

TID 67 - The Brewery Project
Periodic Report
12/31/09

District Created: 2007

Authorized expenditure (excluding interest): \$29,003,000

Authorizing resolution(s): File #060911

Projected TID dissolution: 2031

Maximum legal life: 2034

Base property value: \$9,266,900

Completion Status: Initial demolition and remediation completed. Three buildings acquired and renovated. Substantial completion of public infrastructure. Marketing is on-going.

This district consists of the redevelopment of the former Pabst Brewery complex located in a 6 ½ block area at the junction of Interstate 43 and the Park East Freeway corridor. The original site contained twenty-five buildings with a total floor area of 1,400,000 square feet. The Project will ultimately contain a mix of residential, office, educational and supporting retail space.

The Developer is Brewery Project LLC, the sole member of which is the estate of Joseph J. Zilber. Initial City funding is limited to \$13.6 million, equivalent to Zilber's acquisition cost of the project, until the incremental value of the TID exceeds \$55 million.

The initial stage of the project provided for the interior demolition and abatement of structures with a combined floor area of 546,000 square feet, the reconstruction of adjacent segments of City streets, the rededication of streets previously vacated, select demolition of structures with a combined floor area of up to 104,000 square feet, and the installation of public and private utilities.

Thus far, Gorman & Co. has acquired building no. 9, along West Winnebago St., and has converted the facility into 95 apartments with tenants moving in January 2009. Total development cost was \$16 million. TMB Development/Dermond Properties acquired the former Boiler House, building no. 10 at 1243 North 10th St. and has converted it into a 38,000 square foot office building. Tenants include Inland Companies, AMB Development Group, Albion Architects, and The Planning Council. Total development cost was \$6.8 million. The building is 80% occupied. Also, building no. 14 was purchased by the BC Pabst Holdings, which converted this 28,000 square foot property into offices at a cost of over \$3 million. The principal tenant is Cardinal Stritch University's School of Education and Leadership. Stritch took occupancy in May 2009.

While the economy has slowed the pace of redevelopment, additional residential, hotel and office projects are in the initial planning stages. A key to realizing further development potential was the opening the 880 space parking ramp, at North. 9th and West Juneau Avenue, in 2009.

District incremental values have changed as follows:

Year	Incremental Value
2009	\$ 14,938,200
2008	\$ (2,106,900)

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

	Project Plan Budget	Appropriations	Encumbrances	Expenditures	Balance
Administration	\$ 360,000	\$ 500,000	\$ 44,860	\$ 380,092	\$ 75,048
City Infrastructure	6,547,648	3,020,810	19,927	3,000,883	-
Developer Infrastructure	5,139,884	2,769,214		2,647,996	121,218
Demo & Abatement	9,393,205	6,794,363		6,781,236	13,127
Historic Preservation Easements	7,061,535	1,019,613		1,019,613	-
Job Training	500,000	-		-	-
Capitalized Interest	2,900,227	846,701		841,518	5,183
Total	\$ 31,902,499	\$ 14,950,701	\$ 64,787	\$ 14,671,338	\$ 214,576

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

	Projected	Actual
Property value	\$ 12,061,704	\$ 24,205,100
Incremental value	\$ 4,039,004	\$ 14,938,200
Incremental taxes	\$ 93,532	\$ 380,587

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.