

REQUEST FOR PROPOSALS

*PREMIER TRANSIT-ORIENTED DEVELOPMENT OPPORTUNITY
ON A REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE-OWNED PARCEL
IN THE HEART OF DOWNTOWN MILWAUKEE*

401-41 WEST WISCONSIN AVENUE



Rendering of a conceptual development on the site

QUICK SITE FACTS

Owner: Redevelopment Authority of the City of Milwaukee (“RACM”), a public entity.

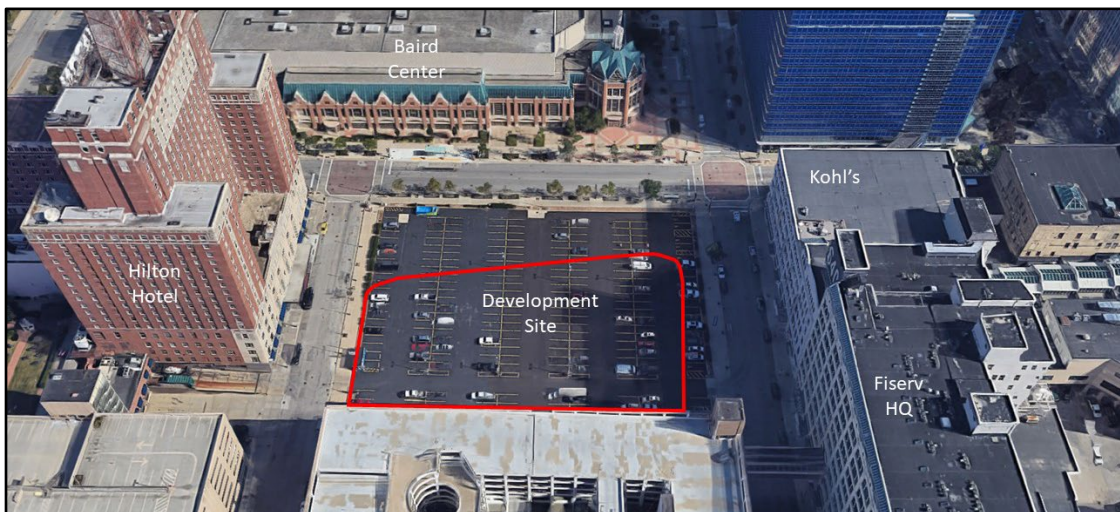
Address: 401-41 West Wisconsin Avenue.

Size: Apr. 55,626 SF remaining after construction of Vel R. Phillips Plaza.

Current Conditions: Vacant Lot Improved with a Paved Parking Lot.

Asking Price: \$3,335,000

Zoning: C9E - Major Retail. Allows for a variety of commercial uses including office, retail, restaurant, and hotel, as well as multi-family residential uses.



REQUEST FOR PROPOSALS

Premier transit-oriented development opportunity on a Redevelopment Authority of the City of Milwaukee-owned parcel in the heart of Downtown Milwaukee

The Redevelopment Authority of the City of Milwaukee (“RACM”) is excited to present this Request for Proposals (“RFP”) for an unprecedented transit-oriented development opportunity in the City of Milwaukee and one of the most unique transit-oriented development opportunities in the Midwest.

The approximately 55,626 SF parcel is located in the heart of downtown Milwaukee, on Milwaukee's main thoroughfare, Wisconsin Avenue.



Aerial view of the site

Directly to the north of the site is the recently approved Vel R. Phillips Plaza (“VRP Plaza”), which, when open in 2024, will include a 2,900 SF building for food/beverage service, a stop for the East-West Bus Rapid Transit line along Wisconsin Avenue opening in 2023 and a future stop for Milwaukee’s streetcar system The Hop.

This high-visibility, high-traffic site, is situated directly across the street from the Baird Center (Wisconsin’s largest convention center currently undergoing a major expansion that opens in 2024), the Hilton Milwaukee City Center Hotel, Fiserv Inc’s global headquarters (opening in 2023) and a Kohl’s Department Store (opening in 2023). The site is also nearby catalytic locations including Fiserv Forum and the Deer District, Milwaukee Tool’s new downtown office location and the Marquette University campus.

