

SCHOOL SISTERS OF NOTRE DAME REDEVELOPMENT

TAX INCREMENT FINANCING REQUEST

PLAN COMMISSION MEETING – DECEMBER 6, 2021



CONTEXT



SITE PLAN



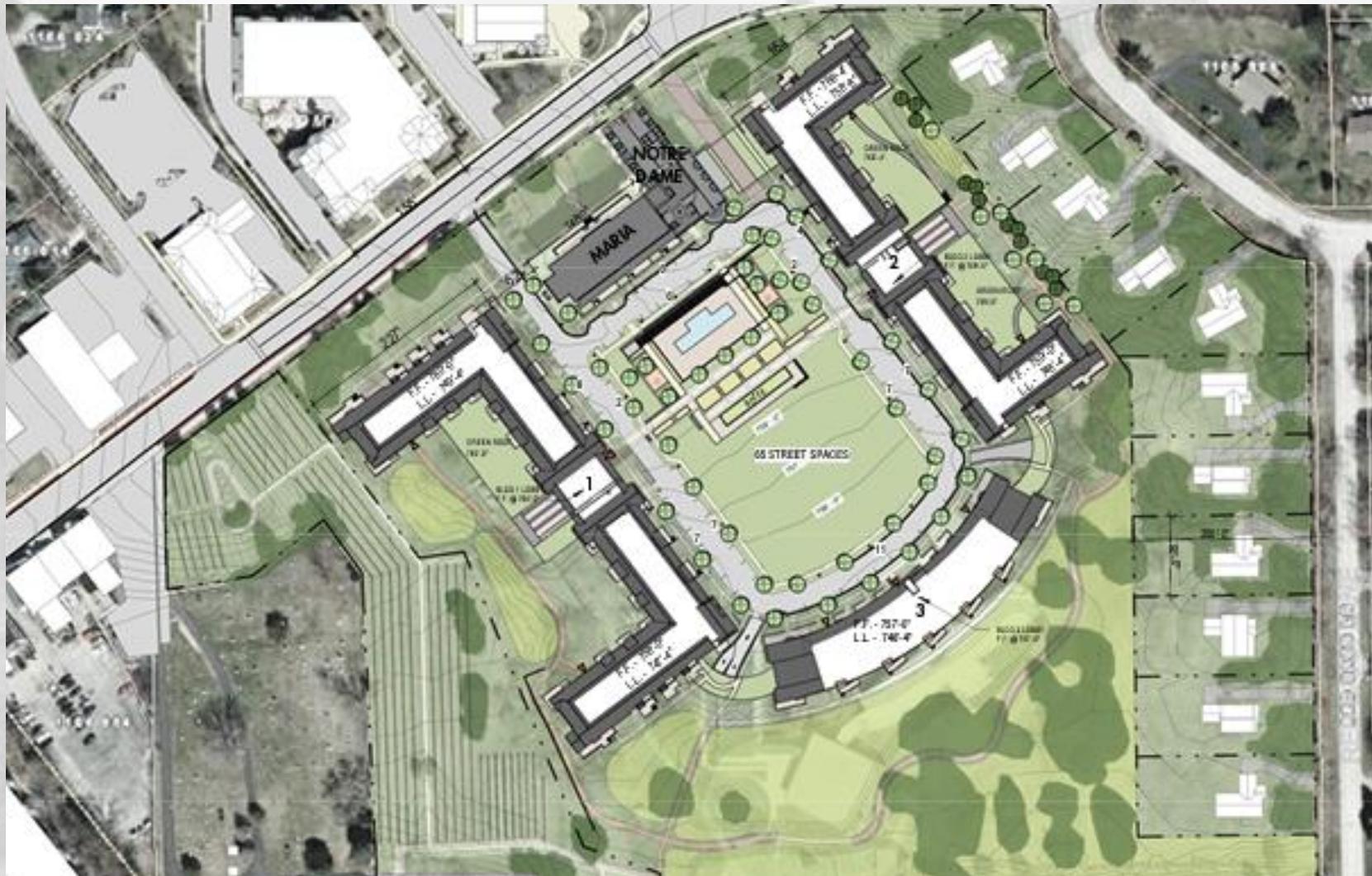
SINGLE FAMILY LOTS

Single Family Homes

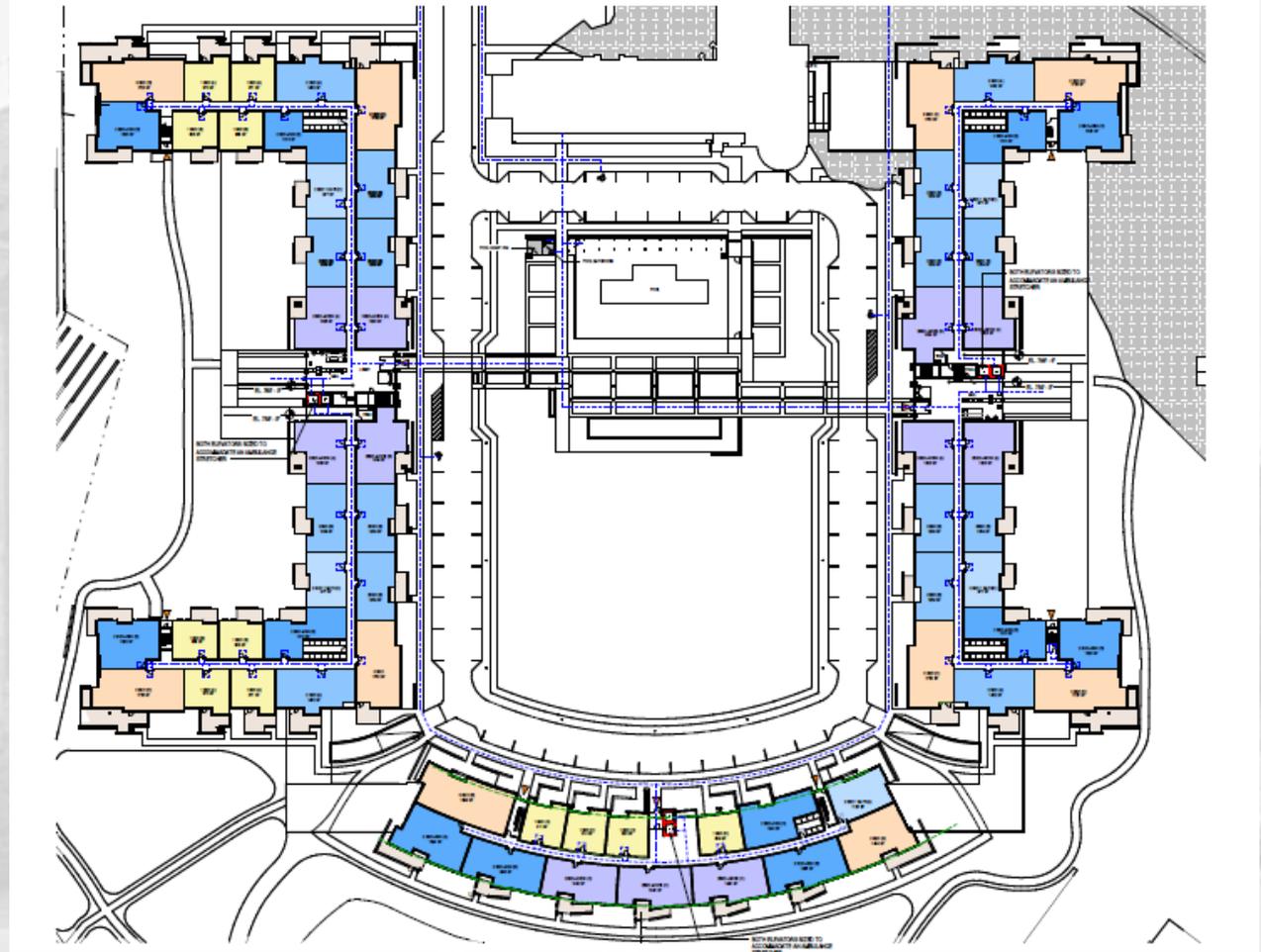
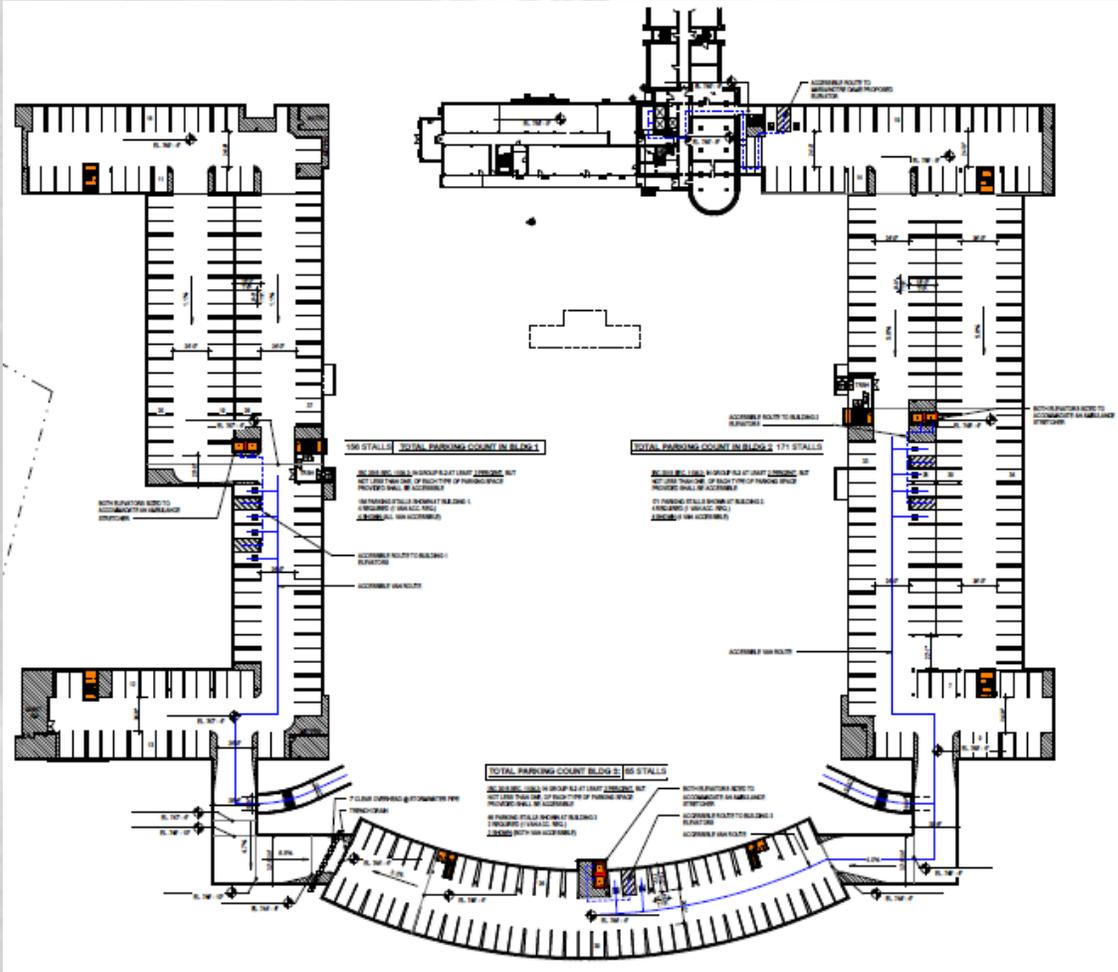
- Home sizes ranging from 2,200sf to 3,800sf
- Lots ranging from just over ¼ acre to over ½ acre
- Sales prices ranging from \$800K to \$1.3M



