

SOUTH MILWAUKEE DOWNTOWN OPPORTUNITY ZONE PROSPECTUS



A platform for action in a vibrant downtown district



Prepared by the City of South Milwaukee
Economic Development Department
Updated January 2021

MAKE IT HAPPEN HERE.

Opportunity in a Vibrant Downtown

South Milwaukee's Opportunity Zone is right in the center of the vibrant downtown district - allowing investors to add to a burgeoning business mix and take advantage of key properties available for lease.

Opportunity in the District

South Milwaukee's Opportunity Zone corresponds not only with the downtown, but also with three Tax Increment Districts, so investors can be sure that their investment will be supported with investment in public infrastructure.

Opportunity in the South Shore Market Area

Investment in South Milwaukee is an investment in the South Shore Wisconsin market - a growing commercial and industrial corridor along I-94.

Opportunity in Good Company

Join the other major employers who have made South Milwaukee their home and invested in a lake Michigan community with an innovative school system, beautiful parks system, and regional draw.



Want to find out more? Visit <https://www.cdfifund.gov/Pages/Opportunity-Zones.aspx> or contact the Assistant City Administrator / Economic Development Director:

Patrick Brever
brever@smwi.org



OPPORTUNITY ZONE TAX INCENTIVES

What is the Opportunity Zones program?

The 2017 Tax Cuts and Jobs Act established new Internal Revenue Code Section 1400Z - Opportunity Zones. The opportunity zones program offers three tax incentives to individuals or partnerships who wish to invest in low-income communities through a qualified Opportunity Fund.

What is the process?

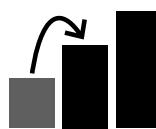


What are the tax benefits to those who invest in Opportunity Zones?



Temporary Tax Deferral

If a taxpayer has income associated with any current capital gains, that person can re-invest that income in an Opportunity Fund and defer recognition of the income for federal tax purposes.



“Step-up” in Basis of Re-invested Gains

A taxpayer is granted a step-up in basis such that any capital gains from Opportunity Fund investment is based on the original investment plus 10% if the investment is held for five years, and 15% if the investment is held for 7 years. The effect is a reduction in the amount of re-invested capital gains that is subject to tax.



Permanent Exclusion of Gains from Taxable Income

If a taxpayer makes a long-term investment in an Opportunity Fund, holding the investment for at least 10 years, the taxpayer is permitted to permanently exclude the entire amount of the capital gain their investment accrues after the initial investment in the Opportunity Fund from their recognized taxable income.