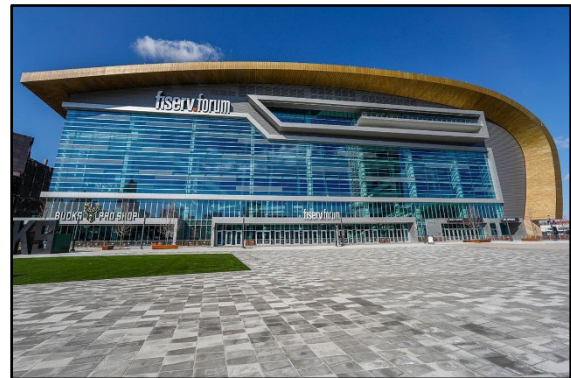
Now is the time to develop this key parcel in downtown Milwaukee.

Downtown Milwaukee is booming

Throughout Downtown Milwaukee, there is an extraordinary renaissance occurring, with over \$4.5 billion in projects completed since 2010 and another \$1 billion under construction or in advanced planning stages. In the greater downtown area, over 9,500 housing units and 1,300 hotel rooms have been developed since 2010. As a result of this extraordinary investment and substantial growth, the greater downtown Milwaukee area has witnessed an estimated 26.5 % increase in the downtown residential population (now 42,000) since 2010. This is in addition to the 90,700 workers and more than 6 million annual downtown visitors. Additional market information is available on Milwaukee Downtown's website: <https://www.milwaukeedowntown.com/do-business>.

Recently Completed Projects in Downtown Milwaukee include:

- **Fiserv Forum:** A \$524 million new downtown arena that opened in 2018 and is home to the NBA's Milwaukee Bucks and the Marquette University Golden Eagles men's basketball team, as well as the anchor for a 30-acre redevelopment area in the Park East Corridor that is expected to generate an additional \$500 million in private investment over the next 20 years.
- **Bradley Symphony Center:** A \$95 million project that renovated the former Grand Theater into the new home for the Milwaukee Symphony Orchestra, which opened in 2021.
- **The Avenue:** A complete \$44 million redevelopment of the former Shops of Grand Avenue, the iconic downtown Milwaukee mall, into a mix of office, retail and food/beverage uses (the 3rd Street Market Hall), which opened in 2020.
- **Milwaukee Tool:** An \$8 billion company headquartered in the Milwaukee metro is investing \$30 million to add 1,200-2,000 employees to downtown Milwaukee.
- **BMO Tower:** A \$137 million, 360,000 square foot, 25-story office building that is BMO Harris Bank's new downtown Milwaukee office, which opened in 2020.
- **The Hop (Milwaukee's Streetcar system):** A 2.1-mile modern streetcar system connecting the lower East Side, central business district, Third Ward, and Milwaukee Intermodal Station, which opened in 2018.
- **Residential Growth:** Downtown Milwaukee has attracted the development of over 11,000+ new market rate/luxury housing units from 2000-2022. During the next four years 2023-2026 an additional 4,200+ market rate/luxury units are expected to be delivered. Downtown Milwaukee has established itself as the preferred housing address for a broad demographic range of residents.



Major Civic, Business and Development Projects under construction or proposed include:

- **The Baird Center:** Wisconsin’s largest convention center is investing \$450 million to expand the convention center by 112,000 SF, bringing the total exhibition space to 300,000 SF. The expansion is scheduled to open in spring of 2024.
- **Fiserv HQ:** Fiserv Inc., a Fortune 250 ranked Fintech firm, with over \$17 billion in revenue is relocating its global headquarters and 780 employees to the HUB640 development (located across the street from the site) by late 2023.
- **Kohl’s Department Store:** Kohl’s will be opening a new location on the first floor of the HUB640 building by late 2023.
- **FPC Live:** Construction of a new live music complex, with separate 800 and 4,000-person venues, that is set to begin construction in 2023, representing a \$50 million investment.
- **Iron District:** A \$160 million mixed-use development that will include an 8,000-seat soccer stadium, apartments, and entertainment uses, opening in 2025.
- **Northwestern Mutual North Tower:** Northwestern Mutual, a Fortune 100 company, will be investing \$500 million to renovate and expand its North Tower to consolidate all of its offices in the region into downtown Milwaukee. Expected to be completed in 2026.
- **Milwaukee Public Museum:** A new, 200,000 square foot natural history museum that is set to break ground in 2023. The \$240 million project will open in 2026.