SITE PLAN



PARKING AND TYPICAL FLOORPLAN



DEVELOPMENT OVERVIEW

Unit Mix

Floor Plan	Number	Square Footage	Average Rent
One Bedroom	38	826	\$1,700
Two Bedroom A	17	1,020	\$2,000
Two Bedroom B	48	1,277	\$2,350
Two Bedroom + Den	65	1,357	\$2,450
Two Bedroom (Historic)	9	1,115	\$2,000
Three Bedroom	34	1,751	\$3,500
Three Bedroom (Historic)	26	1,501	\$3,100
TOTAL	237	1,295	\$2,482

Underground Parking

Description	Quantity
Total Spaces	386
Per Unit	1.63
Per Bedroom*	0.78

*Per bedroom count is 0.89 when counting two bedrooms for the 3-bedroom units

Note: Guest parking available on private roads within the development

BUILDING 1



BUILDING 2



BUILDING 3



MARIA HALL – EXISTING CONDITIONS



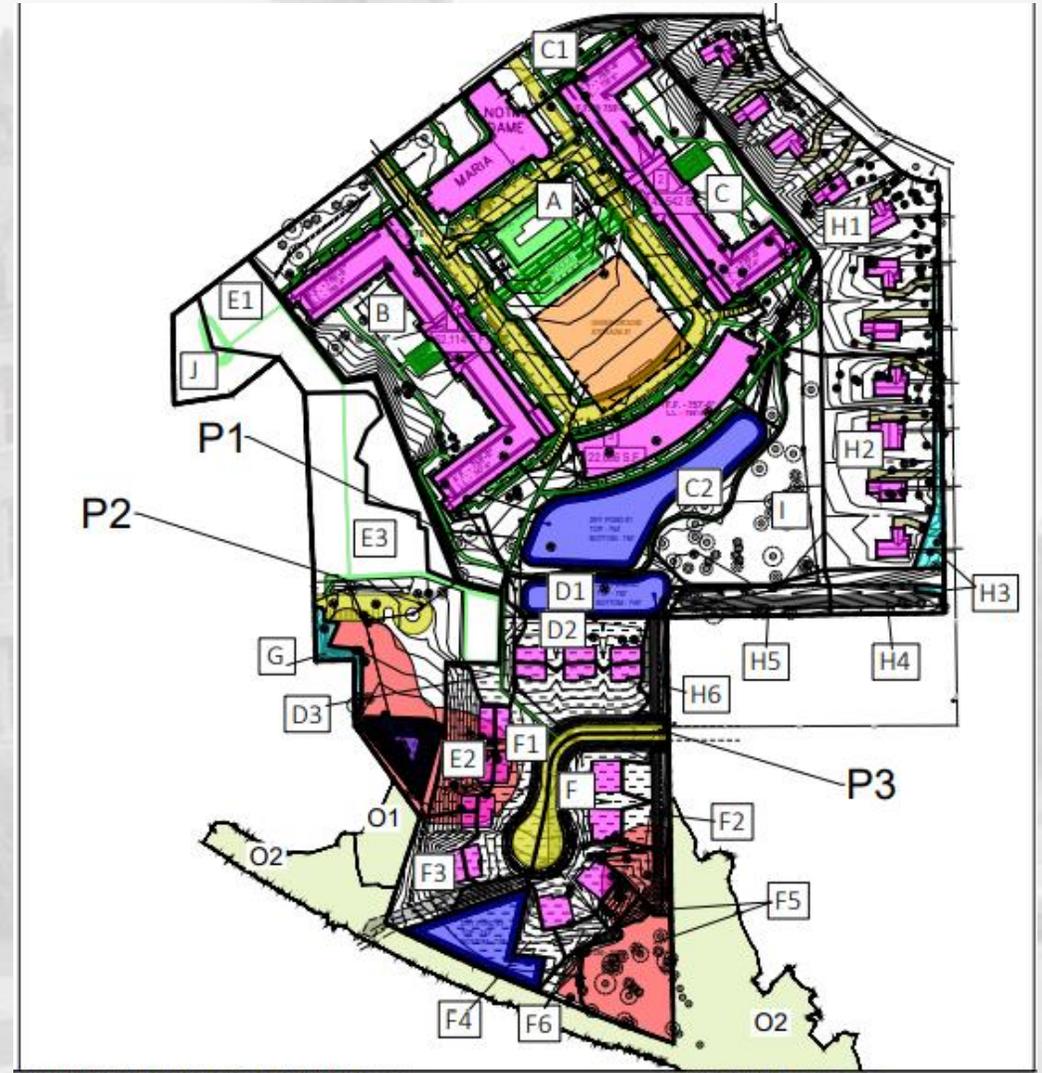
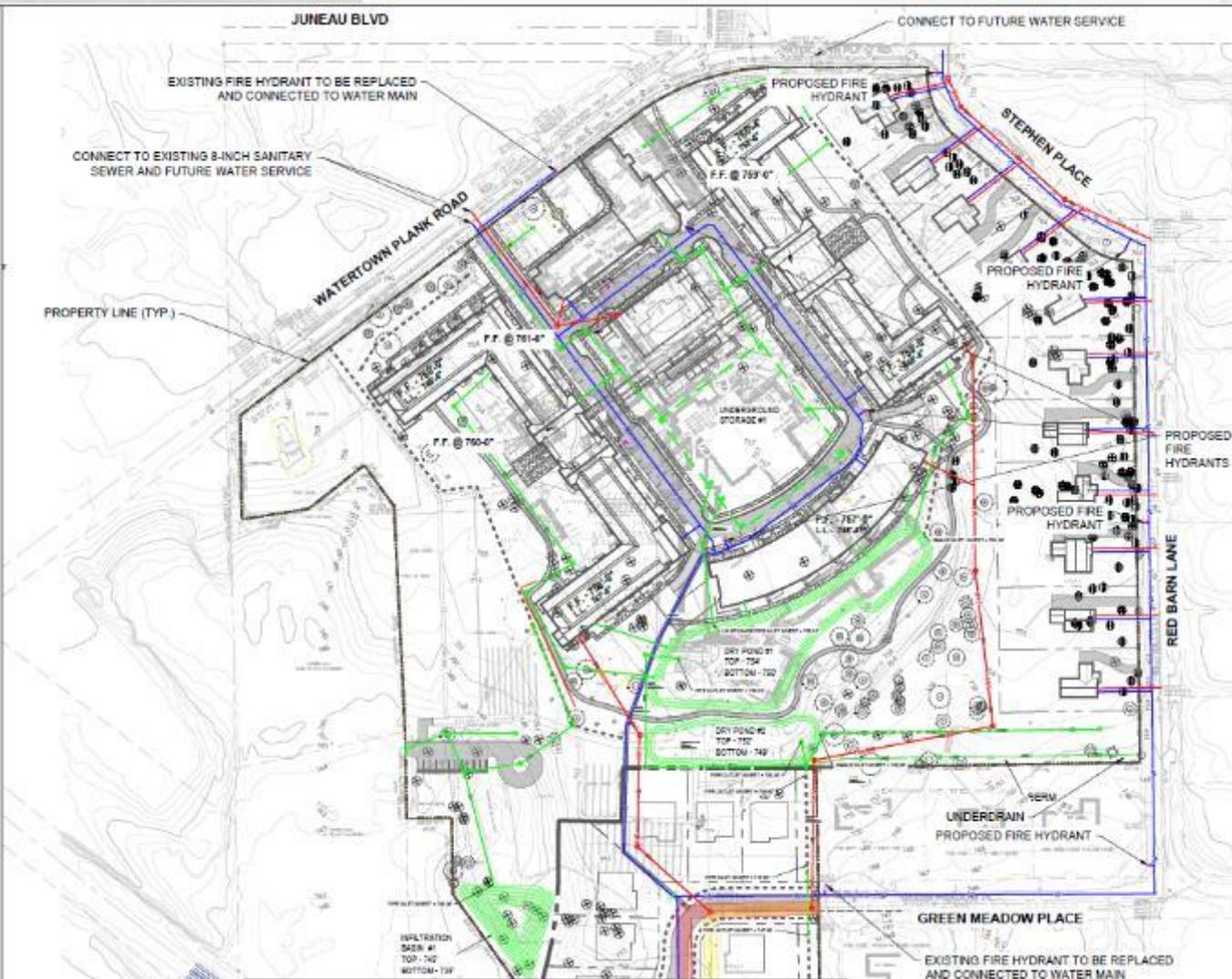
MARIA HALL PROPOSED



