



Wauwatosa, WI

Community Development Authority

Meeting Agenda - Final

7725 W. North Avenue
Wauwatosa, WI 53213

Tuesday, January 13, 2026

3:00 PM

Zoom Only:
<https://servetosa.zoom.us/j/85717415522>,
Meeting ID: 857 1741 5522

VIRTUAL MEETING INFORMATION

Members of the public may observe the meeting via Zoom at the link above. To access the Zoom meeting via phone, call 1-312-626-6799 and enter the Meeting ID.

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES

1. Approval of minutes of the December 17, 2025 meeting [26-0020](#)

NEW BUSINESS

1. Public Hearing regarding the proposed creation of Tax Incremental District No. 16, the proposed boundaries and proposed Project Plan for the District. [26-0021](#)
2. Consideration and possible action on "Resolution Establishing Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 16, City of Wauwatosa, Wisconsin" [26-0022](#)
3. Review of Financial Report [26-0024](#)
4. Consideration of an owner-occupied affordable housing program [26-0025](#)
5. Consideration of a CDBG loan application from For Tosh, LLC d/b/a Casa de Corazon at 7754 Harwood Avenue [26-0023](#)

The body may convene into closed session pursuant to Sec. 19.85(1)(e), Wis Stats., for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require closed session, and may reconvene into open session.

NEXT MEETING DATE AND TIME

ADJOURNMENT

NOTICE TO PERSONS WITH A DISABILITY

Persons with a disability who need assistance to participate in this meeting should call the City Clerk's office at (414) 479-8917 or send an email to tclerk@wauwatosa.net, with as much advance notice as possible.



Wauwatosa, WI

7725 W. North Avenue
Wauwatosa, WI 53213

Staff Report

File #: 26-0020

Agenda Date: 1/13/2026

Agenda #: 1.

Approval of minutes of the December 17, 2025 meeting



Wauwatosa, WI

Community Development Authority

Meeting Minutes - Final

7725 W. North Avenue
Wauwatosa, WI 53213

Wednesday, December 17, 2025

3:00 PM

Zoom Only:
<https://servetosa.zoom.us/j/85717415522>,
Meeting ID: 857 1741 5522

VIRTUAL MEETING INFORMATION

Members of the public may observe the meeting via Zoom at the link above. To access the Zoom meeting via phone, call 1-312-626-6799 and enter the Meeting ID.

CALL TO ORDER

Meeting called to order at 3:00 PM

ROLL CALL

Staff/Attendees

Mark Hammond, Development Director
Jen Ferguson, Economic Development Manager
John Ruggini, Finance Director
Karl Schreiber, Housing & CDBG Manager
Jim Archambo, City Administrator
Mayor Dennis McBride

Present 4	Member, Chair Joel Tilleson Member, Vice-Chair Allen Wick Member Terry Klippel Aldersperson Liaison Rob Gustafson
Excused 2	Member Christopher Zirbes Aldersperson Liaison Joe Phillips

APPROVAL OF MINUTES

1. Approval of minutes of the November 20, 2025, regular meeting [25-2336](#)
RESULT: APPROVED
MOVER: Allen Wick
SECONDER: Terry Klippel
Aye: 4 Tilleson, Wick, Klippel, and Gustafson
Excused: 2 Zirbes, and Phillips

NEW BUSINESS

1. Update of the former Boston Store property at 2400 N Mayfair Road [25-2337](#)
Motion to convene into closed session pursuant to Sec. 19.85(1)(e), Wis Stats., for the

purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require closed session, and may reconvene into open session.

RESULT: APPROVED

MOVER: Joel Tilleson

SECONDER: Rob Gustafson

Aye: 4 Tilleson, Wick, Klippel, and Gustafson

Excused: 2 Zirbes, and Phillips

2. Consideration of the purchase of properties from private owners for purposes of redevelopment

[25-2338](#)

In open session, Chair Tilleson moved to authorize staff to pursue the purchase of the property discussed in closed session and pursuant to the terms discussed in closed session with a broader discussion on this item to be held at our next regular meeting held in January.

RESULT: APPROVED

MOVER: Joel Tilleson

SECONDER: Rob Gustafson

Aye: 4 Tilleson, Wick, Klippel, and Gustafson

Excused: 2 Zirbes, and Phillips

ADJOURNMENT

Meeting adjourned at 3:30 PM

NOTICE TO PERSONS WITH A DISABILITY

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Wauwatosa, WI

7725 W. North Avenue
Wauwatosa, WI 53213

Staff Report

File #: 26-0021

Agenda Date: 1/13/2026

Agenda #: 1.

Public Hearing regarding the proposed creation of Tax Incremental District No. 16, the proposed boundaries and proposed Project Plan for the District.

**NOTICE OF PUBLIC HEARING
AND JOINT REVIEW BOARD MEETING
CITY OF WAUWATOSA, WISCONSIN**

NOTICE IS HEREBY GIVEN that the City of Wauwatosa will hold a Joint Review Board meeting on January 13, 2026 at 8:00 AM.

The meeting will be held at the Wauwatosa City Hall, Committee Room #1, located at 7725 W North Ave. The meeting will also be held via zoom: <https://servetosa.zoom.us/j/84004027478>.

The purpose of the meeting is to organize the Joint Review Board for consideration of the City's proposal to create Tax Incremental District No. 16.

The Joint Review Board will also review the annual reports and the performance and status of each Tax Incremental District governed by the Joint Review Board as required by Wis. Stat. § 66.1105(4m)(f).

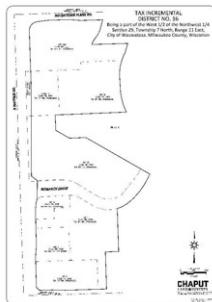
NOTICE IS HEREBY GIVEN that the CDA of the City of Wauwatosa will hold a public hearing on January 13, 2026 at 3:00 PM.

The meeting will be held via zoom: <https://servetosa.zoom.us/j/85717415522>.

The hearing will be held to provide the public a reasonable opportunity to comment on the proposed creation of Tax Incremental District No. 16, its proposed boundaries, and its proposed Project Plan.

The District's proposed boundary is identified on the map included in this Notice.

Based on the planned use of properties within the proposed District boundary the City expects to designate the District as suitable for mixed use development.



Projects to be undertaken within the District and costs to be incurred (Project Costs) will be for the purpose of promoting mixed use development and may include acquisition of property, rights of way or easements, site preparation, installation or rehabilitation of utilities and streets, payment of cash grants as development incentives to owners, lessees, or developers of land located within the District, professional services and organizational costs, administrative costs, financing costs and other costs as may be necessary to implement the District's Project Plan. Projects may be undertaken within the District's proposed boundary and in areas located in the City within ½ mile of that boundary.

All interested parties will be given a reasonable opportunity to comment on the proposed creation of the District, its proposed boundaries, and its proposed Project Plan. A copy of the proposed District Project Plan, including a description of the proposed boundaries, is available for public inspection and will be provided on request during normal business hours at the office of the City Clerk at the Wauwatosa City Hall, located at 7725 W North Ave. This information can also be viewed on the City's website at <https://www.wauwatosa.net/>.

By Order of the City of Wauwatosa, Wisconsin

Published December 24, 2025 & December 31, 2025

WNAXLP

MJ-43125674

December 26, 2025

PROJECT PLAN

City of Wauwatosa, Wisconsin

Tax Incremental District No. 16



Prepared by:

Ehlers
N19W24400 Riverwood Drive,
Suite 100
Waukesha, WI 53188

BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	Scheduled for January 13, 2026
Public Hearing Held:	Scheduled for January 13, 2026
Action by CDA:	Scheduled for January 13, 2026
Action by City Council:	Scheduled for January 27, 2026
Action by the Joint Review Board:	Scheduled for TBD

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SECTION 1:

Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 16 (“District”) is a proposed Mixed Use District comprising approximately 40 acres located at the western edge of the Milwaukee County Research Park, along the southeastern corner of Watertown Plank Road and Mayfair Road. The District will be created to pay the costs of development incentives and infrastructure needed (“Project”) to be developed by Wayfair Apartments LLC and Samapa Development Company LLC for the redevelopment of the Sonesta Hotel (“Developer”), as well as other potential developers for additional sites within the District. In addition to the incremental property value that will be created, the City expects the Project will result in approximately \$101.5 million in new taxable value within the City and significant additional housing opportunities within the City at various price points. The District will also seek redevelop a number of underutilized parcels within the District boundary.

