

TID 51 - Granville Station
Periodic Report
12/31/14

District Created: 2003

Authorized expenditure (excluding interest): \$4,591,000

Authorizing resolution(s): #021332, #030955

Projected TID cost recovery: 2022 (levy year)

Maximum legal life: 2030

Base property value: \$10,048,700

Completion status: Complete; Northwest Side Area Plan adopted

Project description

This district was created to redevelop the former Northridge Shopping Center at North 76th Street and West Brown Deer Road. Opened to the public in 1972, this mall contained 1.1 million square feet of retail space, including four department stores and approximately 400,000 square feet of in-line store space. The mall operated successfully until the early 1990s when the number of shoppers began to decline rapidly. When this district was created, all of the retail space in the mall was closed, except 154,000 square feet occupied by the Boston Store. The Boston Store closed late 2002.

In 1990, the mall had an assessed value of \$107 million. Eleven years later, Tucker Development Corporation purchased the complex for \$3.5 million. Tucker implemented a plan to regrade approximately 26.8 acres of the site, demolish the former Sears department store, and develop a 161,000 square foot home improvement center, a 61,000 square foot grocery store with 15,000 square feet of expansion space and an outlot.

The project plan provided for \$4.4 million of funding to assist the comprehensive redevelopment effort known as 'Granville Station.' Site demolition and clearance commenced on the property in 2003. By the end of 2004, a Menard's, Pick N Save, and other retail outlets had been completed, and were fully assessed for the first time in 2005. Also in 2005, Tucker development sold 46.5 acres, including the former main mall building, to Inland Commercial LLC, a Los Angeles investor group. Early in 2007, Tucker sold the Pick N Save building to Sun Life Assurance, a Canadian firm.

In 2005, the Department of City Development undertook the Northwest Side Area Plan as part of the City of Milwaukee's overall comprehensive planning strategy. Throughout the planning process, the redevelopment of Granville Station was consistently identified as a catalytic project. The plan, completed in December of 2007 and adopted by the Common Council January 2008, does not call for the vacant mall buildings to be revitalized as a retail complex. Instead, it proposes redevelopment of the site as a mixed use neighborhood. In July 2008, the property was purchased by U.S. Toward Enterprise Group Inc., a Germantown, MD investors group.

In 2009, the remaining undeveloped mall and parking lots were sold to the Beijing Toward Group, a Chinese real estate investment group. Initially, the firm proposed redevelopment of the property into AmAsia, a retail/wholesale center that would feature products from Chinese companies. However, those plans were dropped in 2012.

In 2013, Penzeys Spices purchased the former Boston Store, ring roads and out lots for a production facility, warehouse, training facility and retail operation.

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Discussions are ongoing between the Chinese investment group, Penzeys and the City regarding the future development of the site.

District incremental values have increased as follows:

Year	Incremental Value	Change
2014	\$ 13,082,500	-5%
2013	\$ 13,819,600	5%
2012	\$ 13,191,800	13%
2011	\$ 11,716,300	-32%
2010	\$ 17,226,200	-24%
2009	\$ 22,802,300	49%
2008	\$ 15,253,300	24%
2007	\$ 12,298,400	19%
2006	\$ 10,308,600	53%
2005	\$ 6,733,700	

Expenditures - Life to Date (as of 12/31/14)

	Project Plan Budget	Appropriations	Encumbrances	Expenditures	Remaining
Administration	\$ 191,000	\$ 221,936	\$ -	\$ 220,236	\$ 1,700
Developer Grant	4,400,000	4,400,000	-	4,400,000	-
Capitalized Interest	409,600	382,930	-	382,930	-
Total	\$ 5,000,600	\$ 5,004,866	\$ -	\$ 5,003,166	\$ 1,700

Financing Costs – Interest Paid through 12/31/2014: \$1,450,970

Revenue/Value Performance (as of 12/31/2014)

	Projected	Actual
Property value	\$ 26,305,467	\$ 23,131,200
Incremental value	\$ 16,845,967	\$ 13,082,500
Incremental taxes	\$ 4,970,451	\$ 3,656,512

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: None.