MARIA HALL PROPOSED



UTILITY & STORMWATER PLANS





FINANCIAL



TIF OVERVIEW

- Tax Increment Financing (TIF) is a tool municipalities can use to encourage development of projects that otherwise would not occur.
- The Tax Increment District (TID) is created, setting a baseline for assessed values in the district at current values.
- New development occurs within the TID, increasing assessed value within the district. i.e. increment is created.
- The incremental taxes are not distributed to the various taxing authorities. The incremental taxes flow 100% to the municipality.
- In anticipation of receiving incremental tax payments annually, the municipality can
 1. Take out loans and provide funds to developments upfront then use the incremental taxes to pay back those loans (TIF Grant)
OR
 2. Have the developer take out loans upfront then provide the developer with some or all of the incremental taxes to pay back their loans (Pay-Go TIF)
OR
 3. Do a combination of 1 and 2

TIF OVERVIEW

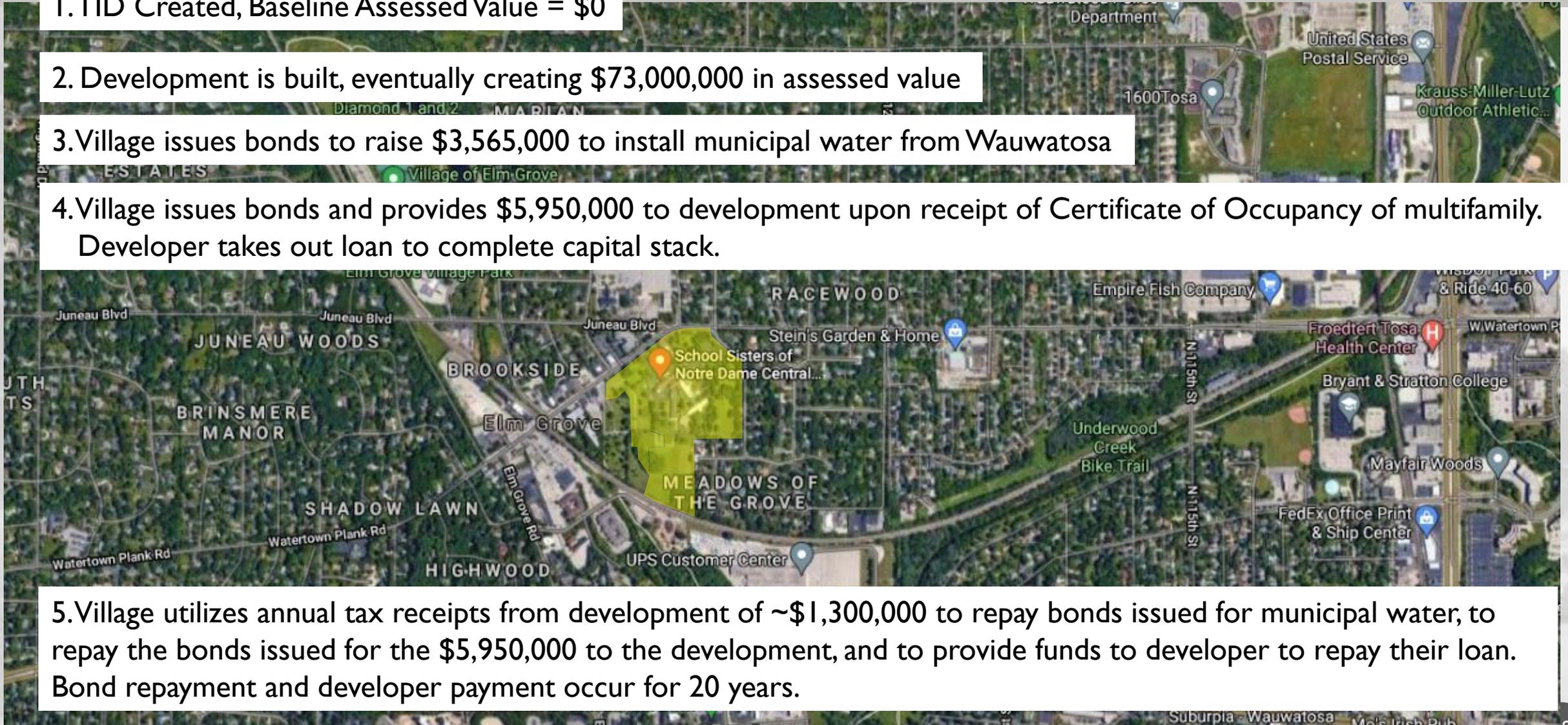
1. TID Created, Baseline Assessed Value = \$0

