

**TID 70 – 735 N. Water St.
Periodic Report
12/31/14**

District Created: 2007

Authorized expenditure (excluding interest): \$3,253,992

Authorizing resolution(s): #060961, #091567, #120417

Projected TID costs recovery: 2020 (levy year)

Maximum legal life: 2034

Base property value: \$14,904,700

Completion Status: Project complete

Project description

This project involves the redevelopment of the office buildings at 731 and 735 North Water Street. The 735 property is the former headquarters of the First Wisconsin National Bank and is the only office building in Milwaukee designed by Daniel Burnham. As such, the building was recently designated a Milwaukee landmark.

The district will provide \$1.5 million in gap financing for the overall project, and \$1,554,000 to renovate the riverwalk adjacent to the buildings. Incremental revenue will first be used to amortize the riverwalk costs, which will be advanced by the City. Revenues in excess of the annual riverwalk amortization will go to retire the \$1.5 million gap contribution which will be advanced by the developer/owner.

Improvements to the 735 North Water building include a connection to the Milwaukee skywalk system, façade restorations, creation of new restaurant space, tenant improvements, and restoration of its riverwalk.

Given a change in the market, the original project plan was amended in 2010 to replace the development proposal of seven luxury condominiums in the 731 North Water building with a Gold's Gym, retail, office and gray-box condominium space. This project, including the rehabilitated riverwalk was completed in late 2011.

District incremental values have changed as follows:

Year	Incremental Value	Change
2014	\$ 15,701,400	22%
2013	\$ 12,882,200	14%
2012	\$ 11,311,100	-8%
2011	\$ 12,235,700	
2010	\$ 508,600	
2009	\$ (302,700)	
2008	\$ (450,800)	

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

	Project Plan Budget	Appropriations	Encumbrances	Expenditures	Remaining
Administration	\$ 120,000	\$ 119,992	\$ -	\$ 91,736	\$ 28,256
Riverwalk Improvements	1,633,992	1,634,000	-	1,628,096	5,904
Gap Financing	1,500,000	658,837		637,836	21,001
Capitalized Interest	167,400	15,811		15,811	-
Total	\$ 3,421,392	\$ 2,428,640	\$ -	\$ 2,373,479	\$ 55,161

Financing Costs – Interest Paid through 12/31/2014: \$205,614

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

	Projected	Actual
Property value	not projected	\$ 30,606,100
Incremental value	not projected	\$ 15,701,400
Incremental taxes	\$ 848,720	\$ 1,584,708

Miscellaneous Revenue through 12/31/2014: \$6,500

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.