AUTHORITY

The City is creating the District under the provisions of Wis. Stat. § 66.1105.

ESTIMATED TOTAL PROJECT COST EXPENDITURES

The City anticipates making total expenditures of approximately \$34.2 million (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include an estimated 25.8 million in development incentives for three separate development projects within the District boundary. Approximately \$4.5 million in infrastructure related expenses as well as on-going administrative expenses, interest on long-term debt and financing costs.

INCREMENTAL VALUATION

The City projects that new land and improvements value of approximately \$101.5 million will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumptions as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

EXPECTED TERMINATION OF DISTRICT

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will generate sufficient tax increment to pay all Project Costs within 19 of its allowable 20 years.

SUMMARY OF FINDINGS

As required by Wis. Stat. § 66.1105, and as documented in this Plan and the exhibits contained and referenced herein, the following findings are made:

1. That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In reaching this determination, the City has considered:

A review of the Sonesta Hotel conversion project’s sources and uses, and cash flow proforma. The Project’s projected return on investment over 10 years without TIF assistance is 9.8% on an internal rate of return (IRR) basis. The Developer has requested that the City provide incentive payments on a pay as you go basis with an estimated present value of \$1,850,000. (Projected future value payments of \$3,357,157). Provision of the requested assistance would improve the Project’s return on investment to 13.8%. Projects of this type typically need to provide a return in the range of 13% to 15% to attract the necessary investment capital. Based on Ehlers review, provision of pay as you go incentives in the amount requested is necessary to provide an acceptable return on investment and indicates that “but for” the incentives, the project would not likely proceed.

The Developer’s representation that the Project is not economically viable without public participation based on extraordinary costs associated with demolition of structures and redevelopment of existing sites.

The substantial investment needed to provide the public infrastructure necessary to allow for development within the District. Absent the use of tax incremental financing, the City is unable to fully fund this program of infrastructure improvements.

2. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the City has considered the following information:

That the Developer is likely to purchase goods and services from local suppliers in construction of the Project, and induced effects of employee households spending locally for goods and services from retailers, restaurants and service companies.

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of

projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.

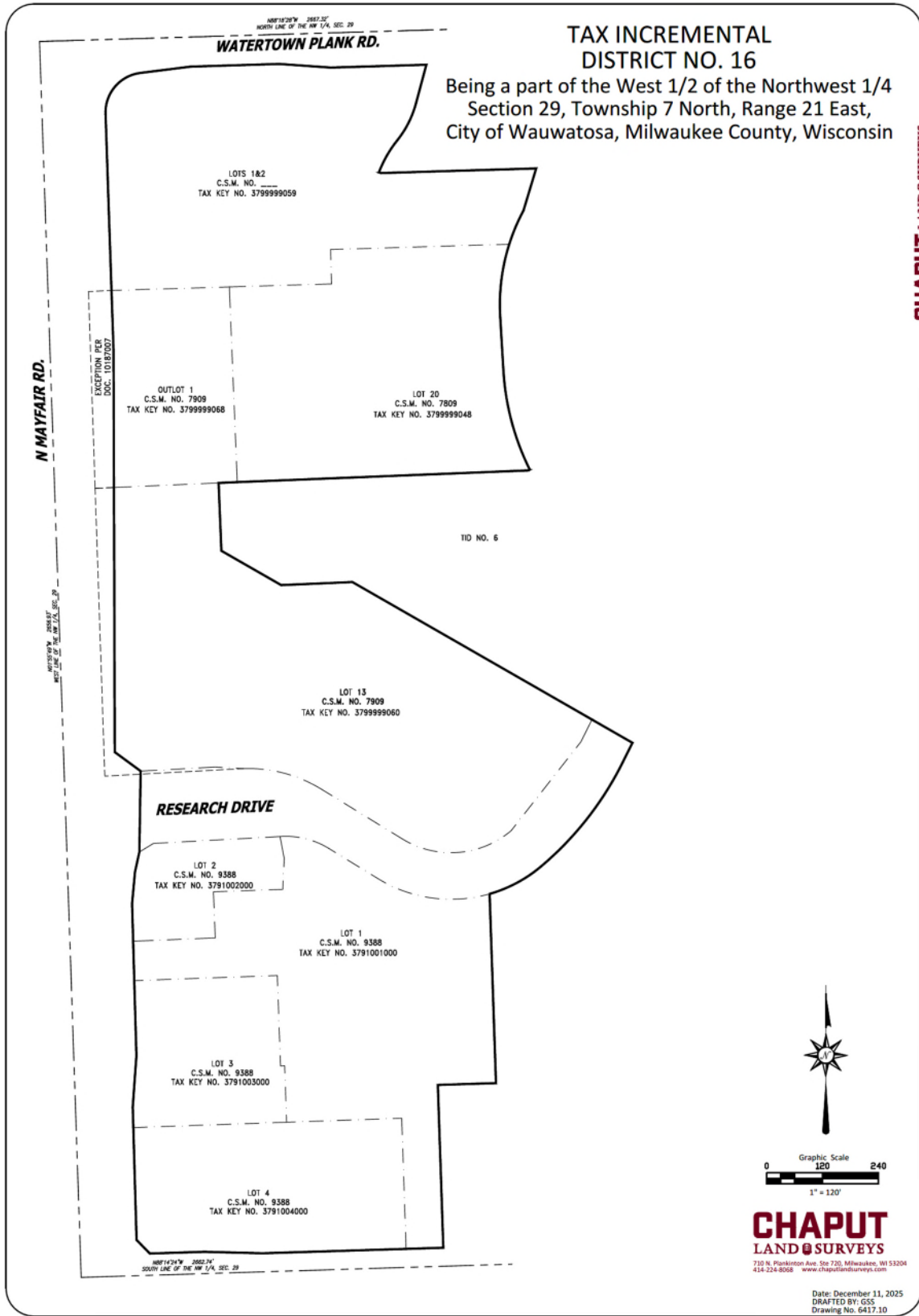
4. Not less than 50% by area of the real property within the District is suitable for mixed use development as defined by Wis. Stat. § 66.1105(2)(cm). Lands proposed for newly-platted residential development comprise no more than 35% of the real property area within the District. Costs related to newly-platted residential development may be incurred based on the proposed development having a density of at least three (3) units per acre as defined in Wis. Stat. § 66.1105(2)(f)3.a.
5. Based on the foregoing finding, the District is designated as a mixed-use district.
6. The Project Costs relate directly to promoting mixed use development in the District, consistent with the purpose for which the District is created.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).
10. That there are no parcels to be included within the District that were annexed by the City within the preceding three-year period.
11. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2:

Preliminary Map of Proposed District Boundary

Map Found on Following Page.

