

**TID 68 - Fifth Ward/First Place
Periodic Report
12/31/09**

District Created: 2007

Authorized expenditure (excluding interest): \$4,402,966

Authorizing resolution(s): File #060895, #080541

Projected TID dissolution: 2029

Maximum legal life: 2034

Base property value: \$ 28,171,000

Completion status: Project under way.

Project description

This district will partially fund the construction of approximately 535 feet of riverwalk along Point on the River (f.k.a First Place on the River), a 115 unit condominium project at the junction of the Menomonee and Milwaukee rivers. The design will be consistent with the Riverlink design guidelines, and may include railings, harp lights, and medallions in the walking surface. A privately-funded marina with 28 boat slips will be installed in 2010. Four slips, along with a boat launch for public use, will be partially funded by the TID. The remaining marina and 24 slips will be privately funded. This district may also partially fund the construction of approximately 120 feet of riverwalk along the river frontage of 100-06 E. Seeboth Street at a future date.

The District will also provide funding for street improvements for South 1st Street from the Milwaukee River to the railway underpass, and portions of South 1st Place, East Seeboth Street, and East Pittsburgh Avenue. These improvements will include paving, street-narrowing, sidewalk widening, dockwall repair/replacement, construction of a new stub end roadway to the Milwaukee River for South 1st Place, pedestrian crosswalks and reconfiguring the right-turn bypasses at South 1st Street and East Pittsburgh Avenue. A new public plaza will also be created in the triangle at South 1st Street and East Seeboth Street.

In 2007, the City held a workshop with property owners adjacent to and surrounding the proposed 1st Street improvements. Conceptual design ideas for the proposed public improvements (street narrowing, sidewalks, crosswalks, public plaza) within the TID project plan were presented and discussed. A second public workshop was held in June 2008 and a third public meeting was held in February 2009. Construction of these public improvements is scheduled to begin spring of 2010 and will be completed mid-year.

In February 2008, the First Place project went into receivership with the lead lender satisfying liens and continuing to complete the development. At that time, 48 occupancy units were issued, two commercial units were sold and the riverwalk was completed.

However, the base value for the district was set in 2007 and was based upon the completed value of the condominiums, even though a majority of the units were not completed. In addition, with the downturn in the housing market, the residential units were assessed in 2008 at significantly lower values than the 2007 base value, thus creating no incremental value.

As a result, an amendment to the district was passed in September 2008 to establish a correct and lower base value that will allow an increment to be created. With this amendment, the TID is

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expected to pay back by 2029, two years later than initially projected, but still five years before the maximum legal life.

District incremental values have increased as follows:

Year	Incremental Value	Increase
2009	\$ 7,799,200	190%
2008	\$ 2,692,600	

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

	Project Plan Budget	Appropriations	Encumbrances	Expenditures	Remaining
First Place					
Riverwalk	\$ 2,073,541	\$ 2,073,541	\$ 372,268	\$ 1,613,443	\$ 87,830
Dockwall	440,675	440,675	435,886	-	4,789
Future Riverwalk	420,000	420,000		54,663	365,337
Fifth Ward					
South First Street Paving	623,000	846,750	3,697	183,622	659,431
Street Lighting	217,500	217,500	-	-	217,500
Traffic Signals	19,500	19,500	-	-	19,500
Water	15,000	15,000	-	1,429	13,571
Forestry	20,000	20,000	-	-	20,000
Contingency	223,750		-	-	-
Administration/Legal	350,000	350,000		246,800	103,200
Capitalized Interest	440,297	72,570	-	5,758	66,812
Total	\$ 4,843,263	\$ 4,475,536	\$ 811,851	\$ 2,105,715	\$ 1,557,970

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

	Projected	Actual
Property value	\$ 61,096,596	\$ 35,970,200
Incremental value	\$ 32,499,696	\$ 7,799,200
Incremental taxes	\$ 825,630	\$ 198,703

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: See above text.