy's and Oshkosh-based Olympic Realty Corp. the mall's owner, are under way, according to sources familiar with the negotiations. Roundy's could sign the lease within 30 to 60 days.

Olympic Realty is negotiating with a couple of large retailers for the two empty stores, but the outcome of those talks has yet to be determined, company president Wayne Chaney said.

South Milwaukee needs a new food store, South Milwaukee Mayor David Kieck said. The closure of Kohl's left the city without a large supermarket — a fact that has even become an issue in Kieck's April 6 re-election bid.

"It's my top priority right now in the city to bring a major grocer back to our community," he said.





city of . . . **South  
Milwaukee**

*file*  
OFFICE OF THE CITY ENGINEER  
(414) 768-8053  
FAX: (414) 768-8068

September 9, 2004

David Ewald, Superintendent  
South Milwaukee School District  
901 15<sup>th</sup> Avenue  
South Milwaukee, WI 53172

*Not in TID 3  
Project Plan  
make copy to  
send*

Re: City of South Milwaukee Creation of Tax Increment District No. 3 &  
Amendment of Tax Incremental District No. 1  
Appointment to Joint Review Board

Dear Mr. Ewald:

The City of South Milwaukee Community Development Authority is proposing to create Tax Increment District (TID) No. 3, and amend TID No. 1, created in July 2000. The Community Development Authority passed resolutions which authorized proceeding with the creation of TID No. 3 and TID No. 1 amendment at its August 16, 2004 meeting. The resolution also formed a Joint Review Board as required by ss 66.1105(4m)(a).

TID 3 is being proposed as a mixed-use TID under the amended TIF law to promote redevelopment in the vicinity of Grant Park Plaza. Maps of the proposed boundary for TID No. 3 and the TID No.1 amendment are attached.

The function of the Joint Review Board is to review, evaluate, and approve or deny the proposed Tax Increment Districts. The Joint Review Board shall include a member appointed by your jurisdiction. Under ss 66.1105, the representative chosen by a school board shall be the president of the board or designee. The designee can be the school district's finance director or a board member with knowledge of local government finances. Accordingly, you should appoint an individual and inform me of your appointment. I can be contacted at 414-762-2222 Ext. 136. Your prior designee to the Joint Review Board was Mike Stritchko. We would like to have you make your appointment no later than your September 15<sup>th</sup> board meeting since the first meeting of the Joint Review Board is scheduled for **September 20, 2004 at 3:30 p.m.**, at the South Milwaukee City Administration Building, 2424 15<sup>th</sup> Avenue. The purpose of this meeting will be to select a chairperson and appoint a citizen member to the Board. Your appointed Joint Review Board member should be available for this meeting and a meeting agenda is enclosed.

David Ewald, Superintendent  
September 9, 2004  
Page 2

City staff is developing TID project plans and as part of the approval process, the CDA will hold a public hearing to hear interested parties regarding the TIDs and project plans. The public hearings are scheduled for September 28, 2004 starting at 6:00 p.m. Following the hearings, the CDA will review the proposed project plans and boundary for the Tax Increment Districts.

The members of the Joint Review Board are invited to attend the public hearing. Also, if you wish to have a presentation made to the School Board regarding the proposed TIDs, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kyle E. Vandercar', with a long horizontal flourish extending to the right.

Kyle E. Vandercar  
City Engineer

Enclosures: Joint Review Board Meeting Notice  
Public Hearing Notices with Boundary Maps





city of . . . **South  
Milwaukee**

*file*  
OFFICE OF THE CITY ENGINEER

(414) 768-8053

FAX: (414) 768-8068

September 9, 2004

Scott K. Walker, County Executive  
Milwaukee County Courthouse  
901 N. 9<sup>th</sup> Street  
Room 306  
Milwaukee, WI 53233

Re: City of South Milwaukee Creation of Tax Increment District No. 3 &  
Amendment of Tax Incremental District No. 1  
Appointment to Joint Review Board

Dear Mr. Walker:

The City of South Milwaukee Community Development Authority is proposing to create Tax Increment District (TID) No. 3, and amend TID No. 1, created in July 2000. The Community Development Authority passed resolutions which authorized proceeding with the creation of TID No. 3 and TID No. 1 amendment at its August 16, 2004 meeting. The resolution also formed a Joint Review Board as required by ss 66.1105(4m)(a).

TID 3 is being proposed as a mixed-use TID under the amended TIF law to promote redevelopment and eliminate blighting influences. Maps of the proposed boundary for TID No. 3 and the TID No.1 amendment are attached.

The function of the Joint Review Board is to review, evaluate, and approve or deny the proposed Tax Increment Districts. The Joint Review Board shall include a member appointed by your jurisdiction. It is our understanding that Mr. Bob Dennik is Milwaukee County's representative.

The first meeting of the Joint Review Board is being scheduled for September 20, 2004 at 3:30 p.m., at the South Milwaukee City Administration Building, 2424 15<sup>th</sup> Avenue. The purpose of this meeting will be to select a chairperson and appoint a citizen member to the Board.