GOALS



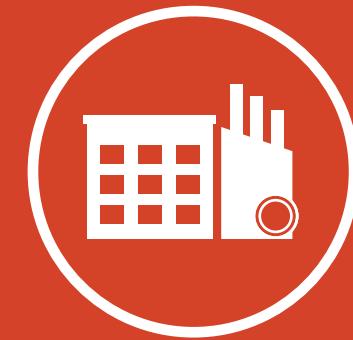
Placemaking



**Elevating the
Community
Story**

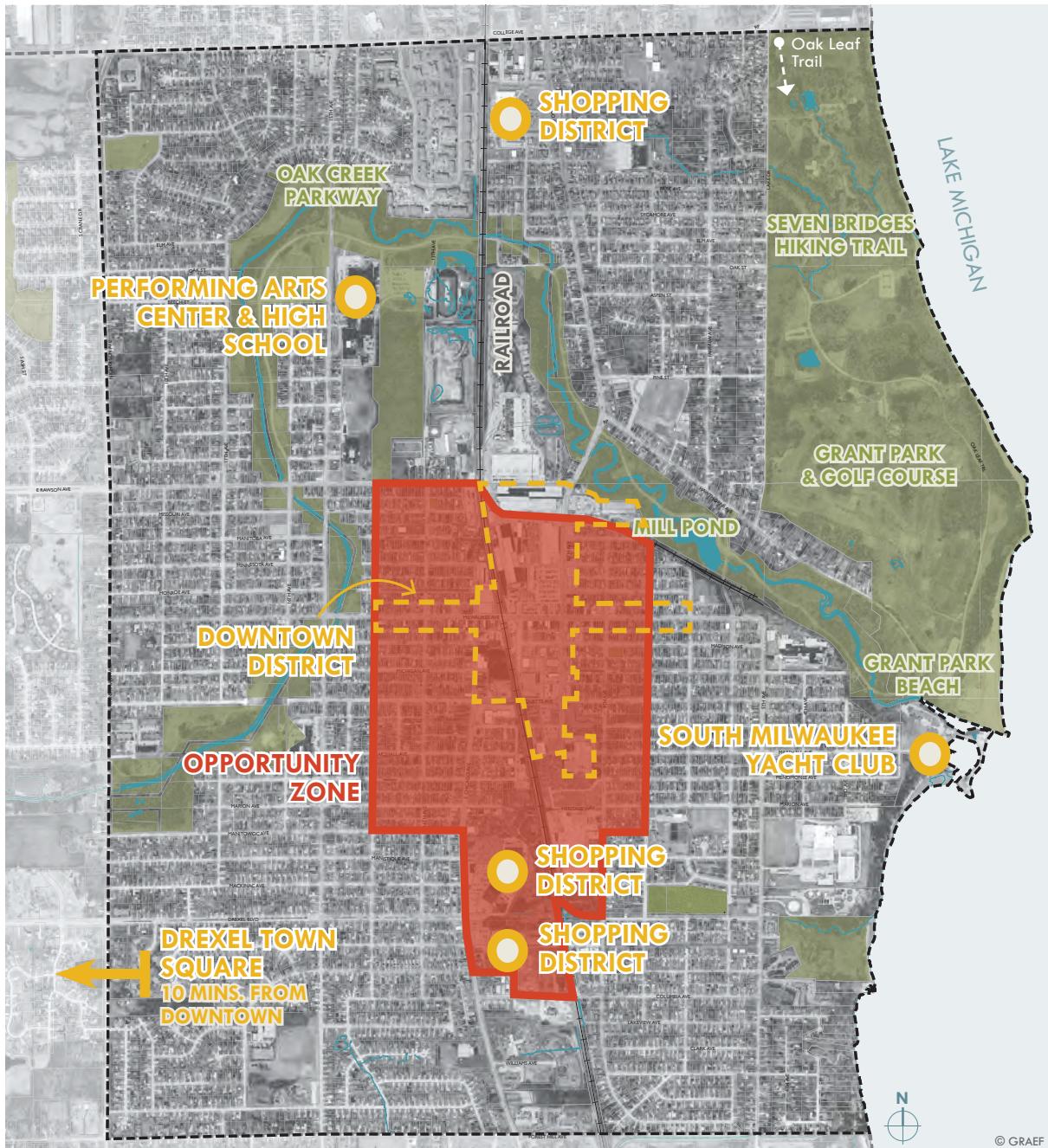


**Making Resilient
& Sustainable
Development**



**Renovating
Existing
Building Stock**

THE ZONE



The South Milwaukee Opportunity Zone is located in the center of the City, encompassing most of South Milwaukee's Downtown district and other shopping districts, as well as several key properties and investment opportunities.

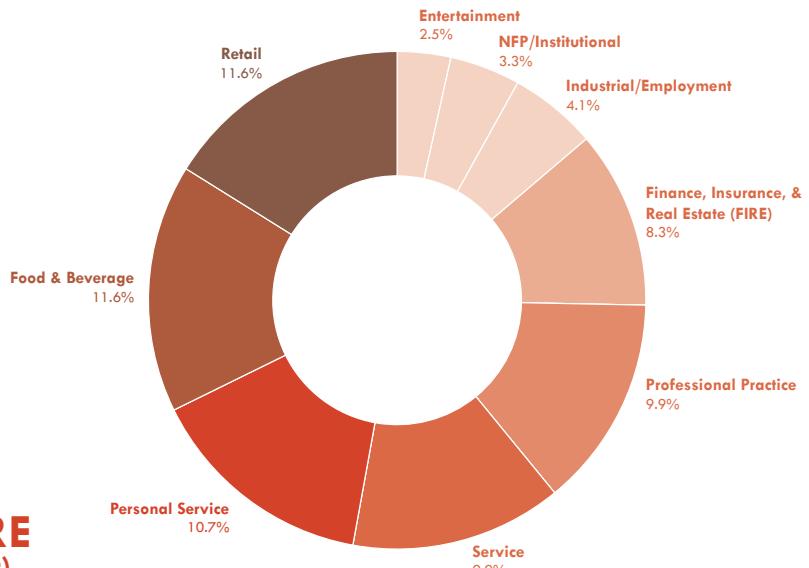
SOUTH MILWAUKEE: A PLACE TO THRIVE

20 minutes from Milwaukee
11 Mins. from General Mitchell
INTERNATIONAL AIRPORT and the PORT of Milwaukee
1&1/2 hours from Chicago