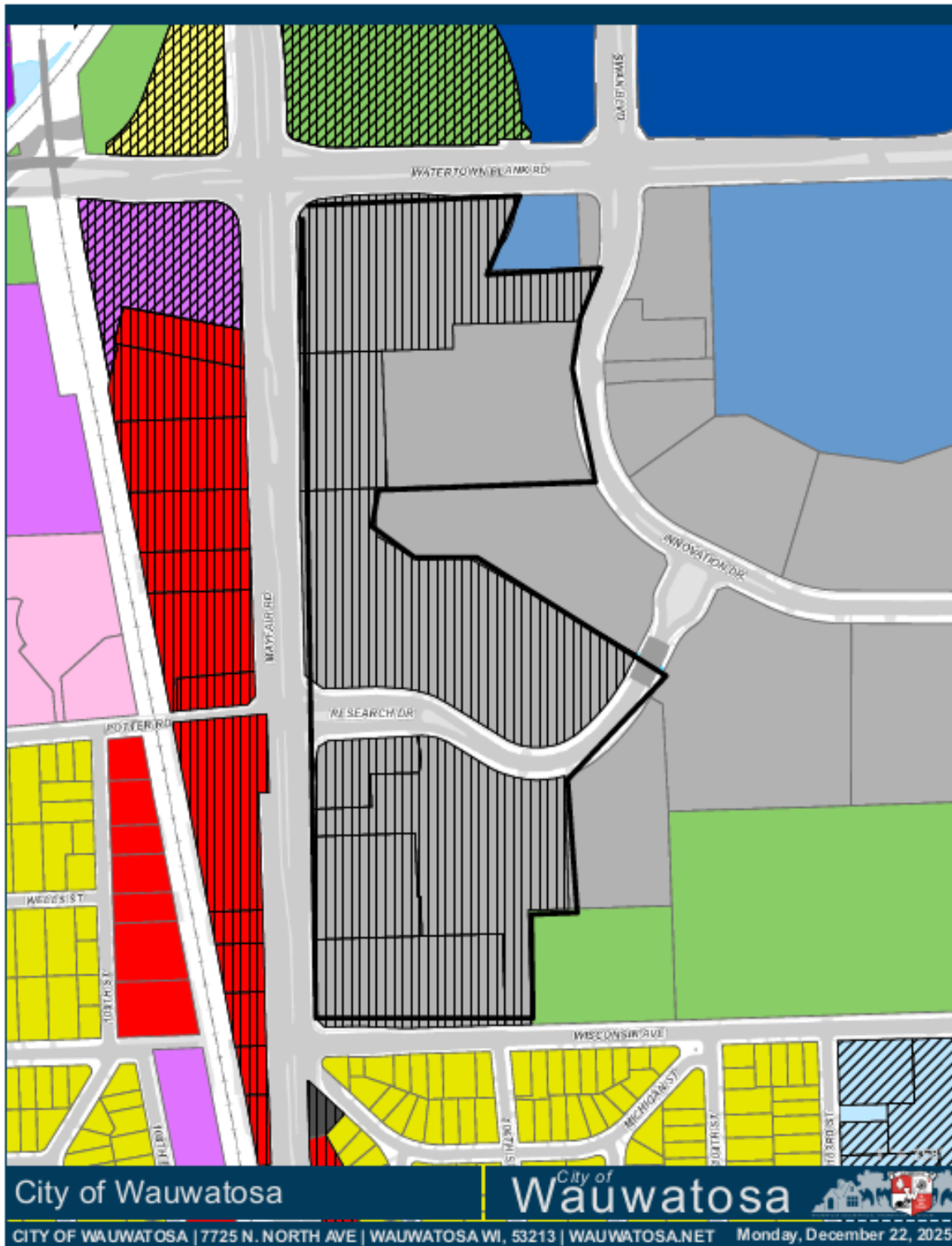
To the extent District boundaries include wetlands identified on a map prepared under Wis. Stat. § 23.32, the wetlands are excluded from the District.



SECTION 3:

Map Showing Existing Uses and Conditions

Map Found on Following Page.



SECTION 4:

Preliminary Parcel List and Analysis

Parcel Data

Map Reference Number	Parcel Number	Address	Acres	Suitable Acres			
				Commercial/ Business	Previously- Platted Residential	Newly-Platted Residential	Industrial
N/A	ROW Areas		0.00				
1	3799999059	10499 Innovation Drive	7.55	7.55			
2	3799999068	1040 N Mayfair Road	2.49				
3	3799999048	10437 Innovation Drive	6.27	6.27			
4	3799999060	10700 Research Drive	10.22	10.22			
5	3791002000	850 N Mayfair Road	1.20	1.20			
6	3791001000	10701 Research Drive	6.73	6.73			
7	3791003000	800 N Mayfair Road	2.29	2.29			
8	3791004000	720 N Mayfair Road	3.66	3.66			
TOTALS			40.41	37.92	0.00	0.00	0.00

Percentage of TID Area Suitable for Mixed Use Development (at least 50%)

94%

Percentage of TID Area Not Suitable for Development

6%

Percentage of TID Area Suitable for Newly Platted Residential Development (no more than 35%)

0%

Wetland Acreage Removed from District Boundaries

0.00

Calculation of Estimated Base Value¹

Parcel	Assessed Value			Equalized Value ²		
	Land	Improvement	Total	Land	Improvement	Total
3799999059	7,103,800	3,766,700	10,870,500	7,103,300	3,766,400	10,869,700
3799999068	0	0	0	0	0	0
3799999048	2,509,000	616,600	3,125,600	2,508,800	616,600	3,125,400
3799999060	4,088,000	18,573,300	22,661,300	4,087,700	18,572,000	22,659,700
3791002000	600,000	963,800	1,563,800	600,000	963,700	1,563,700
3791001000	3,365,000	3,076,600	6,441,600	3,364,800	3,076,400	6,441,200
3791003000	1,145,000	5,480,500	6,625,500	1,144,900	5,480,100	6,625,000
3791004000	1,830,000	97,200	1,927,200	1,829,900	97,200	1,927,100
TOTALS	20,640,800	32,574,700	53,215,500	20,639,400	32,572,400	53,211,800

1) Estimated based on values as of January 1, 2025. Actual base value will be as of January 1, 2026.

2) Calculation based on aggregate assessment ratio of 100.01%.

SECTION 5:

Equalized Value Test

The following calculations demonstrate that the City expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the increment of existing tax incremental districts within the City, plus the base value of the proposed District, totals \$683.061 million. This value is less than the maximum of \$1.215 billion in equalized value that is permitted for the City.

City of Wauwatosa, Wisconsin		
Tax Increment District No. 16		
Valuation Test Compliance Calculation		
<u>Calculation of City Equalized Value Limit</u>		
City TID IN Equalized Value (Jan. 1, 2025)	\$	10,122,294,400
TID Valuation Limit @ 12% of Above Value	\$	1,214,675,328
<u>Calculation of Value Subject to Limit</u>		
Estimated Base Value of Territory to be Included in District	\$	53,211,800
Plus: Assumed change for Jan. 1, 2026 assessment	\$	-
Incremental Value of Existing Districts (Jan. 1, 2025)	\$	629,849,500
Less: Value of Parcels Removed from District	\$	-
Less: Value of Underlying TID Parcels	\$	-
Total Value Subject to 12% Valuation Limit	\$	683,061,300
Total Percentage of TID IN Equalized Value		6.75%
Residual Value Capacity of TID IN Equalized Value	\$	531,614,028

SECTION 6:

Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received in connection with the implementation of the Plan. If Project Costs incurred benefit territory outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning, design and construction is completed.

With all Project Costs, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

The following is a list of public works and other tax incremental financing eligible Project Costs that the City expects to make, or may need to make, in conjunction with the implementation of the District's Plan. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number and location of potential Project Costs.

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development

To promote and facilitate development the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred to make the property suitable for development. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as

defined in Wis. Stat. § 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

Property Acquisition for Conservancy

To promote the objectives of this Plan, the City may acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife; maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.

Acquisition of Rights-of-Way

The City may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

Acquisition of Easements

The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire easement rights are eligible Project Costs.

Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

Site Preparation Activities

Environmental Audits and Remediation

If it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediation are eligible Project Costs.

Demolition

To make sites suitable for development, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

Site Grading

Land within the District may require grading to make it suitable for development, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

Utilities

Sanitary Sewer System Improvements

To allow development to occur, the City may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Water System Improvements

To allow development to occur, the City may need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or

expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

Development within the District will cause stormwater runoff. To manage this stormwater runoff, the City may need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Electric Service

To create sites suitable for development, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the City to undertake this work are eligible Project Costs.

Gas Service

To create sites suitable for development, the City may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the City to undertake this work are eligible Project Costs.

Communications Infrastructure

To create sites suitable for development, the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications,

including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the City to undertake this work are eligible Project Costs.

