

# REQUEST FOR PROPOSALS

## MARCUS CENTER PARKING GARAGE



1001 NORTH WATER ST.



Issued: September 6, 2023  
Due Date: December 15, 2023

# QUICK SITE FACTS



**Address:** 1001 North Water Street, Milwaukee, WI (the “Site” or “Property”).

**Owner:** The City of Milwaukee (“City”) owns the land and leases it to the Marcus Performing Arts Center (“MPAC”), which owns the parking structure on the land.

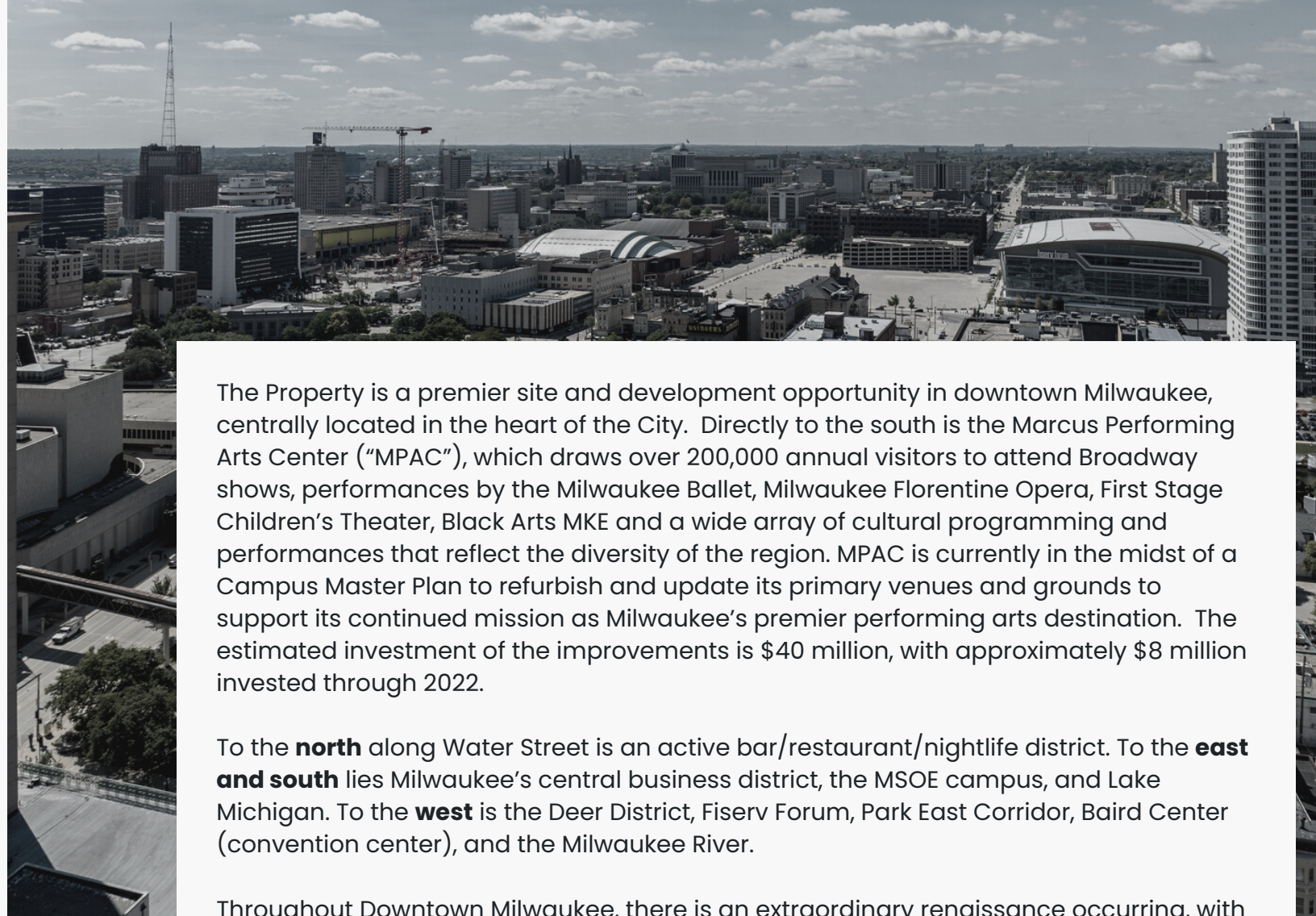
**Size:** 106,432 SF (2.4 acres)

**Current Conditions:** Site includes a 690-stall parking structure built in 1969, connected by skywalk to MPAC.

**Zoning:** C9D(A), Civic Activity. Allows for a variety of commercial uses including office, retail, restaurant and hotel, as well as multi-family residential uses.