Market Information	Milwaukee's South Shore & Racine County	City of South Milwaukee
Total Population	109,749	21,487
Total Households	45,461	9,229
Household Size	2.4	2.3
Population Density (Pop/Sq Mi)	1,602.67	4,445.58
Median Age	40.9	40.7
Employees	51,992	10,000
Jobs Per Household	1.1	1.1
% Owner Occupied Housing Units	67.9%	59.2%
Bachelor's Degree or Higher	19.5%	19.4%
Average Household Income	\$69,484	\$61,962
Median Household Income	\$56,554	\$52,112
Per Capita Income	\$28,876	\$26,771
% Households w/ Incomes \$75,000+	34.6%	29.6%
Retail Demand: Total	\$953,980,128	\$188,384,528
Retail Demand: Food & Drinking Places	\$66,080,000	\$24,204,883

Source: BDI



© GRAEF

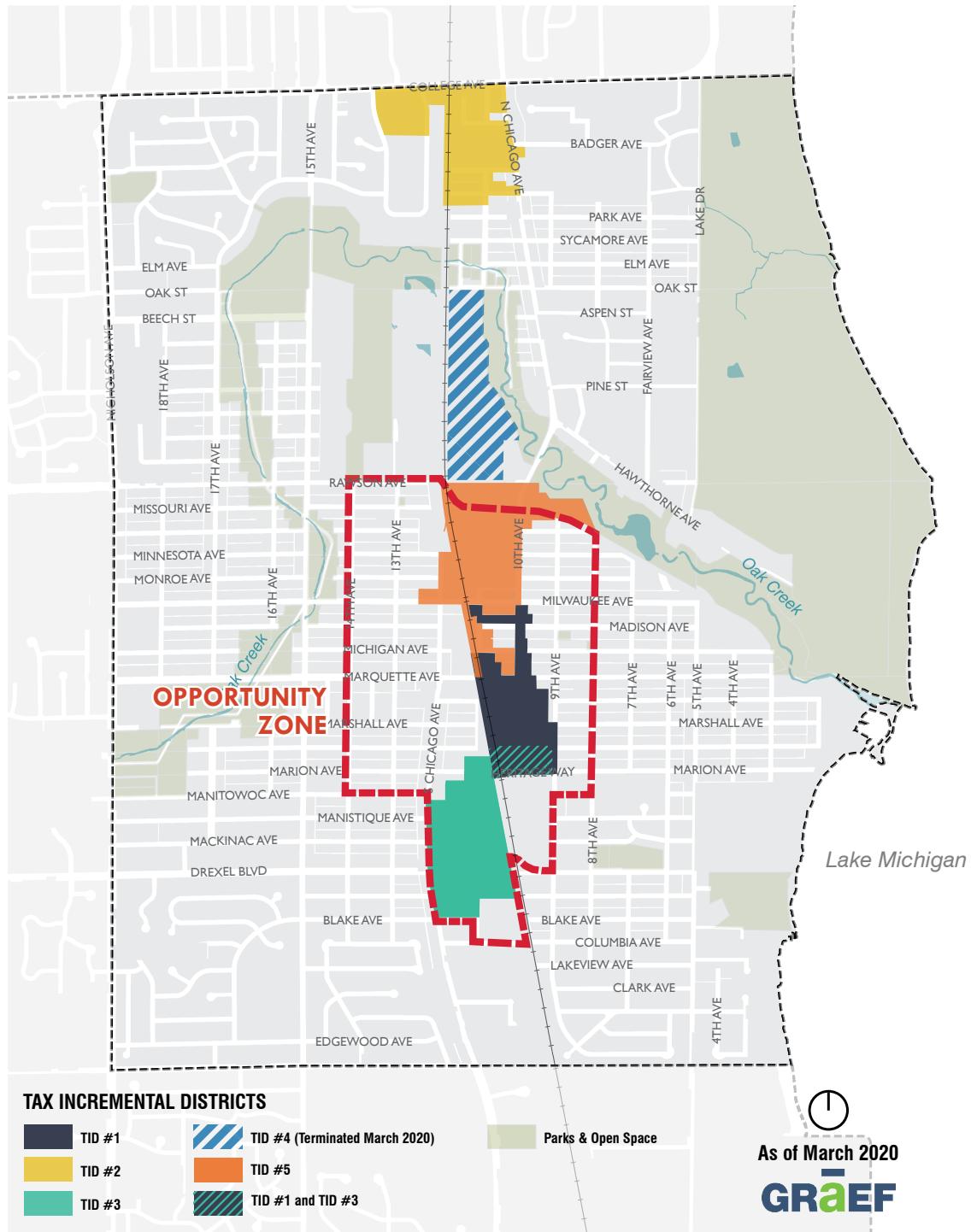
JOIN THE MARKET MIX

THAT SERVES THE SOUTH SHORE
at right - Downtown Business Mix (ground floor)