Streets and Streetscape

Street Improvements

To allow development to occur, the City may need to construct or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

Streetscaping and Landscaping

To attract development consistent with the objectives of this Plan, the City may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the City are eligible Project Costs.

Community Development

Cash Grants (Development Incentives)

The City may enter into agreements with property owners, lessees, or developers of land located within the District for sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover Project Costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

Contribution to Community Development Authority (CDA)

As provided for in Wis. Stat. § 66.1105(2)(f)1.h and Wis. Stat. § 66.1333(13), the City may provide funds to its CDA to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA for this purpose are eligible Project Costs.

Revolving Loan/Grant Program (Development Incentives)

To encourage private development consistent with the objectives of this Plan, the City, through its CDA, may provide loans or grants to eligible property owners in the District. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the CDA in the program manual. Any funds returned to the CDA from the repayment of loans made are not considered revenues to the District, and will not be used to offset District Project Costs. Instead, these funds may be placed into a revolving fund and will continue to be used for the program purposes stated above. Any funds provided to the CDA for purposes of implementing this program are considered eligible Project Costs.

Miscellaneous

Projects Outside the Tax Increment District

Pursuant to Wis. Stat. § 66.1105(2)(f)1.n, the City may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the City's corporate boundaries; and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs, and may include any project cost that would otherwise be eligible if undertaken within the District. The City intends to make the following project cost expenditures outside the District:

As a part of the Research Park, it is anticipated that TID 16 would contribute towards public improvements to be included in the Research Park Master Plan anticipated for adoption in 2026. This is likely to include:

- the reconstruction and enhancing of the existing transportation network including the redesign, improvement, and extension of the internal road network to support efficient traffic flow, safe intersections, and multimodal access
- Creation of safe, attractive, and accessible pedestrian pathways and bike trails that connect buildings, amenities, and surrounding neighborhoods, promoting alternative modes to lessen the reliance on cars.
- Streetscaping and placemaking including the construction of public common areas.

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include but are not limited to: architectural; environmental; planning; engineering; legal; audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

Administrative Costs

The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees relating to the implementation of the Plan.

Financing Costs

Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

SECTION 7:

Map Showing Proposed Improvements and Uses

Map Found on Following Page.

Map to be Inserted

SECTION 8:

Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the City currently expects to incur in implementing the District's Plan. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. (Section 6 details the general categories of eligible Project Costs). Changes in Project Cost totals or the types of Project Costs to be incurred will not require that this Plan be amended. This Plan is not meant to be a budget nor an appropriation of funds for specific Project Costs, but a framework within which to manage Project Costs.

City of Wauwatosa, Wisconsin

Tax Increment District No. 16

Detailed List of Estimated Project Costs

Project ID	Project Name/Type	Est. Cost			Totals	1/2 Mile	Est. Timing
		Phase I	Phase II	Ongoing			
1	Development Incentives - PAYGO (Sonesta)	1,850,000			1,850,000		2026
2	Development Incentives - PAYGO (MF-A) ¹	6,200,000			6,200,000		2026
3	Development Incentives - PAYGO (MF - B) ¹		4,400,000		4,400,000		2029
4	Phase I Infrastructure Improvements	2,270,000			2,270,000	2,270,000	2028
5	Phase II Infrastructure Improvements		2,200,000		2,200,000	2,200,000	2030
12	Interest on MROs			14,832,999	14,832,999		
13	Interest on Long Term Debt			2,033,600	2,033,600		
14	Financing Costs			147,800	147,800		
15	Ongoing Planning & Administrative Costs			235,000	235,000		
Total Projects		10,320,000	6,600,000	17,249,399	34,169,399	4,470,000	

Notes:

1. As a part of the Research Park, it is anticipated that TID 16 would contribute towards public improvements to be included in the Research Park Master Plan anticipated for adoption in 2026. This is likely to include:
the reconstruction and enhancing of the existing transportation network including the redesign, improvement, and extension of the internal road network to support efficient traffic flow, safe intersections, and multimodal access
Creation of safe, attractive, and accessible pedestrian pathways and bike trails that connect buildings, amenities, and surrounding neighborhoods, promoting alternative modes to lessen the reliance on cars.
Steetscaping and placemaking including the construction of public common areas

SECTION 9:

Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred

This Section includes a forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how Project Costs would be financed, and a projected cash flow demonstrating that the District is economically feasible.

Key Assumptions

The Project Costs the City plans to make are expected to create approximately \$101.50 million in incremental value by 2030. Estimated valuations and timing for construction of the Project are included in **Table 1**. Assuming the City's current equalized TID Interim tax rate of \$18.00 per thousand of equalized value, and 1.00% annual appreciation, the Project would generate approximately \$36.37 million in incremental tax revenue over the 20-year term of the District as shown in **Table 2**.

Table 1 – Development Assumptions

City of Wauwatosa, Wisconsin											
Tax Increment District No. 16											
Development Assumptions											
Construction Year		Waterfair Apts/Samapa - Sonesta Hotel Conversion	Multi-Family - A		Multi-Family - B		Annual Total		Construction Year		
		Total Value	Total Value		Total Value						
1	2026	8,770,300	13,072,800				21,843,100		2026	1	
2	2027	3,689,625	36,000,000				39,689,625		2027	2	
3	2028						0		2028	3	
4	2029				20,000,000		20,000,000		2029	4	
5	2030				20,000,000		20,000,000		2030	5	
6	2031						0		2031	6	
7	2032						0		2032	7	
8	2033						0		2033	8	
9	2034						0		2034	9	
10	2035						0		2035	10	
11	2036						0		2036	11	
12	2037						0		2037	12	
13	2038						0		2038	13	
14	2039						0		2039	14	
15	2040						0		2040	15	
16	2041						0		2041	16	
17	2042						0		2042	17	
18	2043						0		2043	18	
19	2044						0		2044	19	
20	2045						0		2045	20	
Totals		<u>0</u>	<u>12,459,925</u>	<u>0</u>	<u>49,072,800</u>	<u>0</u>	<u>40,000,000</u>	<u>101,532,725</u>			
Notes:											
1. Sonesta hotel conversion estimated value was provided by the City Assessor and is less the estimated 2026 base value of the existing hotel facility.											

Table 2 – Tax Increment Projection Worksheet

City of Wauwatosa, Wisconsin

Tax Increment District No. 16

Tax Increment Projection Worksheet

Type of District	Mixed Use	Base Value	53,215,500
District Creation Date	January 27, 2026	Economic Change Factor	1.00%
Valuation Date	Jan 1, 2026	Apply to Base Value	
Max Life (Years)	20	Base Tax Rate	\$18.00
End of Expenditure Period	15 1/27/2041	Rate Adjustment Factor	0.00%
Revenue Periods/Final Year	20 2047		
Extension Eligibility/Years	Yes 3		
Eligible Recipient District	No		

	Construction			Economic	Total			
	Year	Value Added	Valuation Year	Change	Increment	Revenue Year	Tax Rate ¹	Tax Increment
1	2026	21,843,100	2027	0	21,843,100	2028	\$18.00	393,176
2	2027	39,689,625	2028	218,431	61,751,156	2029	\$18.00	1,111,521
3	2028	0	2029	617,512	62,368,668	2030	\$18.00	1,122,636
4	2029	20,000,000	2030	623,687	82,992,354	2031	\$18.00	1,493,862
5	2030	20,000,000	2031	829,924	103,822,278	2032	\$18.00	1,868,801
6	2031	0	2032	1,038,223	104,860,501	2033	\$18.00	1,887,489
7	2032	0	2033	1,048,605	105,909,106	2034	\$18.00	1,906,364
8	2033	0	2034	1,059,091	106,968,197	2035	\$18.00	1,925,428
9	2034	0	2035	1,069,682	108,037,879	2036	\$18.00	1,944,682
10	2035	0	2036	1,080,379	109,118,257	2037	\$18.00	1,964,129
11	2036	0	2037	1,091,183	110,209,440	2038	\$18.00	1,983,770
12	2037	0	2038	1,102,094	111,311,534	2039	\$18.00	2,003,608
13	2038	0	2039	1,113,115	112,424,650	2040	\$18.00	2,023,644
14	2039	0	2040	1,124,246	113,548,896	2041	\$18.00	2,043,880
15	2040	0	2041	1,135,489	114,684,385	2042	\$18.00	2,064,319
16	2041	0	2042	1,146,844	115,831,229	2043	\$18.00	2,084,962
17	2042	0	2043	1,158,312	116,989,541	2044	\$18.00	2,105,812
18	2043	0	2044	1,169,895	118,159,437	2045	\$18.00	2,126,870
19	2044	0	2045	1,181,594	119,341,031	2046	\$18.00	2,148,139
20	2045	0	2046	1,193,410	120,534,441	2047	\$18.00	2,169,620
Totals		101,532,725		19,001,716		Future Value of Increment		36,372,709

Notes:

1) Tax rate shown is estimated for the life of the District based upon the estimated 2025/2026 TID Equalized Rate.

