

**TID 58 - 20TH/Walnut
Periodic Report
12/31/08**

District Created: 2005

Authorized expenditure (excluding interest): \$2,191,650

Authorizing resolution(s): File #050276

Maximum legal life: 2032

Base property value: \$4,753,200

Completion status: Builders chosen, first model homes constructed and sold, available lots being marketed.

Project description

This district was created to support the redevelopment of two key sites near the intersection of N. 20th & W. Walnut Streets in the Fond du Lac and North Avenue planning area. The area surrounding the sites has seen significant new residential development in recent years, including City Homes, and the Lindsay Heights Initiative. The notable exceptions to those efforts have been a five acre site at 2101 W. Walnut Street, a former Sentry store that closed in 2001, and an adjacent parcel which was the site of the London Square Apartments, a 115 unit, subsidized Section 8 project that suffered from disrepair and absentee management.

From a redevelopment perspective, the two sites have been viewed as interdependent. In late 2004, a private developer with a strong record in redeveloping and managing affordable housing acquired the London Square project and began a significant renovation effort.

TID 58 will fund up to \$2.2 million for the acquisition, demolition, and remediation of the former Sentry site. Funds will also be used for public improvements to support residential development on the site, and connecting new streets to the surrounding street grid.

Demolition work began on the grocery store site in late 2005. A Request for Proposals for single-family residential development was issued in 2006. Construction of public improvements, as well as single-family homes, commenced in 2007, and by year end, three model homes were substantially completed. As of the end of 2008, public improvements at the site were about 75% complete, and all three homes were sold and occupied, with one offer pending.

District incremental values decreased in 2007, due to the demolition of the existing improvements on the site.

Incremental values to date:

Year	Incremental Value	Increase
2008	\$ (420,800)	-57%
2007	\$ (986,700)	-1549%
2006	\$ 68,100	

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

	Project Plan Budget	Appropriations	Encumbrances	Expenditures	Remaining
Administration	\$ 100,000	\$ 111,161	\$ -	\$ 111,161	\$ -
Public Improvements	1,112,650	1,105,729	65,617	921,210	118,902
Site Acquisition	950,000	1,052,754	-	1,041,703	11,051
Demolition	229,000	132,921	-	132,921	(0)
Remediation	200,000	89,085	10,921	78,102	62
Sales Proceeds & Grants	(400,000)	(300,000)	-	(300,000)	-
Capitalized Interest	219,165	269,857	-	148,258	121,599
Total	\$ 2,410,815	\$ 2,461,507	\$ 76,538	\$ 2,133,355	\$ 251,614

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

	Projected	Actual
Property value	\$ 6,627,226	\$ 4,332,400
Incremental value	\$ 2,206,526	\$ (420,800)
Incremental taxes	\$ -	\$ 1,501

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

Is the project on schedule? Yes No If no, explain: Marketing of the site was delayed until the end of 2006 which resulted in an approximate six month delay in the projected build out.

Identify any significant concerns that might affect budget or schedule of this project in the future: None.