

BUSINESS

Redevelopment Authority approves \$20 million in local funds for proposed streetcar extension

By *Tom Daykin* of the *Journal Sentinel*

Yesterday 4:24 p.m.

A proposed expansion of Milwaukee's streetcar would be partly financed with \$20 million in new property taxes generated by commercial development at three downtown sites, under plans endorsed by a city panel.

The Department of City Development [will seek proposals](#) for a city-owned parking lot, which is south of W. Wisconsin Ave., between N. 4th and N. 5th streets. Department officials say those proposals could involve a mix of uses, including multifamily housing, offices, a hotel and retail space.

That development would be part of a tax incremental financing district that the Redevelopment Authority board approved Thursday. The financing district also needs Common Council approval.

Property taxes generated by new commercial development at that parcel would provide an estimated \$8 million for a [proposed streetcar extension](#).

That expansion would be mainly on N. 4th St., and would connect the Milwaukee Intermodal Station, 433 W. St. Paul Ave., to the Milwaukee Bucks' future arena at N. 4th St. and W. Highland Ave.

The first portion of Milwaukee's streetcar is to begin operating in 2018 and will run from the Intermodal Station through downtown to the east side at N. Prospect and E. Ogden avenues, where the Portfolio apartment high-rise is planned. A branch loop to the future Couture apartment high-rise, overlooking Lake Michigan at N. Lincoln Memorial Drive and E. Michigan St., is to begin running in 2019.

The authority's board also approved funding for the streetcar expansion from two current tax financing districts: \$4 million from the Hilton Milwaukee City Center, 509 W. Wisconsin Ave., and \$8 million from Time Warner Cable and Manpower Group's offices, east of N. King Drive, between W. McKinley Ave. and W. Cherry St.

That \$20 million in property taxes from those three districts would be combined with a \$20 million federal grant the city is seeking. The \$40 million N. 4th St. extension would start operating in summer 2020.

In addition, the authority board approved tax financing district funds for [three new RiverWalk segments](#).

Up to \$1.53 million would help finance construction of a 390-foot RiverWalk and dock wall in connection with Wangard Partners Inc.'s redevelopment of the former Laacke & Joys Co. building, 1433 N. Water St., into offices and restaurants.

That \$31 million development, anchored by a new headquarters for Brookfield-based Bader Rutter & Associates, is to be completed by December 2017.

Another \$453,000 would cover increased costs to construct the 460-foot RiverWalk, dock wall, N. Broadway stub and N. Edison St. extension associated with The North End's fourth phase, 1501 N. Water St. That six-story, 155-unit apartment building will be finished by mid-2017. The RiverWalk financing proposal would supplement \$3 million approved in 2015.

Also, \$1.6 million would help finance a 280-foot RiverWalk and dock

wall, and build the stub end of E. Oregon St., next to the \$30 million 234 Apartments, 234 S. Water St. That 12-story, 164-unit apartment building is to open by April 2018.

Finally, the authority board also approved spending **an additional \$6 million** beyond the city's initial \$18 million estimate for rebuilding roads, such as N. Harbor Drive and E. Clybourn St., and doing other public improvements near Northwestern Mutual Life Insurance Co.'s new office tower.

That preliminary 2012 estimate was based on conceptual plans which didn't include the costs of rebuilding utility lines, and cleaning up environmental contamination. Also, city officials decided to rebuild streets instead of doing the less-expensive alternative of resurfacing them.

That work is being financed with new property taxes generated by the 32-story, \$450 million Northwestern Mutual project.

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