Scott K. Walker, County Executive  
September 9, 2004  
Page 2

City staff is developing TID project plans and as part of the approval process, the CDA will hold a public hearing to hear interested parties regarding the TIDs and project plans.

The public hearings are scheduled for September 28, 2004 at 6:00 p.m. Following the hearings, the CDA will review the proposed project plans and boundary for the Tax Increment District.

The members of the Joint Review Board are invited to attend the public hearing.

Sincerely,

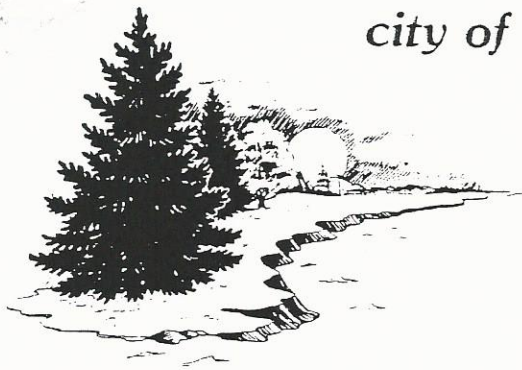


Kyle E. Vandercar  
City Engineer

cc: Mr. Bob Dennik, Milwaukee County w/enclosures

Enclosures: Notice of Joint Review Board Meeting  
Public Hearing Notices with Boundary Maps





city of . . .

# South Milwaukee

OFFICE OF THE CITY ENGINEER

(414) 768-8053

FAX: (414) 768-8068

September 9, 2004

Darnell E. Cole, President  
Milwaukee Area Technical College  
700 West State Street  
Milwaukee, WI 53233-1443

Re: City of South Milwaukee Creation of Tax Increment District No. 3 &  
Amendment of Tax Incremental District No. 1  
Appointment to Joint Review Board

Dear Mr. Cole:

The City of South Milwaukee Community Development Authority is proposing to create Tax Increment District (TID) No. 3, and amend TID No. 1, created in July 2000. The Community Development Authority passed resolutions which authorized proceeding with the creation of TID No. 3 and TID No. 1 amendment at its August 16, 2004 meeting. The resolution also formed a Joint Review Board as required by ss 66.1105(4m)(a).

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The function of the Joint Review Board is to review, evaluate, and approve or deny the proposed Tax Increment Districts. The Joint Review Board shall include a member appointed by your jurisdiction. It is our understanding that Ms. Renee Dudley is MATC's representative.

The first meeting of the Joint Review Board is being scheduled for September 20, 2004 at 3:30 p.m., at the South Milwaukee City Administration Building, 2424 15<sup>th</sup> Avenue. The purpose of this meeting will be to select a chairperson and appoint a citizen member to the Board.

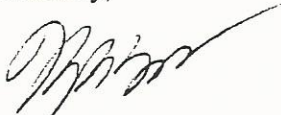
Darnell E. Cole, President  
September 9, 2004  
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The members of the Joint Review Board are invited to attend the public hearing.

Sincerely,



Kyle E. Vandercar  
City Engineer

cc: Ms. Renee Dudley, MATC w/enclosures

Enclosures: Notice of Joint Review Board Meeting  
Public Hearing Notices with Boundary Maps



*The street  
right-of-way was  
vacated. A new  
tax key was issued  
for 2 parcels.  
Kathy Lisowski  
City Clerk*

TAX ROLL YEAR 2005	UNIT CITY OF SOUTH MILWAUKEE	KEY NUMBER 776-0331-001
NAME & DESCRIPTION  CITY OF SOUTH MILWAUKEE  SO MILW BLVD HEIGHTS SE 1/4 SEC 11-5-22 LOTS 1 & 2 & PT VAC STR ADJ ON S & N BLK 16 64 x 120  01-27-05 RROSS		ELIMINATE KEY NUMBERS  776-0331

DATE:  
CANARY - ORIGINAL  
GREEN - ASSESSOR'S COPY  
WHITE - ABTRACTOR'S COPY  
2425 R3

MILWAUKEE COUNTY REGISTER OF DEEDS OFFICE  
TAX LISTING DIVISION

TAX ROLL YEAR 2005	UNIT CITY OF SOUTH MILWAUKEE	KEY NUMBER 776-0332-001
NAME & DESCRIPTION  PRES INVESTMENTS LLC  SO MILW BLVD HEIGHTS E 1/4 SEC 11-5-22 LOT 3 & 4 & ALL VAC STR ADJ S & PT VAC STR ADJ N BLK 16 64 x 153  DATE:		ELIMINATE KEY NUMBERS  776-0332

DATE:  
CANARY - ORIGINAL  
GREEN - ASSESSOR'S COPY  
WHITE - ABTRACTOR'S COPY  
2425 R3

MILWAUKEE COUNTY REGISTER OF DEEDS OFFICE  
TAX LISTING DIVISION