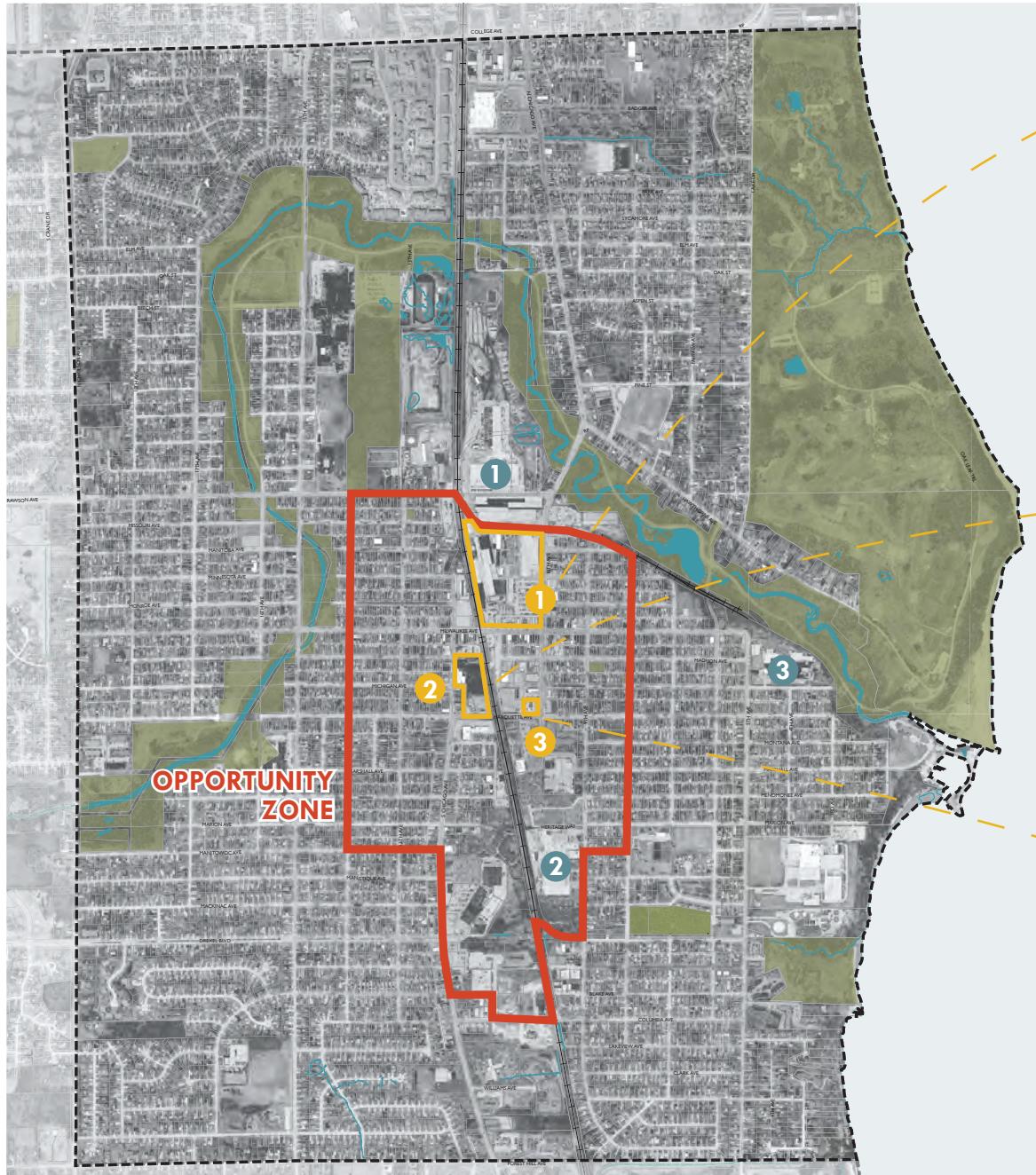


TAX INCREMENTAL DISTRICTS (TIDs)

South Milwaukee's Qualified Opportunity Zone encompasses three Tax Increment Districts, expanding the financial incentives for investors looking to develop land or business opportunities in South Milwaukee.



