

**TID 94 – 1st and Becher
Periodic Report
12/31/19**

District Created: 2018

Authorized expenditure (excluding interest): \$7,080,000

Authorizing resolution(s): #180884

Projected TID cost recovery: 2036 (levy year)

Maximum legal life: 2046

Base property value: \$5,468,400

Completion Status: Ongoing

Project description:

The 1st and Becher Tax Incremental District was created to fund public infrastructure, riverwalk improvements and environmental clean-up of the public access areas for the project. Located on the northwest corner of 1st and W. Becher Streets at the northern tip of the Bay View neighborhood this development serves as one of the catalytic projects of the Water District's Water and Land Use Plan and the Southeast Side Plan.

The Michels Corporation is the developer and owner for this multi-phased \$100 million development that will include office, commercial and residential uses. Phase I of the project includes an approximate 130,000 square foot office building with 500 or more stalls of parking, riverwalk improvements along the Kinnickinnic River and public access connections to the improvements for a total construction value of \$49 million. To assist the developer for the costs of the riverwalk and public access connections, the District will fund a developer financed loan in the amount of \$3.4 million for a proportion of the costs for these improvements and provide a \$400,000 grant for environmental clean-up of the public access areas. The Phase I office building will be the new division headquarters of the Michels Corporation Infrastructure Group that will include 250 employees.

The District will also fund \$2.5 million for Becher Street improvements including the reconstruction of Becher Street from the Kinnickinnic River up to the South Kinnickinnic Avenue intersection, new lighting, trees and improvements to the walkways and the intersection crossings at Becher and South 1st Street.

Construction for the project began in late 2018 and be completed by mid-year 2020. Becher Street improvements will commence in late 2019 and be completed by mid-year 2020.

In 2019, the Michels Corporation broke ground on Phase II of the \$100 million development. Construction is underway for a mixed-use residential project along 1st Street and plans to break ground for a hotel to the south of their office building will be following in 2020. Because of additional development underway the city and company determined it was best to reconstruct Becher Street and provide its improvements in late 2020 or early 2021 depending on the status of the overall project.

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Incremental Value:

Year	Incremental Value
2019	\$ -
2018	\$ -

2019 will be the base year for this district as per State Statute the municipal resolution was adopted after September 30, 2018. Consequently there is no incremental value.

Expenditures - Life to Date (as of 12/31/19)

	Project Plan Budget	Appropriations	Encumbrances	Expenditures	Remaining
Developer Financed Loan	\$ 3,400,000	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ 3,030,000	\$ 2,500,000	\$ 9,876	\$ 151,046	\$ 2,339,078
RLF Loan	\$ 400,000	\$ -	\$ -	\$ -	\$ -
Administration	250,000	250,000	-	-	250,000
Total	\$ 7,080,000	\$ 2,750,000	\$ 9,876	\$ 151,046	\$ 2,589,078

Revenue/Value Performance (as of 12/31/2019)

	Projected	Actual
Property value	\$ 1,318,200	\$ 5,468,400
Incremental value	\$ -	\$ -
Incremental taxes	\$ -	\$ -
State aid	*	\$ -

* Not projected.

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.