

**TID 56 - Erie/Jefferson Riverwalk  
Periodic Report  
12/31/08**

**District Created: 2004**

**Authorized expenditure (excluding interest): \$7,000,001**

**Authorizing resolution(s): File #040639, #051107**

**Maximum legal life: 2031**

**Base property value: \$8,958,600**

**Completion status: Public improvements under construction.**

### **Project description**

Tax Incremental District Number 56 was created in 2004 to provide funding for street improvements to E. Erie Street from Broadway to the Harbor entrance, and to provide assistance in funding for riverwalk improvements.

These improvements will include constructing and paving new stub ends and roadways to the Milwaukee River for N. Milwaukee, N. Jefferson, and N. Jackson Streets. There will also be dockwall repair/replacement at the three new stub ends, as well as new lighting and trees. Funding for the CNW Railroad swing bridge has been placed in the project plan at \$1.00 to allow for identification of future bridge-related costs. Further Common Council action is required if and when the disposition of the bridge is determined to take place.

The project includes development of two, mixed-use developments along East Erie Street and the Milwaukee River. Both projects include the construction of a riverwalk and associated public & private boat slips. Project details include:

- The 5-story Marine Terminal Lofts (phase I) is a mixed-use development comprised of 83 condominium units and 45,000 square feet of retail/commercial space in with a total investment of approximately \$54.4 million. Construction of a riverwalk adjacent to the building and a connection to the MIAD riverwalk to the west was completed in late 2008. This project is 100% sold.
- The six-story, mixed use development known as Harbor Front and Hansen's Landing (phase II) includes 840 linear feet of riverwalk, 160 condominium units, and more than 15,000 square feet of retail space with a total investment of approximately \$65.9 million. The condominium units are 97% sold.

Given the downturn in the housing market, Domus (phase II) is expected to break ground in 2010. This phase of the project will include a newly constructed, 6-story building with 61 condominium units, 8,885 square feet of first-floor retail space, and 11,165 square feet of live/work space. A riverwalk running the length of the building and a public plaza at the Jefferson Street Stub End will also be included in this phase, with an expected completion date of 2012 and a total investment of \$40 million.

In December of 2005, the Common Council approved the expenditure of an additional \$2 million to cover costs of 2006 TID activities.

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District incremental values have increased as follows:

Year	Incremental Value	Increase
2008	\$ 118,877,800	-1%
2007	\$ 120,124,600	74%
2006	\$ 69,016,900	571%
2005	\$ 10,287,700	

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

	Project Plan Budget	Appropriations	Encumbrances	Expenditures	Remaining
Administration	\$ 125,000	\$ 140,049	\$ -	\$ 140,049	\$ -
Street Improvements	1,210,000	1,402,800	44,242	760,952	597,606
Marine Terminal Loft Riverwalk	2,448,486	2,832,370	222,471	2,492,967	116,932
Harbor Front Riverwalk	1,793,393	1,736,993		1,736,993	-
Erie St. Plaza	1,000,000	798,064		222,026	576,038
CNW RR Swing Bridge Removal	1	-	-	-	-
Contingency	423,121	10,531	-	-	10,531
Capitalized Interest	700,000	117,449	-	148,777	(31,328)
Total	\$ 7,700,001	\$ 7,038,256	\$ 266,713	\$ 5,501,764	\$ 1,269,779

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

	Projected	Actual
Property value	\$ 92,300,000	\$ 127,836,400
Incremental value	\$ 83,502,400	\$ 118,877,800
Incremental taxes	\$ 4,183,462	\$ 7,321,528

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:

On January 17, 2007 CC Resolution Number 061267 passed Council delaying construction of the Erie Street Plaza for at least three years at which time MMSD construction would be completed. Work on the Plaza is expected to begin in the fall of 2009.