True Transit-Oriented Development

The site is situated among significant planned transit improvements and existing transit service.

In 2023, Milwaukee County's East-West Bus Rapid Transit line will open. The 7-mile route connecting the region's top employment centers (the regional medical complex/research park and downtown Milwaukee), will stop at Vel R. Phillips Plaza, which will be one of 3-4 stops in all of downtown Milwaukee.

EAST WEST BRT

Bus Rapid Transit and Local Buses (www.eastwestbrt.com)

In addition, multiple local bus routes directly serve the site.



The Hop (www.thehopmke.com)

In late 2018, the initial route of The Hop, the M-Line, opened for passenger service. In 2023, an extension to Milwaukee's lakefront, the L-Line, will begin operations. Future planned extensions of The Hop include extensions north to Bronzeville, south to Walker's Point and northeast to Brady Street. The Bronzeville extension will traverse Vel R. Phillips Plaza (see Site Diagram under "The Site").

Once funding is approved, the extensions will directly connect the site with the Milwaukee Intermodal Station, the Third Ward warehouse district, the central business district, the Milwaukee River and Riverwalk, the Lake Michigan lakefront, Fiserv Forum, the King Drive commercial corridor and neighborhoods adjacent to downtown. More information about those expansion plans is available here: thehopmke.com/expansion/.

Milwaukee Intermodal Station (Intercity trains and busses)

Two and a half blocks south of the site is the Milwaukee Intermodal Station with 7 daily Amtrak trips to Chicago and intercity bus service with 6 daily trips to Madison, among other regional destinations.

Bikeshare (bublr.com)

The site is also well-served by Bublr, Milwaukee's bikeshare system, with over 80 stations and growing.

The Site

The approximately 55,626 SF development site is currently a portion of an existing paved surface parking lot. The northern portion of the parking lot will be developed into Vel R. Phillips Plaza, leaving an apr. 55,626 SF development site, as shown below.

Site diagram for development site and Vel R. Phillips Plaza



Site Attributes

Size: Apr. 55,626 SF, with access from North 5th Street or North Vel R. Phillips Avenue and fronting the new Vel R. Phillips Plaza.

Zoning: C9E – Major Retail. Allows for a variety of commercial uses including office, retail, restaurant, and hotel, as well as multi-family residential uses. RACM will work with the developer to make zoning changes, if necessary, to allow for the selected development proposal. The applicable chapter of the zoning code is available at: <http://city.milwaukee.gov/ImageLibrary/Groups/ccClerk/Ordinances/Volume-2/CH295-sub7.pdf>

Utilities: *The site has access to all public utilities. A map of existing utilities is available [here](#).*

- A low-pressure steam pipe runs under the vacant north-south alley, making it easy to connect both parcels to steam service from WE Energies. Using steam significantly reduces utility bills and conserves energy.
- An underground electric line runs under the vacated north-south alley, as well as between some of the existing lights for the parking lot.
- Storm sewer grates for existing site drainage are located towards the edge of the property in the vacated north-south alley and vacated east-west alley.