2. Development is built, eventually creating \$73,000,000 in assessed value

3. Village issues bonds to raise \$3,565,000 to install municipal water from Wauwatosa

4. Village issues bonds and provides \$5,950,000 to development upon receipt of Certificate of Occupancy of multifamily. Developer takes out loan to complete capital stack.

5. Village utilizes annual tax receipts from development of ~\$1,300,000 to repay bonds issued for municipal water, to repay the bonds issued for the \$5,950,000 to the development, and to provide funds to developer to repay their loan. Bond repayment and developer payment occur for 20 years.



SOURCES AND USES

Sources

Description	Amount	Per Unit
Construction Loan	\$68,666,437	\$289,731
TIF Grant	\$5,950,000	\$25,105
Investor Equity	\$19,492,755	\$82,248
Sponsor-Created Savings	\$3,485,283	\$14,706
Mandel Single-Family LLCs	\$500,435	\$2,112
Total Sources	\$97,378,352	\$413,903

Uses

Description	Amount	Per Unit
Land & Soft Costs	\$21,428,251	\$90,415
Hard Costs	\$76,666,659	\$323,488
Total Uses	\$97,378,352	\$413,903

TIF ELIGIBLE COSTS

- Capital costs of buildings, public improvements and equipment
- Planning, engineering, architecture, legal, and other professional services
- Financing and property acquisition costs
- Environmental investigation and remediation
- Demolition, including removal of underground storage tanks, abandoned containers and asbestos
- Redevelopment, including business relocation and other improvements