MAJOR EMPLOYERS



1 Caterpillar
Construction & mining equipment manufacturing

2 Eaton Corporation
Power management company

3 Emerson
Appleton electrical products

MAJOR PROPERTIES FOR SALE/LEASE

1 FORMER BUCYRUS CAMPUS



515,501 SF Available

Lease Rate: Negotiable

- Crane Bays: 7½, 10, 15½, and 25 Ton
- Class A Office, Cafeteria, and Medical Clinic
- High Bay Warehouse: 32'-36' Clear
- Rail Access

2 JONAS BUILDERS FACILITY



290,000 SF Available

Purchase Price: Negotiable

Lease Rate: Negotiable

- One parcel with 6.06 acres
- Clear Height: 15'-35'
- Docks: 9
- Drive-Ins: 2
- Industrial Warehouse or Distribution
- Immediately adjacent to common area crane bay

3 2318 10TH AVENUE



0.7 Acres

Purchase Price: Negotiable

- Vacant land site on a stoplight corner with 7k/8k traffic counts
- 180' frontage on Marquette and 170' frontage on 10th Ave

WE'RE ON A ROLL: WORK IN PROGRESS

A Renovated
Bucyrus Club indoor
entertainment venue
at 1919 12th Avenue
...



A restored event venue with food, fun, and curated global mining equipment on display awaits you at The Bucyrus Club, opening Summer 2021:

👉 <https://youtu.be/ywNtK5hHqOE>

DB Tax &
Wealth is
expanding
their building
downtown!



DB Tax & Wealth at 1125 Milwaukee Avenue is expanding their building to the east, right in the downtown. Watch their video about the project here:

👉 www.youtube.com/watch?v=EDHf_aqtPT0

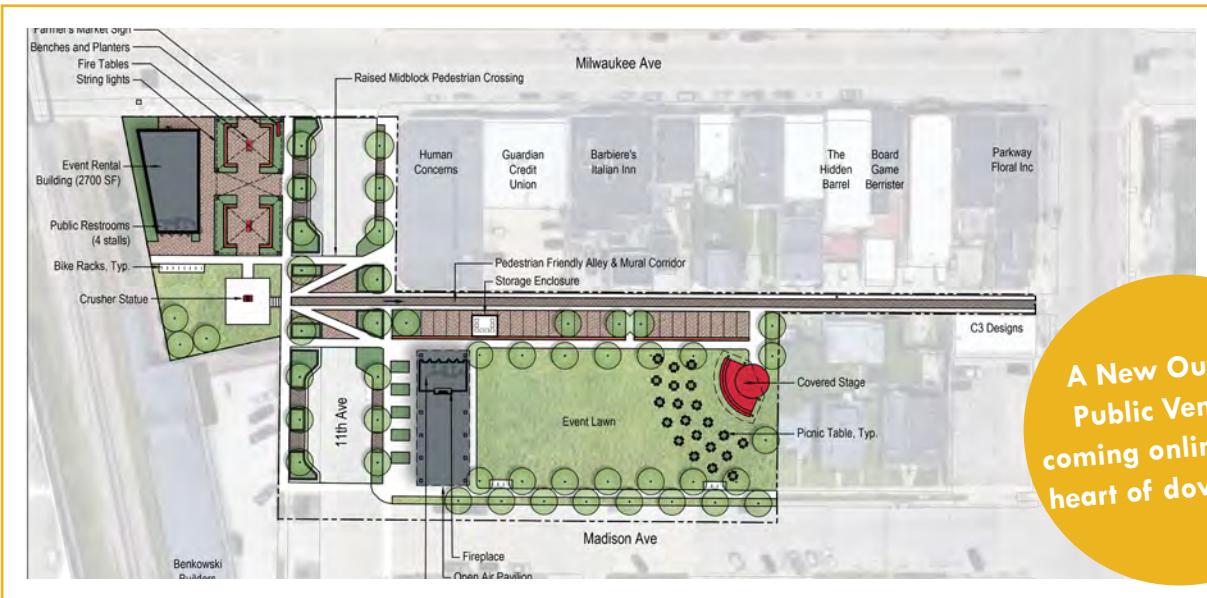
Moran's Pub
raised the bar
(literally) through
reinvestment.



Moran's Pub, 912 Milwaukee Avenue, recently unveiled its historic interior and is undertaking exterior improvements. Find out more here:

👉 onmilwaukee.com/bars/articles/morans-pub-renovations.html

WE'RE ON A ROLL: WORK IN PROGRESS



A new downtown outdoor public venue at 11th and Madison Avenues is planned and moving forward in 2021:

👉 <https://smwi.org/417/Downtown-Public-Plaza>

Large employers are committing to South Milwaukee



The City welcomes Steele Solutions to South Milwaukee's Former Bucyrus Campus:

👉 southmilwaukeeblog.com

New Downtown Milwaukee Ave. Streetscape



The new streetscape will be constructed along Milwaukee Avenue from 9th to 13th Avenues from 2020-2021. Find out more here:

👉 www.jsonline.com

