



STAFF REPORT
WEST ALLIS PLAN COMMISSION
Wednesday, June 28, 2023
6:00 PM

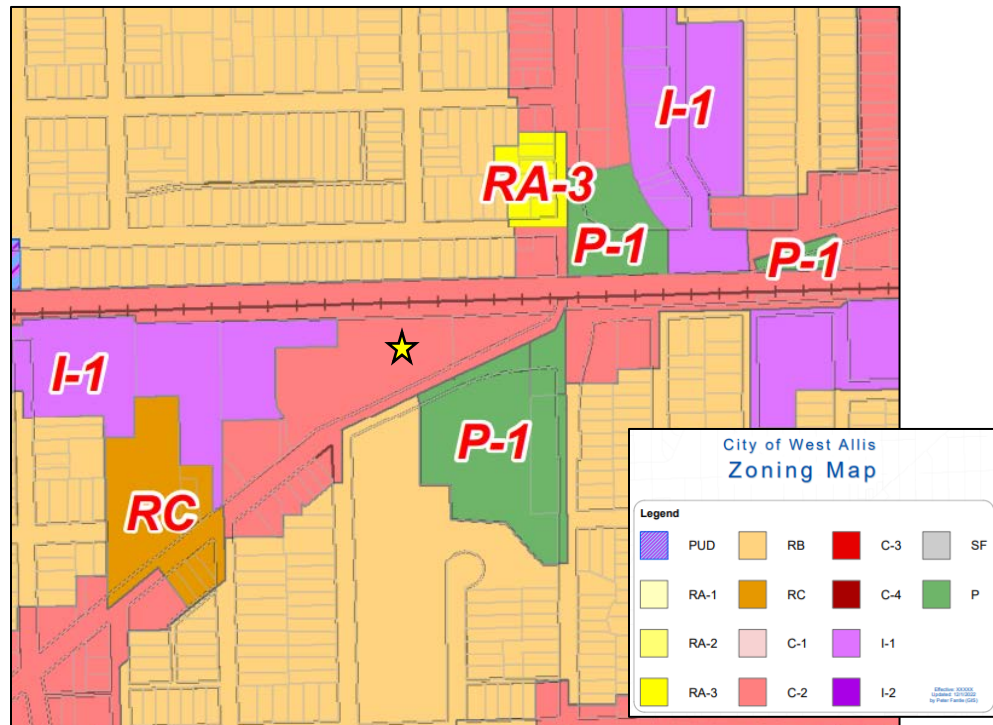
Watch: <https://www.youtube.com/user/westalliscitychannel>

6. Tax Incremental District No. 19, the proposed boundaries of the District, summary of the Project Plan for the District, and conformance with the 2040 Comprehensive Plan.

Zoning and Land Use Conformance

Plan Commission's role with this item is to determine if the project is in conformity with the general plan (Comprehensive Plan) of the City.

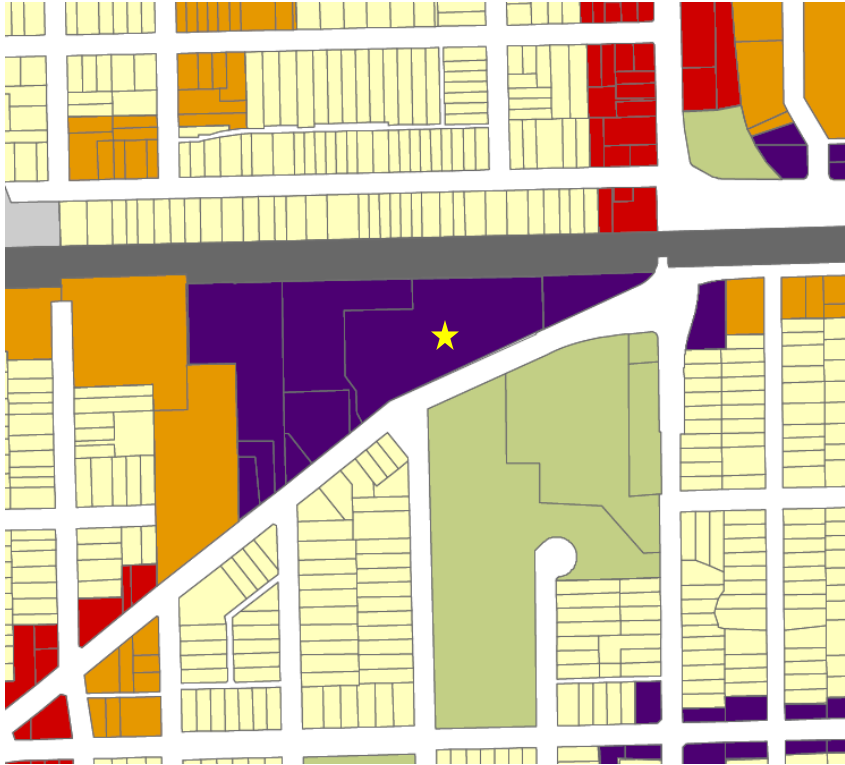
- **Zoning Ordinances** - The proposed Plan is in general conformance with the City's current zoning ordinances. The property is zoned [C-2, Commercial](#) which permits multi-dwelling unit residential as a conditional use.



No changes to zoning ordinances will be required to implement the Plan.

- **Master (Comprehensive) Plan and Map** - The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for Mixed Use development. This land use category is considered a valuable existing land use in the community. Thus, the mixed-use category is included in the 2040 land use plan. Mixed-use is defined as a combination of residential, commercial office, and / or commercial retail either combined within a building (e.g., retail on the first floor with housing on the upper levels) or existing together on a development site.

Multi-unit dwelling (high density residential) is an allowed land use within the mixed-use classification and is consistent with the C-2, Commercial Zoning District.