Financing and Implementation

The financing plan on Table 3 contemplates a mixture of General Obligation (G.O.) financing for City infrastructure expenses and pay as you go financing through Municipal Revenue Obligations for specific development projects (MRO). The MRO for the Sonesta Hotel conversion project is as of the time of this project plan the most well defined between the City and developer. **Table 3.** provides a summary of the District's financing plan.

Table 3 – Financing Plan

City of Wauwatosa, Wisconsin						
Tax Increment District No. 16						
Estimated Financing Plan						
	DEBT ISSUES		MUNICIPAL REVENUE OBLIGATIONS			
	G.O. Promissory Note 2028	G.O. Promissory Note 2030	Municipal Revenue Obligation (MRO) 2026	Municipal Revenue Obligation (MRO) 2026	Municipal Revenue Obligation (MRO) 2029	Totals
Projects						
Phase I	2,270,000		1,850,000	6,200,000		10,320,000
Phase II		2,200,000			4,400,000	6,600,000
Total Project Funds	2,270,000	2,200,000	1,850,000	6,200,000	4,400,000	16,920,000
Other Funds						
Debt Service Reserve	0	0				
Capitalized Interest	0	0				
Estimated Finance Related Expenses	73,900	73,900				
Underwriter Discount	10.00 23,350	10.00 22,650				
Total Financing Required	2,367,250	2,296,550				
Estimated Interest	3.00% (34,050)	3.00% (33,000)				
Assumed spend down (months)	6	6				
Rounding	1,800	1,450				
Net Issue Size	2,335,000	2,265,000	1,850,000	6,200,000	4,400,000	17,050,000
Notes:						

Based on the Project Cost expenditures as included within the cash flow exhibit **(Table 4)**, the District is projected to accumulate sufficient funds by the year 2046 to pay off all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

Table 4 - Cash Flow

City of Wauwatosa, Wisconsin

Tax Increment District No. 16

Cash Flow Projection

Year	Projected Revenues			Projected Expenditures							Balances				Year
	Tax Increments	Other Revenue	Total Revenues	2028 G.O. Promissory Note \$2,335,000 Issue Total	2030 G.O. Promissory Note \$2,265,000 Issue Total	Total Debt Service	MRO #1	MRO #2	MRO #3	Total Expenditures	Annual	Cumulative	Liabilities		
							2026 Sonesta Hotel Conversion \$1,850,000	2026 Multi-Family - A \$6,200,000	2029 Multi-Family - B \$4,400,000				Ongoing Planning & Administration	Outstanding	
2026			0	0	0	0				0	0	0	18,290,000	2026	
2027			0	0	0	0				0	0	0	18,290,000	2027	
2028	393,176		393,176	0	0	0	149,972	188,248		10,000	348,220	44,955	44,955	20,286,779	2028
2029	1,111,521		1,111,521	140,100	0	140,100	214,564	708,531		10,000	1,073,195	38,326	83,281	28,356,684	2029
2030	1,122,636		1,122,636	166,900	0	166,900	216,710	715,616		10,000	1,109,226	13,410	96,691	29,614,357	2030
2031	1,493,862		1,493,862	163,900	135,900	299,800	218,877	722,772	252,000	10,000	1,503,449	(9,587)	87,104	28,345,708	2031
2032	1,868,801		1,868,801	180,500	198,400	378,900	221,066	730,000	506,520	10,000	1,846,486	22,315	109,419	26,683,122	2032
2033	1,887,489		1,887,489	181,600	198,900	380,500	223,277	737,300	511,585	10,000	1,862,662	24,827	134,246	24,995,960	2033
2034	1,906,364		1,906,364	177,600	199,200	376,800	225,509	744,673	516,701	10,000	1,873,683	32,680	166,926	23,289,077	2034
2035	1,925,428		1,925,428	178,500	194,400	372,900	227,764	752,120	521,868	10,000	1,884,652	40,775	207,702	21,562,324	2035
2036	1,944,682		1,944,682	174,300	189,600	363,900	230,042	759,641	527,087	10,000	1,890,670	54,012	261,714	19,820,555	2036
2037	1,964,129		1,964,129	175,000	194,600	369,600	232,343	767,237	532,358	10,000	1,911,537	52,591	314,305	18,048,617	2037
2038	1,983,770		1,983,770	180,400	194,300	374,700	234,666	774,910	537,681	10,000	1,931,957	51,813	366,118	16,246,360	2038
2039	2,003,608		2,003,608	195,200	188,900	384,100	237,013	782,659	543,058	10,000	1,956,829	46,778	412,896	14,408,631	2039
2040	2,023,644		2,023,644	194,500	188,400	382,900	239,383	790,485	548,489	10,000	1,971,257	52,387	465,283	12,545,274	2040
2041	2,043,880		2,043,880	193,600	187,700	381,300	241,777	798,390	553,973	10,000	1,985,440	58,440	523,723	10,656,134	2041
2042	2,064,319		2,064,319	192,500	186,800	379,300	244,037	806,374	559,513	10,000	1,999,225	65,094	588,817	8,741,209	2042
2043	2,084,962		2,084,962	191,200	185,700	376,900		814,438	565,108	10,000	1,766,446	318,516	907,333	7,046,663	2043
2044	2,105,812		2,105,812	189,700	184,400	374,100		822,582	570,759	10,000	1,777,442	328,370	1,235,703	5,328,321	2044
2045	2,126,870		2,126,870	188,000	182,900	370,900		830,808	576,467	10,000	1,788,175	338,695	1,574,398	3,586,046	2045
2046	2,148,139		2,148,139	186,100	181,200	367,300		839,116	582,232	10,000	1,798,648	349,491	1,923,889	1,819,698	2046
2047	2,169,620		2,169,620	193,800	198,900	392,700		847,098	587,600	10,000	1,837,398	332,222	2,256,110	(0)	2047
Totals (2026 - 2047)	36,372,709	0	36,372,709	3,443,400	3,190,200	6,633,600	3,357,000	14,933,000	8,993,000	235,000	34,116,599				Totals (2026 - 2047)
Notes:															PROJECTED CLOSURE YEAR
1. MRO #1 is equal to 95% of the increment generated from the development to a maximum principal amount of \$1.85 million at 6.35% interest.															
2. MRO #2 is equal to 80% of the incremental revenue generated by the project on an annual basis to the \$6.2 million principal balance with an assumed 8% discount rate.															
3. MRO #3 is equal to 70% of the incremental revenue generated by the project on an annual basis to the \$4.4 million principal balance with an assumed 8% discount rate.															
LEGEND:															
--- CALLABLE MATURITIES															
--- END OF EXP. PERIOD															

Notes:

1. MRO #1 is equal to 95% of the increment generated from the development to a maximum principal amount of \$1.85 million at 6.35% interest.
2. MRO #2 is equal to 80% of the incremental revenue generated by the project on an annual basis to the \$6.2 million principal balance with an assumed 8% discount rate.
3. MRO #3 is equal to 70% of the incremental revenue generated by the project on an annual basis to the \$4.4 million principal balance with an assumed 8% discount rate.

