

**TID 37 - Grand Avenue Redevelopment
Periodic Report
12/31/08**

District Created: 1998

Authorized expenditure (excluding interest): \$21,900,000

Authorizing resolution(s): File #000910, #990360, #990115, #971894

Maximum legal life: 2025

Base property value: \$60,317,400

Completion status: Project complete

Project description

This district was created to revitalize the downtown retail and commercial district anchored by the Grand Avenue retail center.

Initially, the district was used to fund a \$2 million loan to assist the 169-room Courtyard by Marriott Hotel project at W. Michigan and N. 3rd Streets. This \$13,250,000 development was the first of several staged revitalization efforts for this area.

In June of 1999, the project plan was amended to assist the renovation of the former Marshall Fields building. City assistance of \$9.4 million, including \$6.4 million in City loans, was provided to help convert the project to hotel, office and retail uses as well as upgrade its exterior. Major tenants include another Marriott Hotel and the American Society for Quality's headquarters. ASQ has a staff of 225, and occupies 105,000 s.f. on five floors of the building.

In November of 2000, the plan was amended to provide \$5 million for the renovation of the Boston Store building, upgrading the retail space and the regional offices of Boston Store's owner, Saks, Inc. This project added significant incremental value to the district, while retaining 950 jobs and the last department store in downtown Milwaukee.

Saks sold its Boston Store unit in 2006, but the new owner continues to operate the store, and has increased employment at the regional offices.

District incremental values are as follows:

Year	Incremental Value	Increase
2008	\$ 60,421,000	-34%
2007	\$ 91,953,400	25%
2006	\$ 73,408,600	32%
2005	\$ 55,620,000	-4%
2004	\$ 57,679,600	49%
2003	\$ 38,615,900	10%
2002	\$ 35,157,400	

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Expenditures - Life to Date (as of 12/31/08)

	Project Plan Budget	Appropriations	Encumbrances	Expenditures	Remaining
Administration	\$ 100,000	\$ 1,697,762	\$ -	\$ 1,601,213	\$ 96,549
Public Improvements	400,000	247,914	-	247,914	-
Grants/Loans	21,400,000	16,409,752	-	16,409,752	-
Capitalized Interest	2,190,000	2,438,592		2,438,592	-
Total	\$ 24,090,000	\$ 20,794,020	\$ -	\$ 20,697,471	\$ 96,549

Revenue/Value Performance (as of 12/31/2008)

	Projected	Actual
Property value	\$ 111,837,557	\$ 120,738,400
Incremental value	\$ 51,520,157	\$ 60,421,000
Incremental taxes	\$ 8,836,757	\$ 11,043,912

Is the project within budget? Yes No If no, explain:

Is the project on schedule? Yes No If no, explain:

Identify any significant concerns that might affect budget or schedule of this project in the future: District value declined by 34% in 2008.