Environmental: The site received Case Closure from the Wisconsin Department of Natural Resources (WDNR) in 2014. The site has residual soil and groundwater contamination, and the buyer will be required to comply with WDNR's Closure Conditions. The property is listed on the WDNR's GIS registry for soil and groundwater impacts. The property will be sold in its "as is, where is" condition. The buyer will be required to comply with WDNR case closure requirements including continuing obligations. The following reports and correspondence are available and RACM and the City make no representations concerning findings, information, or opinions in the reports:

- [Final Case Closure Letter, April 10, 2014, WDNR](#)
- [GIS Registry Packet, August 11, 2014, WDNR](#)
- Case Closure Request, March 2014, Sigma (available upon request)
- [Site Investigation Summary Report and Remedial Action Plan, July 2011, Sigma](#)

Adjacent Parking Structure: A division of North Wells Capital, LLC owns the parking garage to the south of the site, at 615 North Vel R. Phillips Avenue, which has 757 parking spaces. Proposers should pursue shared parking arrangements with this garage to reduce the need for new parking in a proposed development.

Parking Operation: RACM currently leases the site to a parking operator. The lease includes termination rights for RACM that will allow for successful development of the site. The lease will be made available upon request.

Vel R. Phillips Plaza

The Vel R. Phillips Plaza (“VRP Plaza”) will be dedicated to honoring the life of Vel R. Phillips, a Milwaukee native, civil rights icon and trailblazing leader in Wisconsin. Vel R. Phillips was the first African American and first female Secretary of State in Wisconsin, the first African American judge in Wisconsin, the first African American and first female member of the Milwaukee Common Council, the first female judge in Milwaukee County and the first African American female to graduate from the University of Wisconsin Law School, among many other accomplishments. The VRP Plaza will include educational/informational displays and public art installations telling the story and impact of Vel R. Phillips.

The VRP Plaza will become an active public space providing an amenity to nearby residents, workers, transit riders, citizens from other parts of the City of Milwaukee and visitors from around the world. The VRP Plaza includes a 2,900 SF building, which will provide a place for visitors to purchase food or beverages, relax and use the publicly accessible restroom. A vendor for the building will be selected in 2023.

In April of 2023, the City’s Common Council approved \$15,750,000 in funding to construct the VRP Plaza. Construction of VRP Plaza will begin in 2023 with a completion date in summer of 2024.



Vel R. Phillips Plaza

Development Goals and Preferred Uses



Rendering of a conceptual development on the site

An update to the City's Downtown Area Plan is in progress:

(<https://city.milwaukee.gov/DCD/Planning/PlansStudies/AreaPlans/DowntownPlan>).

Set to be finalized later in 2023, the plan will identify the site as a catalytic site for development.

As a result, the City and RACM seek development proposals that:

- Create positive activation of a Property that lies at the center of downtown focus areas
- Develop a mixed-use building(s) offering street level restaurant, retail, commercial or cultural/civic uses with residential, hotel, office and/or cultural/civic uses on upper levels
- Maximize pedestrian activity, contributing to downtown's vitality
- Create a landmark development given the prominence of this location
- Respond to site context and existing neighboring buildings
- Utilize high quality design and building materials
- Expand the tax base and maximize the overall return to the City

Development Site

- Preferred uses include multi-family residential, hotel, office, restaurant, retail, and cultural/civic uses. Incorporation of affordable housing is encouraged.
- Density on the site is encouraged. Multiple buildings are allowed.
- Height should block the view of the parking garage to the south, tall/landmark quality buildings are encouraged based on architectural excellence and how they fit into the overall development plan.
- Building(s) should have active first floor uses that engage the street/sidewalk.
- There is not a parking requirement in C9E zoning. Any above ground structured parking should be lined with other active uses.

Prohibited Uses

Proposals that include the following uses will not be considered: surface parking as a primary or secondary use, ground floor street frontage that is lacking activation for more than 50% of any measured block face, rooming houses, check-cashing facilities, pawn shops, automobile sales, service stations, car washes, churches, recycling processing, cigarette or cigar shops, gun shops, drive-thrus, auto-title loan stores and other uses prohibited under C9E zoning.

Any tax-exempt use would be required to enter into a payment-in-lieu-of-taxes (PILOT) agreement.

