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Oak Creek Council Endorses Amazon Deal

Oak Creek, Wisconsin: At its November 20 regular meeting, the Oak Creek Common Council finalized the last agreement related to the much-discussed Amazon fulfillment center project. The four-story, 2,600,000 square foot structure will be built in the new Ryan Business Park in the City of Oak Creek, adjacent to the I-94/HWY 100 (Ryan Road) interchange.

The Ryan Business Park, a development partnership of Capstone Quadrangle, Waukesha, WI and General Capital Group of Fox Point, WI, consists of the 75-acre Amazon site as well as remaining business park acreage slated for a mix of industrial, manufacturing and consumer support services. The Amazon site will be developed and owned by an affiliate of Hillwood Development, LLC, and leased to Amazon. The City of Oak Creek established a new tax increment district for the business park earlier this year.

As part of a tax increment package, Hillwood will fund infrastructure costs, estimated at \$13.4M, mostly related to rebuilding 13th St/CTH V and improvements to Ryan Rd./HWY 100. The City would refund Hillwood for roadway and utility costs, and up to \$3.5M of reimbursable costs to ready the site for development, through new property taxes collected from the development.

"Traffic was the number one concern for our residents, and the developers are committed to implementing and financing road improvements necessary to avoid traffic congestion, as dictated in a comprehensive traffic impact analysis required by City, County, and State transportation authorities," stated City Administrator, Andrew J. Vickers. "From the City's perspective, being in a position where we did not have to borrow for these infrastructure upgrades was the most important factor in the Council's decision to move forward. The deal structure is a reimbursement model, with the infrastructure costs being reimbursed only through taxes generated by the Amazon site, not the general taxpayers of the City," Vickers added.

In the agreement between the City and Amazon.com Services, Inc., Amazon committed to an investment of not less than \$200M consisting of \$100M of real property improvements and \$100M of personal property installed in the facility. In addition, Amazon guaranteed to create a minimum of 1,500 full-time jobs with annual gross wages of \$40M by the end of 2021.

According to Oak Creek Mayor, Dan Bukiewicz, several factors made the project attractive to the City. "Amazon has selected a great location close to I-94 that makes perfect sense for our community from a



land use planning standpoint. Amazon will become the City's largest employer and contribute significantly to our tax base, helping the City to continue to keep taxes low and services high for our residents. I am especially proud of the excellent higher education incentives Amazon will offer area employees through their Career Choice program. Whether you want to be a nurse, engineer, school teacher, or something else, Career Choice offers a pathway forward to meet those professional ambitions."

The Ryan Business Park has been many years in the making. Park Developer, Mike Faber of Capstone Quadrangle, has been attempting to assemble the land for well over a decade. "This development includes a number of parcels that were privately-owned, several of which were in families for over 3 generations, and involved a very complicated land swap with Milwaukee County. Without the County's land partnership, and coordinated efforts among private and public entities including the City of Oak Creek and State of Wisconsin, we could easily still be at square one," Faber remarked. "The key was working to make it a 'win-win-win' for all the stakeholders".

Earthwork on the construction site has already commenced, with anticipated completion and building occupancy projected for the first quarter of 2020.

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