PROJECTED CLOSURE YEAR

LEGEND:

CALLABLE MATURITIES
END OF EXP. PERIOD

SECTION 10:

Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. None of the property within the proposed District boundary was annexed during the past three years.

SECTION 11:

Estimate of Property to Be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 12:

Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances

Zoning Ordinances

The proposed Plan is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning at the time of development.

Master (Comprehensive) Plan and Map

The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for a combination of residential and commercial land development.

Building Codes and Ordinances

Development within the District will be required to conform to State Building Codes and will be subject to the City's permitting and inspection procedures. The proposed Plan conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 13:

Statement of the Proposed Method for the Relocation of any Persons to be Displaced

Should implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

SECTION 14:

How Creation of the Tax Incremental District Promotes the Orderly Development of the City

Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the City by creating opportunities for mixed use development, providing necessary public infrastructure improvements, and providing appropriate financial incentives for private development projects. Through use of tax increment financing, the City can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses. Development of new uses in the District will add to the tax base and will generate positive secondary impacts in the community such as increased employment housing opportunities.

SECTION 15:

List of Estimated Non-Project Costs

Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

No improvements to be made within the District will benefit property outside the District. Furthermore, there will be no improvements made outside the District that will only partially benefit the District.

SECTION 16:
**Legal Opinion Advising Whether the Plan is Complete
and Complies with Wis. Stat. § 66.1105(4)(f)**

Legal Opinion Found on Following Page.

**NEED WET SIGNATURE & DATED LEGAL OPINION ON ATTORNEY
LETTERHEAD**

SAMPLE

Mayor
City of Wauwatosa
7725 W North Ave
Wauwatosa, Wisconsin 53213-1720

RE: Project Plan for Tax Incremental District No. 16

Dear Mayor:

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105.

As City Attorney for the City of Wauwatosa, I have been asked to review the above-referenced project plan for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the Project Plan for the City of Wauwatosa Tax Incremental District No. 16 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

City Attorney

SECTION 17:

Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions

The following projection is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4.

City of Wauwatosa, Wisconsin Tax Increment District No. 16 Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.							
Revenue Year	Milwaukee County	Milw Co Metro Sewer Dist	City of Wauwatosa	School Dist of Wauwatosa	MATC	Total	Revenue Year
2028	73,536	28,956	125,804	146,140	18,740	393,176	2028
2029	207,890	81,860	355,651	413,142	52,978	1,111,521	2029
2030	209,968	82,679	359,208	417,274	53,508	1,122,636	2030
2031	279,400	110,018	477,988	555,255	71,201	1,493,862	2031
2032	349,525	137,632	597,956	694,616	89,072	1,868,801	2032
2033	353,020	139,008	603,936	701,563	89,962	1,887,489	2033
2034	356,550	140,398	609,975	708,578	90,862	1,906,364	2034
2035	360,116	141,802	616,075	715,664	91,771	1,925,428	2035
2036	363,717	143,220	622,236	722,821	92,688	1,944,682	2036
2037	367,354	144,652	628,458	730,049	93,615	1,964,129	2037
2038	371,028	146,099	634,743	737,349	94,551	1,983,770	2038
2039	374,738	147,560	641,090	744,723	95,497	2,003,608	2039
2040	378,485	149,035	647,501	752,170	96,452	2,023,644	2040
2041	382,270	150,526	653,976	759,692	97,416	2,043,880	2041
2042	386,093	152,031	660,516	767,289	98,391	2,064,319	2042
2043	389,954	153,551	667,121	774,961	99,375	2,084,962	2043
2044	393,853	155,087	673,792	782,711	100,368	2,105,812	2044
2045	397,792	156,638	680,530	790,538	101,372	2,126,870	2045
2046	401,770	158,204	687,335	798,444	102,386	2,148,139	2046
2047	405,788	159,786	694,209	806,428	103,410	2,169,620	2047
Totals	6,802,848	2,678,740	11,638,101	13,519,406	1,733,615	36,372,709	



Wauwatosa, WI

7725 W. North Avenue
Wauwatosa, WI 53213

Staff Report

File #: 26-0022

Agenda Date: 1/13/2026

Agenda #: 2.

Consideration and possible action on “Resolution Establishing Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 16, City of Wauwatosa, Wisconsin”

RESOLUTION NO. _____

**RESOLUTION ESTABLISHING THE BOUNDARIES OF AND APPROVING THE PROJECT PLAN FOR
TAX INCREMENTAL DISTRICT NO. 16**

WHEREAS, the City of Wauwatosa (the “City”) has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the City; and

WHEREAS, Tax Incremental District No. 16 (the “District”) is proposed to be created by the City in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law"); and

WHEREAS, a Project Plan for the District has been prepared that includes:

- a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n., outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be displaced;
- j. A statement indicating how the District promotes the orderly development of the City;
- k. An opinion of the City Attorney or of an attorney retained by the City advising that the plan is complete and complies with Wisconsin Statutes Section 66.1105(4)(f); and

WHEREAS, prior to its publication, a copy of the notice of public hearing was sent to the chief executive officers of Milwaukee County, the Wauwatosa School District, and the Milwaukee Area Technical College District, and any other entities having the power to levy taxes on property located within the District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the CDA, on January 13, 2026 held a public hearing concerning the proposed creation of the District, its proposed boundaries and its proposed Project Plan, providing interested parties a reasonable opportunity to express their views thereon.

NOW, THEREFORE, BE IT RESOLVED by the CDA of the City of Wauwatosa that:

1. It recommends to the City Council that Tax Incremental District No. 16 be created with boundaries as designated in Exhibit A of this Resolution.
2. It approves and adopts the Project Plan for the District, attached as Exhibit B, and recommends its approval to the City Council.
3. Creation of the District promotes orderly development in the City.

Adopted this ____ day of _____, 2026.

CDA Chair

Secretary of the CDA

**TAX INCREMENTAL DISTRICT NO. 16
BOUNDARY MAP**

[INCLUDED IN PROJECT PLAN]

PROJECT PLAN

[DISTRIBUTED SEPARATELY]



Wauwatosa, WI

7725 W. North Avenue
Wauwatosa, WI 53213

Staff Report

File #: 26-0024

Agenda Date: 1/13/2026

Agenda #: 3.

Review of Financial Report



Financial Reports as of December 31, 2025

INCOME STATEMENT

REVENUES	YTD	Revised Budget	Available Budget
Interest- Loans	\$ (3,774.00)	\$ -	\$ 3,774.00
Proceeds from Long Term Debt	\$ -	\$ -	\$ -
Sale of Land & Improvements		\$ -	\$ -
Fee Revenue			\$ -
Transfers from other City Funds	\$ (276,877.65)	\$ (40,000)	\$ 236,877.65
Other Income	\$ (125.00)	\$ -	\$ 125.00
Total Revenues	\$ (280,776.65)	\$ (40,000)	\$ 240,777

EXPENDITURES	YTD	Encumbrances	Revised Budget	Available Budget
Operating Expenditures	\$ 38.07	\$ -	\$ -	\$ (38.07)
Professional Services	\$ 6,152.62	\$ 12,236.25	\$ 20,131	\$ 1,741.95
Utilities	\$ 593.44	\$ -	\$ -	\$ (593.44)
Internal Charges	\$ 300.00	\$ -	\$ 5,501	\$ 5,200.87
Economic Development Asst.	\$ 40,000.00	\$ 11,000.00	\$ 51,000	\$ -
Insurance Premiums	\$ 14,340.00	\$ -	\$ 14,365	\$ 25.00
Total Expenditures	\$ 61,424.13	\$ 23,236.25	\$ 90,997	\$ 6,336.31

Net Income \$ (219,352.52)

BALANCE SHEET

ASSETS	
Cash and cash equivalents	\$ 193,808.25
Assets Held for Sale	\$ 3,976,804.05
Investments	\$ -
Restricted cash and cash equivalents	\$ 1,010,248.95
Restricted investments	\$ -
Accrued Int. Rec.	\$ -
Accounts Receivable Misc	\$ 85,949.94
Loans - CDBG	\$ 171,596.73
Loans - general	
Home Repair Loans Receivable	\$ 402,594.38
Loans - forgivable	\$ 106,112.89
less allowance for uncollectable	\$ (106,112.89)
Total Assets	\$ 5,841,002.30

