

TID 63 - Falk / Rexnord
Periodic Report
12/31/21

District Created: 2006

Authorized expenditure (excluding interest): \$2,500,000

Authorizing resolution(s): #051461, #110602

Projected TID contract recovery: 2029 (levy year)

Maximum legal life: 2026

Base property value: \$8,871,100

Completion Status: Project complete; employment is 602

Project description

This district funded a grant to Rexnord for costs associated with site work and infrastructure necessitated by the Canal Street project. These funds, in the amount of \$1.5 million, were advanced by the company and are being repaid by the City from future tax incremental revenue generated in the district. Payments will be reduced, proportionately, if employment at the Canal Street site declines below 520 full-time equivalent positions.

In 2011, the Project Plan was amended to assist the Falk facility with a \$35 million upgrade and reequipping of its facility. Rexnord transformed the facility into a Gear Center of Excellence significantly improved production efficiencies and reduce lead times. The amendment included up to \$1.0 million of additional assistance, bringing the total project budget to \$2.5 million.

Employment at the end of 2021 for the Rexnord-Falk facility in the Menomonee Valley was 277, which was down 9 employees from previous year partly due to continued consolidation of office staff and manufacturing operations to their other locations in the Milwaukee area. Including these employees, the total headcount for the Rexnord-Falk company in the Milwaukee area is 740 in 2021.

District incremental values have changed as follows:

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Year	Incremental Value	Change
2021	\$ 2,576,700	-14%
2020	\$ 2,979,300	4%
2019	\$ 2,862,400	-3%
2018	\$ 2,944,900	-1%
2017	\$ 2,970,800	8%
2016	\$ 2,744,600	-16%
2015	\$ 3,259,600	1%
2014	\$ 3,221,200	0%
2013	\$ 3,217,300	-6%
2012	\$ 3,429,600	-8%
2011	\$ 3,729,600	-1%
2010	\$ 3,764,600	-16%
2008	\$ 5,076,800	232%
2007	\$ 1,526,900	

Expenditures - Life to Date (as of 12/31/21)

	Project Plan Budget	Appropriations	Encumbrances	Expenditures	Balance
Administration	\$ -	\$ 65,000	\$ -	\$ 27,139	\$ 37,861
Developer Increments	2,500,000	1,227,473	-	1,227,473	-
Total	\$ 2,500,000	\$ 1,292,473	\$ -	\$ 1,254,612	\$ 37,861

Revenue/Value Performance (as of 12/31/2021)

	Projected	Actual
Property value	*	\$ 11,447,800
Incremental value	*	\$ 2,576,700
Incremental taxes	*	\$ 1,357,521
State aid	*	\$ 103,651

* 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.