DESIGN GUIDELINES

In addition to the [Westown Design Guidelines](#), the following should be reviewed and considered:

Building Materials and Sustainability

- Overall building materials should be high quality, with masonry at the lower levels and either masonry, curtain wall or architectural metal above.
- Proposals should be comprised of buildings that demonstrate use of sustainable building materials and practices and renewable energy improvements. Incorporation of these strategies will be judged as superior to proposals lacking such enhancements.
- Proposals should include a stormwater management plan. Development that disturbs over 1 acre of land must comply with Chapter 120 of the Milwaukee Code of Ordinances, which requires green infrastructure equal in volume to ½-inch x the impervious surface of the development. If over 2 acres are disturbed, the development must also comply with Chapter 13 of the Milwaukee Metropolitan Sewerage District's Rules and Regulations.

Massing

- A long uninterrupted base to the building should be avoided.
- Proposals should consider multi-phase development.
- Avoid a large, exposed parking plinth. Where needed or not possible, design a façade which is fully enclosed or has a well-proportioned significant cladding.

Site Access/Parking

- Ideal vehicular access to the site would be via a private alley/drive along the southern end of the property line. This could be used for entrances to parking, deliveries, loading and drop-off.
- Bicycle parking must be provided as required by zoning and should be apparent and in plain sight of principal entrances.

First Floor Activation and Vibrancy

- Proposals should refer to the Milwaukee Zoning Code for requirements of first floor activation and glazing: <https://city.milwaukee.gov/DCD/Planning/PlanningAdministration/ZoningCode>
- The activated zone on the ground floor should always meet the 15' depth code minimum but should exceed that to provide commercially viable spaces that require a minimum depth of 50-60' depth.
- First Floor heights should be at least 20' tall.

Property Value and Financial Assistance

Asking Price

.....
\$3,335,000

Financial Assistance

TIF or other City assistance is not available for market-rate housing or hotel development on the site. However, the City may consider TIF for projects that meet our goals of attracting or retaining major employers and/or providing

affordable housing that meets the City's Affordable Housing Policy ([available HERE](#)). TIF may also be used to fund infrastructure improvements surrounding the site that meet the goals of the Downtown Plan. Proposals will in part be judged by the amount of incremental assessed value created.

Vel R. Phillips Plaza Maintenance

The Redevelopment Authority will continue to own the Vel R. Phillips Plaza, and the City of Milwaukee will own and operate the future streetcar improvements. The Redevelopment Authority, City and/or food/beverage tenant in the plaza will be responsible for maintaining the plaza and the City will be responsible for maintenance of the future streetcar infrastructure. However, to ensure that the plaza is properly maintained over time and continues to be an attribute to the development site, the developer shall make an annual contribution to a capital improvement fund.

Submittal Requirements and Process

Proposals are being requested at this time that, at a minimum, include:

- [RACM Project Summary and Public Disclosure Statement](#)
- Preliminary development budget showing total development costs, proposed sources and uses of funds and a pro forma income analysis.
- Architect vetted conceptual plans, scaled site plan and scaled elevations that identify building materials and color scheme. Floor plans and 3D visualization are desirable, but not required.
- Resume of developer experience and list of completed projects comparable to this RFP request.
- A list of all real estate owned in the City of Milwaukee by the developer, either individually or as part of a group or entity.

This is a rolling RFP, designed to seek proposals for the redevelopment of the site on a continuous basis until the site is under a development agreement between RACM and the developer. Proposals will be evaluated in the order received until a suitable proposal is chosen to be submitted to formal approval by the common council of the City of Milwaukee.

Email proposals to Dan.Casanova@milwaukee.gov.