LIABILITIES	
Deferred Revenue	\$ (85,949.94)
Deferred Inflow - Unavailable Revenue	\$ (402,594.38)
Accounts Payable	\$ -
Accounts Payable YE	
Pcard ACI Liability	\$ -
Total Liabilities	\$ (488,544.32)

Net Assets	
Restricted - CDBG Lending	\$ (481,482.14)
Restricted - Affordable Housing	\$ (619,022.66)
Restricted - Housing	\$ (81,340.88)
Restricted - Boston Store Cash	\$ (0.00)
Restricted - Asset Held for Sale	\$ (3,976,804.05)
Unrestricted	\$ (193,808.25)
Total Net Assets	\$ (5,352,457.98)

Other Funds

CDBG Balance	\$ -
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CDBG Available for lending	\$ 309,885.41
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	Budget	Actual	Encumbrance	Available
ARPA Small Business Support	\$ 100,000	\$ 23,573	\$ 49,000	\$ 27,427

CDA REVOLVING LOAN FUND - LOAN SUMMARY

12/31/2025

OPEN LOANS

<u>APPLICANT</u>	<u>Contact</u>	<u>AMOUNT</u>	<u>RATE</u>	<u>TERM</u>	<u>LOAN DATE</u>	<u>START DATE</u>	<u>END DATE</u>	<u>CDBG</u>	<u>PURPOSE</u>	<u>Outstanding Amount</u>
Crafty Cow Tosa LLC	Devin Eichler	\$ 93,000	2.00%	60	May-28-21	May-28-21	May-27-26	x		\$58,017.03
Mochi	Tuan Nguyen	\$ 50,000	2.00%	60	Oct-15-23	Oct-15-23	Sep-15-28	x		\$31,087.94
Trouquet	Andy Schneider	\$110,137	2.00%	120	Aug-01-22	Aug-01-22	Jun-01-32	x		82,491.78
TOTAL - Unrestricted										\$ -
TOTAL - Restricted										\$ 171,596.75

Forgivable Loan Recipient	Business	Type of Loan	Original Amount	Date of Execution	Date of Loan	Term (years)	12/31/2025 Balance
Community Development Block Grant Job Creation Program							
Troquet	Troquet	CDBG FL	\$ 29,863	4/25/2022	7/7/2022	5	9,033
Economic Development Small Grant Program							
VENDETTA	Vendetta	Sign	\$ 1,000	8/5/2021	8/5/2021	5	118
TROQUET	Troquet	Sign	\$ 1,000	1/2/2020	9/1/2021	5	133
SCHWAB ORTHODONTICS	Schwab Orthodontics	Sign	\$ 1,000	9/17/2021	9/17/2021	5	142
FROST REALTY	FROST REALTY	Sign	\$ 1,000	8/30/2021	12/14/2021	5	190
FROST REALTY	FROST REALTY	Façade	\$ 10,000	8/30/2021	12/14/2021	5	1,901
ELIE BLEU	Elie Bleu	Sign	\$ 1,000	2/7/2022	12/14/2021	5	190
DELICIOUS BITES	Delicious Bites	Sign	\$ 1,000	3/21/2022	3/21/2022	5	243
WAUWATOSA DEVELOPMENT CORPORATION	Wauwatosa Development Corp	Sign	\$ 1,000	9/14/2021	12/14/2021	5	190
DAVID KEREN	Keren Properties	Façade	\$ 1,000	10/8/2021	6/27/2022	5	297
ULTIMATE CONFECTIONS	Ultimate Confections	Sign	\$ 1,000	10/24/2022	11/14/2022	5	374
MAGGIO'S WOOD FIRED PIZZA	Maggio's Wood Fired Pizza	Code Comp.	\$ 10,000	9/13/2022	12/19/2022	5	3,929
LITTLE VILLAGE PLAY CAFÉ	Little Village Play Café	Code Comp.	\$ 10,000	1/3/2023	1/10/2023	5	4,049
LION'S TAIL BREWING	Lion's Tail Brewing	Sign	\$ 1,000	9/14/2022	2/15/2023	5	425
LION'S TAIL BREWING	Lion's Tail Brewing	Façade	\$ 10,000	9/14/2022	2/22/2023	5	4,285
LION'S TAIL BREWING	Lion's Tail Brewing	Code Comp.	\$ 10,000	9/14/2022	2/22/2023	5	4,285
JOY ICE CREAM SOCIAL	Joy Ice Cream Social	Façade	\$ 10,000	1/5/2023	4/13/2023	5	4,559
JOY ICE CREAM SOCIAL	Joy Ice Cream Social	Sign	\$ 1,000	4/6/2023	4/13/2023	5	456
MOCHI MKE, LLC	Mochi MKE	Sign	\$ 1,000	4/3/2023	4/28/2023	5	464
NAMM MKE	Kumon Building 9118 north ave	façade	\$ 10,000	1/5/2023	7/17/2023	5	5,079
LITTLE VILLAGE PLAY CAFÉ	Little Village Play Café	Sign	\$ 1,000		8/8/2023	5	520
KELLY'S GREENS	Kelly's Greens	Code Comp.	\$ 10,000	5/11/2023	8/24/2023	5	5,288
KELLY'S GREENS	Kelly's Greens	Façade	\$ 10,000	5/11/2023	9/25/2023	5	5,463
KWENCH JUICE CAFÉ	Kwench Juice Café	sign	\$ 1,000	10/25/2023	11/1/2023	5	567
JOYFUL LIVING CHIROPRACTIC	Joyful Living	Sign	\$ 1,000	9/12/2023	12/11/2023	5	588
JOY ICE CREAM SOCIAL	Joy Ice Cream Social	Code Comp.	\$ 10,000	1/6/2023	12/28/2023	5	5,978
WASH STATION	Wash Station	Sign	\$ 1,000	9/25/2023	12/16/2023	5	591
STORYHILL RENOVATIONS	Storyhill Renovations	Code Comp.	\$ 10,000	2/2/2023	1/10/2024	5	6,049
STORYHILL RENOVATIONS	Storyhill Renovations	Sign	\$ 1,000	2/2/2023	1/10/2024	5	605
WAUWATOSA REDEVELOPMENT LLC	Wauwatosa Redvelopment LCC	Code Comp.	\$ 7,941	8/17/2023	2/7/2024	5	4,925
GALNAHAN REDBRICK	Galnahan Redbrick (Pipsqueak Wine)	Code Comp.	\$ 10,000	3/1/2024	6/5/2024	5	6,855
GALNAHAN REDBRICK	Galnahan Redbrick (Pipsqueak Wine)	Façade	\$ 10,000	4/5/2024	6/5/2024	5	6,855
GALNAHAN REDBRICK	Galnahan Redbrick (Pipsqueak Wine)	Bldg Imp	\$ 15,000	4/22/2025	7/1/2025	5	13,496
SCATBACK LLC	Pipsqueak Wine	Sign	\$ 1,000	5/8/2024	6/26/2024	5	697
WINGS IN WISCONSIN	Wing Zone	Code Comp.	\$ 10,000	4/5/2024	8/24/2024	5	7,293
SIMPLE EATS LLC	Simple Eats	Sign	\$ 1,323	2/25/2025	3/8/2025	5	1,107
LITTLE GEESE SHOP	Little Geese Shop	Bldg Imprv	\$ 15,000	3/10/2025	4/15/2025	5	12,863
IDYLL COFFEE	Idyll Coffee	Bldg Imprv	\$ 15,000	4/24/2025	5/12/2025	5	13,085
TOSA YOGA	TOSA Yoga	Bldg Imprv	\$ 15,000	9/18/2025	10/23/2025	5	14,433
BADGER FIT CO	Badger Cross Fit	Sign	\$ 2,256.00	4/28/2025	10/23/2025	5	2,171

TOTAL 106,113

Awarded but not disbursed

Plant Joy LLC		Code Comp.	15,000	6/4/2025		5	
Kin by Rice and Roll		Bldg Imprv	15,000	5/17/2025		5	



Wauwatosa, WI

Staff Report

7725 W. North Avenue
Wauwatosa, WI 53213

File #: 26-0025

Agenda Date: 1/13/2026

Agenda #: 4.