- **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.

Plan Commission approved a Conditional use and site, landscaping and architectural plans on October 26, 2022. In December of 2022, Common Council adopted the conditional use and site development plans as recommended by Plan Commission under R-2022-0801.

TID 19 Overview

While Plan Commission's role on this item is purely to determine if the TID project plan conforms with the Zoning Ordinance and Comprehensive Land Use Plan, an executive summary of the TID 19 Project Plan follows. The summary also helps explain how the creation Tax Incremental Districts promotes the orderly development of the City.

In 2016, the City adopted the National Avenue Corridor Strategic Plan. This plan calls for more housing, public improvements, and coordinated investment within this key corridor that runs through the heart of West Allis. The National Avenue corridor has seen significant redevelopment since the strategic plan was adopted. Projects like streetscaping improvements and reconstruction between S. 70 St. and S. 82 St., The West Living, SoNa Lofts, Maker's Row, Opel Brewing, and Flour Girl & Flame have transformed the Eastern portion of the corridor. However, the transformation has yet to catch on to the West of S. 84 St.

Creation of the District and the implementation of the projects in its Plan will promote the

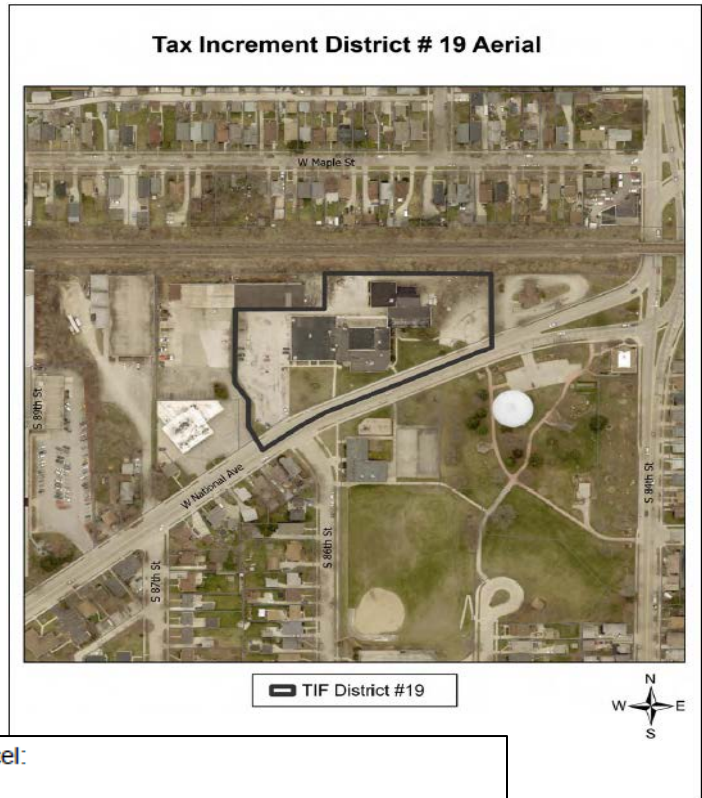
orderly development of the City by eliminating a blighted area and providing appropriate financial incentives for a private development project. Through use of tax increment financing, the City can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Project 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 redevelopment of a blighted area, creation of market rate multi-family housing to meet market demand (as emphasized in the [National Avenue Corridor Study](#) and [2040 Comprehensive Plan](#)), and provision of employment and commercial opportunities related to the construction and operation of the Project. The proposed development falls squarely within the “Honey Creek Crossing” target investment area identified by the National Ave. Corridor Plan and Concept Area 21 of the Comprehensive plan. The plan specifically identified the north side of National Avenue as a key redevelopment opportunity and called for higher-intensity residential development.

Description of district

Tax Incremental District (“TID”) No. 19 (“District”) is a proposed single parcel blighted area district that will include property located at 8530-8556 W. National Avenue, the site of the former Clark Oil headquarters. The property will be redeveloped by Three Leaf Partners (“Developer”) as the site for a six-story 247-unit market rate apartment building with structured and surface parking, and various tenant amenities (“Project”).

Authority

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



The District will consist of a single tax parcel:

Parcel Number: 478-9998-003
 Address: 8530-8556 W. National Ave.
 Owner: 3LP West Allis, LLC
 Acres: 3.57 acres (3.19 parcel and .38 acres of adjoining street right-of-way)

Current Value:	Assessed	Equalized
Land	\$686,200	\$955,800
Improvements	\$314,000	\$437,400
Total	\$1,000,200	\$1,393,200



Existing bird's eye view of area – [link to street view](#)

Est. total project cost and expenditures.

The City anticipates making total expenditures of approximately \$29.5 million (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include an estimated \$28.8 million in development incentive payments and \$745,000 for administrative, legal, and professional services costs associated with creation and administration of the District over its 27-year life. The requested \$28.8 million in incentive payments over time have a present value of \$13.1 million assuming a 6% discount rate. The agreement by the City to provide these payments will permit the Developer to secure an \$11.8 million loan from a private lender to fund a portion of the Project construction.





Incremental valuation

The City projects that new land and improvements value of approximately \$46.8 million will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District.

Projects Outside the Tax increment District

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 are eligible project costs and may include any project cost that would otherwise be eligible if undertaken within the District. The City may need to make the following project cost expenditures outside the District:

- Infrastructure Improvements at Honey Creek Park
- Street Improvements (Bump outs, crosswalks, paint)
- Housing & Other Econ. Dev. Incentives or Other Project Costs

Expected termination of district

The City anticipates that the District will require 27 years to pay all Project Costs.

Recommendation: Approval as determination that the proposed Tax Incremental District No. 19 is in conformity with the Zoning and Comprehensive Land Use Plan of the City.