Review and Selection Process

Proposals will be evaluated in terms of:

- Quality and attractiveness of proposed development
- Contribution to the vitality of downtown
- Quality of building materials
- Inclusion of affordable housing
- Use of sustainable construction methods or LEED Certification
- Purchase price and total project investment
- Tax base to be generated
- Job creation impact
- Developer team's expertise, experience, and financial capacity
- Diversity of development team
- Feasibility of the project and appropriateness of the proposed financing strategy
- Use of Small Business Enterprises (SBE) and Resident Preference Program (RPP)
- Project Schedule

Development Agreement and Closing

The selected proposal will be presented to RACM and the Common Council for formal acceptance. Developer will enter into a development agreement, which will provide for closing nine months after Council approval subject to contingencies for RACM/City approval of developer's final plans and firm financing. Earnest money of \$50,000, applicable to the sales price but non-refundable, will be required within 30 days of Council approval. The Executive Director of RACM may grant two 6-month extensions of the closing if satisfactory progress is being made on finalizing the proposal. Each extension will require \$50,000 in additional earnest money, applicable to the sales price but non-refundable

A closing will occur once all project elements are in place – final plan approval, building permits, financing, and a human resources agreement. RACM will provide title insurance in the amount of the purchase price. Certain performance bonds or deposits will be required to secure the Developer's performance under the contract, which will be held until satisfactory completion of the project. RACM will convey by Quit Claim Deed on an "as is, where is" basis subject to reversionary rights for non-performance.

Developer will be expected to begin work within 30 days of closing. Developer must finish all work and obtain an occupancy permit within twenty-four months of commencing construction.

CITY POLICIES

SMALL BUSINESS ENTERPRISES AND RESIDENCE PREFERENCE PROGRAM

The site will be sold at a market-rate with no City financial assistance. However, RACM is requiring that a Human Resources Agreement be executed prior to closing, ensuring the Developer's best efforts to obtain at least 25% Small Business Enterprises ("SBE") and 40% Residents Preference Project ("RPP") on the project. The City's Office of Equity and Inclusion (<https://city.milwaukee.gov/Equity-and-Inclusion>) is an excellent resource to locate subcontractors and get more information about the SBE and RPP programs.

BUYER POLICIES

Proposals will be rejected from any party (as an individual or as part of an entity) who:

- Is delinquent in the payment of real or personal property taxes in the City of Milwaukee
- Has an outstanding judgment from the City of Milwaukee
- Has been subject to a property tax-foreclosure by the City within the previous five years
- Has outstanding health or building code violations or orders from the City's Health Department or Department of Neighborhood Services that are not actively being abated
- Has been convicted of a felony that affects neighborhood stability, health, safety or welfare
- Has outstanding offers to purchase or uncompleted performance on a City sale except upon approval by DCD's Commissioner based on history of satisfactory performance

Tax and court records are also checked after acceptance, prior to closing. If any of these conditions exist, the City may terminate the development agreement and retain all earnest money as liquidated damages. See complete buyer policies at: milwaukee.gov/CRE.

TAX EXEMPTION PROHIBITION

Conveyance will be subject to a deed restriction prohibiting application to the City for property tax exemption. If any tax-exempt uses are proposed, a Payment-in-Lieu-of-Taxes (PILOT) Agreement will be required.

OTHER APPROVALS

If the selected proposal requires a zoning change or Board of Zoning Appeals approval, such a request will be coordinated with the sale authorization and RACM will assist.

QUESTIONS

All questions concerning the Request for Proposal must be submitted in writing to **Dan Casanova, Economic Development Specialist – Lead for RACM** at Dan.Casanova@milwaukee.gov. All responses to questions, changes, or clarifications, will be posted on the RFP website at milwaukee.gov/RFP.

It is the responsibility of the proposers to review the website prior to submission.

SPECIAL NOTES

Unauthorized contact regarding this RFP with any other City staff, RACM staff or Department of City Development representatives may result in disqualification.

RACM reserves the right to reject any and all proposals for any reason at its sole discretion, to negotiate the terms and conditions of the eventual contract with the developer awarded the purchase and development rights, and to impose additional use restrictions, if necessary.

The contents of this packet are for informational purposes only and the representations made herein, though thought to be accurate, are without warranty. Development teams should rely exclusively on their own investigations and analyses.

RACM will honor confidentiality requests to the extent possible under applicable law. If attachments to the Public Disclosure Statement are proprietary, please mark items as such.