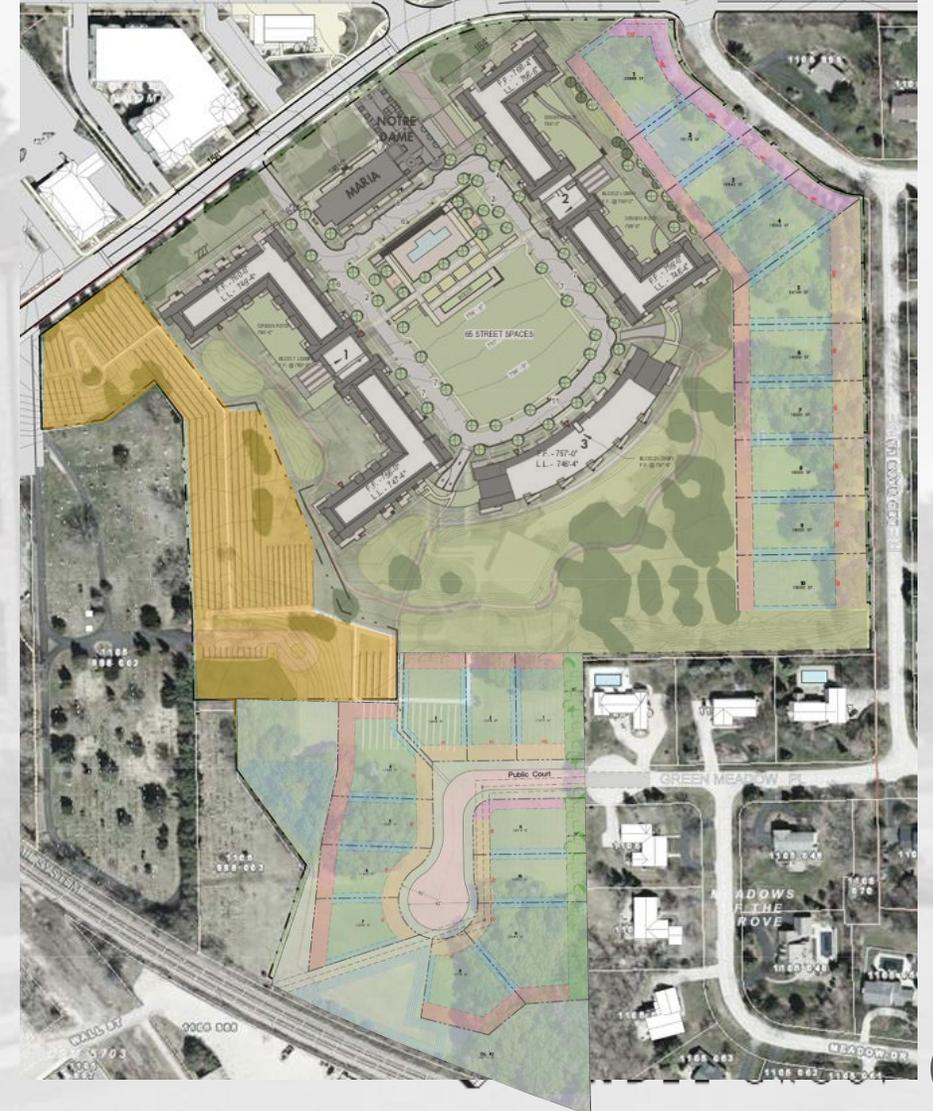
TIF SIZING

	SSND (Elm Grove)	Chiswick (Fox Point)	BridgeWalk (Waukesha)	Velo Village (Franklin)	The West (West Allis)	Emerald Row Phase 1 & 2 (Oak Creek)	Cobalt Development (Bayside)
Units	237	103	114	265	177	409	350-650
Assessed Value	\$65,000,000	\$16,854,545	\$20,500,000	\$47,400,000	\$27,600,000	\$44,200,000	\$84,000,000
Assessed Value per Unit	\$230,000	\$163,636	\$180,000	\$179,000	\$156,000	\$108,000	TBD
NPV of TIF Income Stream*	\$12,140,000**	N/A	\$3,868,446	\$14,952,000	\$8,200,000	\$12,600,000	\$15,500,000
TIF Benefit % of Assessed Value	18.7%	N/A	18.9%	31.5%	29.7%	28.5%	18.4%
Incentive per Unit	\$51,224	N/A	\$33,933	\$56,423	\$46,328	\$30,807	~\$24,000 - \$44,000
Rent / SF	\$1.92	\$1.90	\$1.63	\$1.63	\$1.47	N/A	N/A
Development Cost	\$97,378,352	\$35,333,665	\$28,429,188	\$57,244,545	\$37,719,675	N/A	N/A
Development Cost / Unit	\$413,903	\$343,045	\$245,079	\$216,017	\$213,105	N/A	N/A

*Net Present Value calculated at 7% discount rate

PROGRAM

	Original Oct 2017	Sep 2020	Jan 2021	July 2021
Apartments (Historic Buildings)	66	30	30-35	35
Apartments (New, 3-Story Buildings)	200	200	200-205	202
Apartments (New, Side-by-Sides)	34	0	0	0
Senior Living	100	100	0	0
Single Family	0	11	26	21
Total	400	356	256-266	258
Density (Dwelling Units/Acre)	15.6	13.3	10.0-10.4	10.1



VILLAGE BENEFITS

- Increased tax revenue due to 25 acres being added to the tax rolls
- Allows Village to bring Lake Michigan water through Wauwatosa to the downtown area
 - Allows the growth of downtown businesses
 - Allows existing residents to connect to new water main
- Adding a walkable community close to downtown contributes to the rejuvenation of downtown
- Fills the demand for market-rate housing, particularly for larger apartments for empty nesters, as outlined in the Downtown Master Plan
- Allows Village to leverage the development of SSND. Development will happen on this site – these costs will be incurred by other developments. Single Family developments are not eligible for TIF.