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## Milwaukee to pay for streetcar extension with planned development at Fourth and Wisconsin

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The city of Milwaukee will seek development proposals this month for its parking lot at Fourth Street and West Wisconsin Avenue, and plans to use taxes generated by that project to pay for the next downtown Milwaukee streetcar extension.

The two-pronged approach involves both a major private development to contribute to West Wisconsin Avenue's revival, and the planned \$40 million extension of the streetcar.

That streetcar extension would run on North Fourth and Fifth streets between West St. Paul and West Highland avenues. Primary stops along the way include The Shops of Grand Avenue, Wisconsin Center and the new Milwaukee Bucks arena near West Juneau Avenue and North Fourth Street.

Milwaukee officials will consider contributing \$20 million to that extension through three tax incremental financing districts.

One new district would cover the city-owned parking lot at Fourth and Wisconsin, which has hosted several past development proposals that never came to fruition. The city later this month will issue a request for proposals for a company to buy and develop that site, said Milwaukee development commissioner Rocky Marcoux.



The extension would run the streetcar north and south on Fourth or Fifth streets downtown.

Developers already are expressing interest in the land, he said.

Through the planned TIF district, property taxes from that development could contribute more than \$8 million to the streetcar's Fourth Street extension, Marcoux said.

"We're confident enough in the interest that we're willing to put out a (tax incremental financing district) at Fourth and Wisconsin to support the streetcar," Marcoux said.

Marcoux said a mixed-use project, potentially with housing, offices or a hotel, is a likely play. The city would keep some land on the parking lot for a transit stop to serve the streetcar and potentially Milwaukee County's planned bus rapid transit line, he said.

The city will ask a company to pay the market-rate value of the land, Marcoux said. The RFP will likely set a due date in September. If no proposals come in, there would be monthly deadlines for companies to submit offers.

"Because we've had multiple inquiries on the site, we felt it was appropriate to have an RFP," Marcoux said. "We believe market-rate development should occur there. We're not looking to subsidize the development."

The city's RFP will be flexible regarding how the development at Fourth and Wisconsin will incorporate a streetcar stop, said Milwaukee public works commissioner Ghassan Korban. It could be anything from a simple street stop to a more involved station similar to what is proposed in the Couture apartment high-rise on the downtown Milwaukee lakefront, he said.

The Couture will have a large public concourse in its base with stops for the streetcar. The streetcars would actually run through the building.

If successful, that TIF district would generate \$8 million for the streetcar's Fourth Street extension. Two other existing TIF districts could also raise money for the extension. Those TIF districts would earmark taxes from properties to pay off debt on the streetcar project.

A district covering the Hilton Milwaukee City Center would contribute \$4 million, and the one covering Time Warner Cable's downtown office and ManpowerGroup's

corporate headquarters could contribute \$8 million, Marcoux said.

The TIF proposals will be reviewed by city officials starting with a June 16 hearing of the Milwaukee Redevelopment Authority.

The city in late April applied for \$20 million in federal grants to cover about half of the budget for the streetcar extension. The tax incremental financing districts would cover the other half.

“We’re hoping we would be able to provide a 50 percent local match to the grant amount,” Korban said. “That would make the application much stronger and much more likely to get awarded.”

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