

**TID 71 – Mitchell Street  
Periodic Report  
12/31/13**

**District Created: 2008**

**Authorized expenditure (excluding interest): \$3,116,600**

**Authorizing resolution(s): #070611, #071132**

**Projected TID dissolution: 2035 (levy year)**

**Maximum legal life: 2035**

**Base property value: \$75,252,500**

**Completion Status: On-going**

**Project description**

The Mitchell Street district contains nearly 300 properties located generally one block north and south of West Mitchell Street between South 5<sup>th</sup> and South 16<sup>th</sup> Streets, plus the commercial area south of West Forest Home Avenue, between South 13<sup>th</sup> and South 15<sup>th</sup> Streets. Funding set forth in the project plan includes \$3,118,000 for the purposes of upgrading pedestrian lighting, installing median irrigation, security cameras, and tree grates, along with funds for grants or loans to assist with catalytic private development opportunities in this major neighborhood shopping district.

Security cameras have been installed throughout the district. The cameras are monitored by the Milwaukee Police Department, and focus on customer parking areas north and south of Mitchell Street. In addition, pedestrian “Harp” lights have been upgraded along Mitchell Street and Forest Home Avenue.

Also, \$500,000 was authorized for a forgivable loan to assist with the \$4.5 million renovation of the former Goldman’s Department store at 930 West Mitchell Street and a \$228,000 grant was awarded to repair the roof and other building systems at the Modjeska Theater. Unfortunately, the Goldman’s project has been unable to obtain financing and continues to be vacant. The Modjeska roof repair, however, was completed in late 2010.

Grants were also awarded to renovate the restaurant space and the façade at 608 West Mitchell Street, installation of a water line to serve the retail space at 833 West Mitchell Street, and open a new restaurant, Paesano’s pizza, at 551 West Mitchell Street. The restaurant has changed ownership but continues operation.

Efforts continue to redevelop Goldman’s and the Modjeska. Meanwhile, the apartment conversion project in the former theater at South 6th and Mitchell Streets was sold and completion of the 36 units is expected in 2014. The developers are Randy Thelen of Elkhorn based Thelen Total Construction, Inc., and Geoff Stone, co-owner of Gato City LLC, a Milwaukee rental property management firm.

Property values in the district, as shown below, have declined significantly with the downturn in the economy. In 2013, an amendment to the project plan was proposed to reset the Base Value of the district. This amendment would have eliminated the deficit in value and created the opportunity to generate positive incremental revenue. Unfortunately, the WI Department of Revenue did not accept this amendment. State legislation is pending to allow cities to reset the

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base value of TIDs – passage of this legislation would essentially achieve the same result as what was originally proposed.

District incremental values have changed as follows:

Year	Incremental Value
2013	\$ (8,501,200)
2012	\$ (10,450,700)
2011	\$ (5,667,100)
2010	\$ -
2009	\$ (4,868,100)

**Expenditures - Life to Date (as of 12/31/13)**

	Project Plan Budget	Appropriations	Encumbrances	Expenditures	Remaining
Administration	\$ 200,000	\$ 200,000	\$ -	\$ 53,912	\$ 146,088
Public Improvements	846,600	541,524	-	441,004	100,520
Resident. Improve. Loans	400,000	400,000		140,120	259,880
Contingency	170,000	434,141	-	-	434,141
Development Fund	1,500,000	807,945	-	807,945	-
Capitalized Interest	311,660	62,694		62,694	
Total	\$ 3,428,260	\$ 2,446,304	\$ -	\$ 1,505,675	\$ 940,629

**Revenue/Value Performance (as of 12/31/2013)**

	Projected	Actual
Property value	\$ 63,299,324	\$ 66,751,300
Incremental value	\$ 10,435,324	\$ (8,501,200)
Incremental taxes	\$ 650,499	\$ -

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

Is the project on schedule?  Yes  No If no, explain: see comments above.

Identify any significant concerns that might affect budget or schedule of this project in the future: See comments above.