Consideration of an owner-occupied affordable housing program

January 13, 2025

Wauwatosa Community Development Authority Use of American Rescue Plan Act (ARPA) Funds for Affordable Housing Development

Purpose

The purpose of this policy is to establish guidelines for the use of American Rescue Plan Act (ARPA) funds to support the creation of affordable housing through strategic property acquisition, subdivision, and redevelopment.

Program Description

ARPA funds may be used to acquire single-family residential properties for the purpose of subdividing parcels and developing additional affordable housing units. All activities shall comply with applicable federal, state, and local laws, including land-use and zoning regulations.

Subdivision and Development

Acquired properties may be subdivided to create one or more buildable lots suitable for residential development. Following subdivision approval, additional housing units may be constructed, including single-family homes, two-family homes, and accessory dwelling units (ADUs).

Affordability Requirements

Affordability of existing residential structures shall be created through mechanisms such as enrollment in a Community Land Trust, deed restrictions, or other comparable affordability controls.

Affordability of newly created buildable parcels or housing units shall be ensured through partnerships with nonprofit builders, deed restrictions, or similar legally enforceable mechanisms.

Program Administration

To minimize long-term administrative burden, the City shall prioritize partnerships with organizations that possess demonstrated administrative and program management capacity.

Disposition of Property and Proceeds

The disposition of subdivided parcels or housing units shall be subject to approval by the Community Development Authority (CDA).

Any proceeds generated from the disposition of property shall be deposited into the CDA Home Repair Program or another CDA program fund, as determined by the CDA.

Financial Parameters and Authority

The target public subsidy per affordable housing unit shall be between \$50,000 and \$75,000.

The Development Director is authorized to make offers to acquire properties where the net public investment—defined as total acquisition costs minus anticipated disposition proceeds—does not exceed \$100,000 per lot.

Oversight and Approval

The CDA shall provide oversight of program implementation and shall approve all disposition plans related to this policy.



Wauwatosa, WI

7725 W. North Avenue
Wauwatosa, WI 53213

Staff Report

File #: 26-0023

Agenda Date: 1/13/2026

Agenda #: 5.

Consideration of a CDBG loan application from For Tosh, LLC d/b/a Casa de Corazon at 7754 Harwood Avenue

Background

Casa de Corazon, at 7754 Harwood Avenue, is requesting \$100,000 of CDBG loan funding to assist with working capital and start-up costs for a new Spanish immersion early learning program committed to providing socially responsible education to children in a healthy, compassionate, intercultural environment. The business has obtained approval of its conditional use zoning permit. As a requirement of the CDBG funding, the business will create a minimum of three full-time equivalent jobs held by low-moderate income individuals.

Staff recommends approval of the CDBG revolving loan for \$100,000 at an interest rate 2.0% for a term of 60 months, amortized over 120 months.

The body may convene into closed session pursuant to Sec. 19.85(1)(e), Wis Stats., for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require closed session, and may reconvene into open session.

Project Description – Casa de Corazón, Wauwatosa

Mission and Vision

Casa de Corazón is dedicated to providing high-quality, culturally rich early childhood education that nurtures the whole child. Our vision is to build a community where children grow in an environment of love, learning, and inclusivity while gaining the benefits of bilingual Spanish immersion. By instilling values of diversity, empathy, and curiosity, we aim to prepare children for lifelong success.

Proven Success in Wisconsin

Casa de Corazón is not a new concept. Our centers in Shorewood and Glendale have already established themselves as trusted resources for families and strong contributors to their communities. These franchises are thriving, with full enrollment, long waitlists, and overwhelmingly positive parent feedback.

The success of our nearby locations demonstrates both the demand for high-quality, bilingual childcare and the ability of Casa de Corazón to deliver consistently excellent programming. By expanding into Wauwatosa, we are building on this proven model to meet growing childcare needs while strengthening Wauwatosa's reputation as a family-centered, forward-thinking city.

Program Overview

Casa de Corazón of Wauwatosa will be a licensed childcare center serving up to 148 children from infancy through pre-kindergarten. Our age-appropriate programming will include:

- Infant (6 weeks – 16 months): 40 children
- Toddler (16 months – 33 months): 36 children
- Preschool A (33 months – 4 years): 32 children
- Preschool B (33 months – 4 years): 20 children
- Pre-K (4 – 5 years): 20 children

The center will operate Monday through Friday, from 7:30 AM to 5:30 PM, providing full-day programming designed to support working families.

Curriculum and Approach

Our curriculum integrates play-based learning, bilingual Spanish immersion, and structured educational programming. Children will engage in activities that promote:

- Cognitive and language development
- Social and emotional skills
- Creativity through art, music, and play
- Physical well-being through daily movement and outdoor activity
- Cultural awareness and inclusivity

This unique approach not only ensures kindergarten readiness but also fosters adaptability and appreciation for diversity in a global society.

Community Impact

Casa de Corazón will be an important addition to the Wauwatosa community by:

- **Expanding Access to Childcare:** Addressing the increasing demand for quality early childhood education in the area.
- **Creating Jobs:** Employing approximately 40–50 staff members, including teachers, classroom assistants, administrators, and support staff, contributing directly to the local economy.
- **Supporting Working Families:** Providing dependable, enriching childcare that enables parents to remain in or return to the workforce, pursue higher education, or build businesses.
- **Fostering Inclusivity:** Promoting bilingual education and cultural exchange, enriching both children and the broader community.

Facilities and Operations

The center will be thoughtfully designed to meet the highest standards of safety, accessibility, and child development needs. Features will include:

- Secure entry systems and age-appropriate classrooms
- Outdoor play spaces designed for multiple age groups
- Nutritious organic meal and snack programs
- Compliance with all state and city licensing requirements

1. Public health, safety, and general welfare

- The center will be designed, constructed, and operated in full compliance with all state and city health, safety, and building codes.
 - Secure entry systems, age-appropriate classrooms, staff background checks, and organic food service all promote a healthy and safe environment for children, staff, and the surrounding community.
-

2. Uses, values, and enjoyment of surrounding properties

- Casa de Corazón centers have a proven record of being good neighbors, maintaining attractive, well-landscaped facilities that complement surrounding land uses.
 - The Wauwatosa location will enhance neighborhood vitality and provide a needed community service without negatively impacting adjacent property values or enjoyment.
-

3. Normal and orderly development of surrounding properties

- The project is compatible with the existing zoning and surrounding uses, which include residential and institutional/community-serving properties.

- The center will not hinder the normal and orderly development of nearby properties for uses already permitted in the district.
-

4. Adequate utilities, access roads, drainage, and other improvements

- The site is served by existing municipal water, sewer, stormwater drainage, and public utilities, which will be used or upgraded as required.
 - All necessary infrastructure improvements will be coordinated with and approved by the City prior to occupancy.
-

5. Ingress, egress, and traffic congestion

- The site plan includes adequate off-street parking and a dedicated drop-off/pick-up area designed to keep vehicle queues off public streets.
-

6. Compliance with applicable zoning regulations

- The facility will comply with all applicable zoning regulations, including setbacks, parking ratios, signage, occupancy limits, and landscaping requirements.
- All required permits and inspections will be obtained prior to opening to ensure full compliance with the subject zoning district.

Conclusion

Casa de Corazón of Wauwatosa represents more than a childcare facility—it is an investment in the future of our children and our community. By combining early education, cultural enrichment, and economic opportunity, this project will help strengthen Wauwatosa as a family-friendly, forward-thinking city.

We respectfully request the board's support in bringing Casa de Corazón to Wauwatosa, where it will serve as a cornerstone for family growth, community vitality, and educational excellence