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July 23, 2026

Members of the Zoning, Neighborhoods
& Development Committee
City of Milwaukee
City Hall, Room 205
Milwaukee, WI 53202

RE: File 260435, TID 136 – Amani Homeownership Initiative

Dear Committee Members:

File 260435 would approve the creation of Tax Incremental District (TID) 136, Amani Homeownership Initiative (the "District"), along with a corresponding project plan and term sheet. The Comptroller's Office has reviewed the project plan, feasibility study, and term sheet and has had discussions with the Department of City Development ("DCD"). The Comptroller's Office analysis is based on the information provided.

The District is comprised of 358 scattered site parcels (approximately 1,561,398 square feet or 35.8 acres), generally bounded by West Burleigh Street, West Meinecke Avenue, North 18th Street and North 26th Street in the City's Amani neighborhood. The Project consists of the new construction of 95 single family homes in four phases of completion between 2026 through 2030, all being developed on vacant City owned lots. There are two components involved; 55 homes will be constructed and sold for affordable home ownership opportunities & then 40 homes will be developed to initially rent for 15 years under the federal Low-Income Housing Tax Credit program, thereafter being sold for homeownership, (the "Project").

This is a collaboration of Emem Group, LLC. ("Emem Group"), Milwaukee Habitat for Humanity, Inc. ("Habitat for Humanity"), Milwaukee Community Crossroads, Inc. ("MCC"), Ezekiel Community Development Corp. ("Ezekiel"), and the Community Development Alliance, Inc. ("Community Development Alliance"), collectively the ("Developer"). The Community Development Alliance is the Project Funder that will advance the $3,570,000 of project costs and the one to be repaid.

The total estimated costs for the Project are nearly $30.8 million and this file authorizes an up to $3,570,000 grant to the Developer to assist in funding a portion of these costs. The Developer will advance the $3,570,000. The District will make annual payments to the Developer equal to the incremental taxes collected in the District, less an annual administration charge of $7,500. The District's payments will terminate at the earlier of the repayment of $3,570,000 plus 2.50% interest, or the payment derived from the 2050 levy payable in 2051 (year 25 of the District).

Is This Project Likely to Succeed?

As a Developer-financed TID, the Developer assumes the risk that the proposed District will generate sufficient incremental revenue to recapture their $3,570,000 investment with interest.

DCD's feasibility study, completed by Ehlers Public Finance Advisors, which uses a constant 2.238538% property tax rate and 1% inflation rate over the life of the TID, forecasts that the Developer will fully recover the $3,570,000 plus interest in 2051 after receipt of the 2050 levy. However, if the tax rate does not remain constant, the Developer may not recover the entire $3,570,000 plus interest. Nonetheless, because the Developer, not the City, assumes the repayment risk on their up to $3,570,000 contribution, the proposed TID is economically feasible to the City.

Sensitivity Analysis

There is inherent risk in every projection of future results. One common way to evaluate this risk is to provide sensitivity analysis, which forecasts the impact that different assumptions have on the projection. Below is a table calculated by the Comptroller's office, which summarizes several scenarios to show the sensitivity of the projected incremental revenues within the District.

Sensitivity Analysis	
Percentage of Projected Revenue	District Payback Year
90%	2051*
95%	2051*
100% (Base Case)	2051*
105%	2051
110%	2050

** 2051 is the final year of the monetary obligation. The Developer would not fully recover their investment, plus interest, in this scenario.*

It is important to note that the payback year relates to the expected year in which the Developer will recover their investment. Since the Project will be financed by the Developer, the City is not at risk of losing the $3,570,000.

Is the Proposed Level of City Financial Participation Required to Implement the Project?

This proposed TID allows the City to provide incentive to the Developer to develop the Property while minimizing the City's involvement and risk.

Conclusion

The proposed TID provides incentive for the Developer to construct single family homes, which will offer affordable home-ownership and single family lease-to-own opportunities for residents in the City. The Developer will assume the financial risk and the Project should increase the City's tax base.

Should you have any questions regarding this letter, do not hesitate to contact Jesse Hagen.

Sincerely,

Bill Christianson, CPFO
Comptroller

CC: Larry Kilmer, Charles Roedel

BC:JH