

TID 61 - Chase Commerce Center
Periodic Report
12/31/09

District Created: 2005

Authorized expenditure (excluding interest): \$500,000

Authorizing resolution(s): File #050593

Projected TID dissolution: 2015

Maximum legal life: 2032

Base property value: \$4,089,700

Completion Status: 70% leased.

Project description

This industrial TID was created to preserve, as a manufacturing facility, the former Nordberg/Metso Minerals complex at South Chase and East Oklahoma Avenues. After Metso ceased operations in 2004, the facility was put up for bid and acquired by Industrial Properties, LLC in early 2005. Rather than allow this facility to be demolished and the site used for commercial development with much lower pay scales, the TID Project Plan assisted Industrial Properties by providing \$500,000 to upgrade the complex through roof repair, parking lot repaving, new loading docks, and repair of rail access. This is a Developer funded TID.

A driving force behind continuing this facility as an industrial center was the desire by Bucyrus International to lease 90,000 square feet of the total 513,000 square feet available, and create 80- 90 new jobs for welders and support staff, with an average wage of \$22 per hour. Bucyrus was riding the upswing in demand for its mining products from China, India, and other rapidly industrializing countries, and saw considerable potential at this location and its main facility in South Milwaukee. A training program for welders was created with Bucyrus and a strong recruitment effort was undertaken in the neighborhood surrounding the district.

In addition to Bucyrus, tenants now include the following businesses: Tramont Corp., Metal Surgery, Metso Minerals, JF Menzia, Machine Tool Technologies, JMM/Advance Hydraulic, R&B Grinding, and several smaller office and industrial tenants.

Ultimately, it is expected this complex can be home to some 320 family supporting jobs. As of year-end 2009, 349,200 square feet or 70% of the facility was leased – down from 75% last year.

District incremental values have changed as follows:

Year	Incremental Value	Change
2009	\$ 623,700	-15%
2008	\$ 733,500	16%
2007	\$ 632,500	14%
2006	\$ 556,600	

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Expenditures - Life to Date (as of 12/31/09)

	Project Plan Budget	Appropriations	Encumbrances	Expenditures	Remaining
Developer Increments	\$ 500,000	\$ 42,066		\$ 42,066	\$ -
Administration	-	2,000		3	1,997
Total	\$ 500,000	\$ 44,066	\$ -	\$ 42,069	\$ 1,997

This is a developer-funded TID. Project costs submitted for certification by year-end met the maximum of \$500,000. The expenditures shown above include only the revenue paid out to the developer.

Revenue/Value Performance (as of 12/31/2009)

	Projected	Actual
Property value	*	\$ 4,713,400
Incremental value	*	\$ 623,700
Incremental taxes	*	\$ 59,956

* Not projected. TID is developer funded up to \$500,000. Payments end in 2015 or sooner if occupancy reaches 80%

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.