**Intent:** The City is soliciting offers to purchase the property outright, fee simple.

# LOCATION



The Property is a premier site and development opportunity in downtown Milwaukee, centrally located in the heart of the City. Directly to the south is the Marcus Performing Arts Center (“MPAC”), which draws over 200,000 annual visitors to attend Broadway shows, performances by the Milwaukee Ballet, Milwaukee Florentine Opera, First Stage Children’s Theater, Black Arts MKE and a wide array of cultural programming and performances that reflect the diversity of the region. MPAC is currently in the midst of a Campus Master Plan to refurbish and update its primary venues and grounds to support its continued mission as Milwaukee’s premier performing arts destination. The estimated investment of the improvements is \$40 million, with approximately \$8 million invested through 2022.

To the **north** along Water Street is an active bar/restaurant/nightlife district. To the **east and south** lies Milwaukee’s central business district, the MSOE campus, and Lake Michigan. To the **west** is the Deer District, Fiserv Forum, Park East Corridor, Baird Center (convention center), and the Milwaukee River.

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. An additional 4,200 housing units are in planning or under construction within the downtown area, scheduled to be completed in 2023–26.

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 90,700 workers and more than 6 million annual downtown visitors. Additional market information is available on Milwaukee Downtown’s website: [www.milwaukeedowntown.com/do-business](http://www.milwaukeedowntown.com/do-business).

# EXISTING AND RECENTLY COMPLETED PROJECTS IN DOWNTOWN MILWAUKEE



**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.

**Marcus Performing Arts Center:** MPAC brings high-quality arts and cultural programming to Milwaukee. Serving more than 200,000 people annually, MPAC connects the community to the world through collaboration, innovation, and social engagement and brings a diverse range of celebrated artists to the region.

**Milwaukee Theater District:** Including the Marcus Performing Arts Center, Miller High Life Theater, Milwaukee Repertory Theater, Bradley Symphony Center, Pabst Theater, The Riverside Theater, Turner Hall Ballroom, Sunstone Studios MKE and The ARC Theater at Saint Kate. The Milwaukee Theater District attracts more than 2 million visitors annually, generates more than \$400 million in visitor spending and employs more than 1,000 individuals.

**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.

**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 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 2021.

**Milwaukee Tool:** A new downtown location for corporate offices with up to 2,000 employees, which opened in 2022.

**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

## **Baird Center (convention center)**

**Expansion:** Wisconsin's largest convention center is investing \$450 million to expand by 112,000 SF, bringing the total exhibition space to 300,000 SF. The expansion is scheduled to open in spring of 2024.

**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.

**The Edison:** A proposed 28-story mass timber residential tower with 296 units is planned directly to the east of the Property.

**FPC Live:** Construction of a new live music complex, with a 4,500-person venue, that is set to begin construction in 2023, representing a \$50 million investment.

**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 in downtown Milwaukee. Expected to be completed in 2026.

**Iron District:** A \$160 million development that will include an 8,000-seat soccer stadium for a USL Championship team opening in 2025, a music venue, housing, entertainment and retail.

**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 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.



*Map of nearby development activity*

# Site Attributes



**Size:** 106,432 SF (2.4 acres), with access to North Water Street, East State Street, North Edison Street and East Highland Avenue.

**Topography:** Relatively flat with four sides of public street frontage.

**Zoning:** C9D(A), Civic Activity. Allows for a variety of commercial uses including office, retail, restaurant and hotel, as well as multi-family residential uses. City staff will work with the developer to support zoning changes, if necessary, to allow for the selected development proposal. The zoning code specifically calls out the primary land use patterns that contribute to and create a regional center for office, governmental, educational, cultural, and recreational uses that can be further enhanced with housing and hospitality uses. Respondents should propose development plans that follow this emphasis on land uses and activity densification that appeal to a broad range of the metropolitan population. The applicable chapter of the zoning code is available [HERE](#).

**Utilities:** The site has access to all public and private utilities. A survey of the site, showing all known utilities and utility easements is available [HERE](#).

**Title:** A recent Title Report for the property is available [HERE](#).

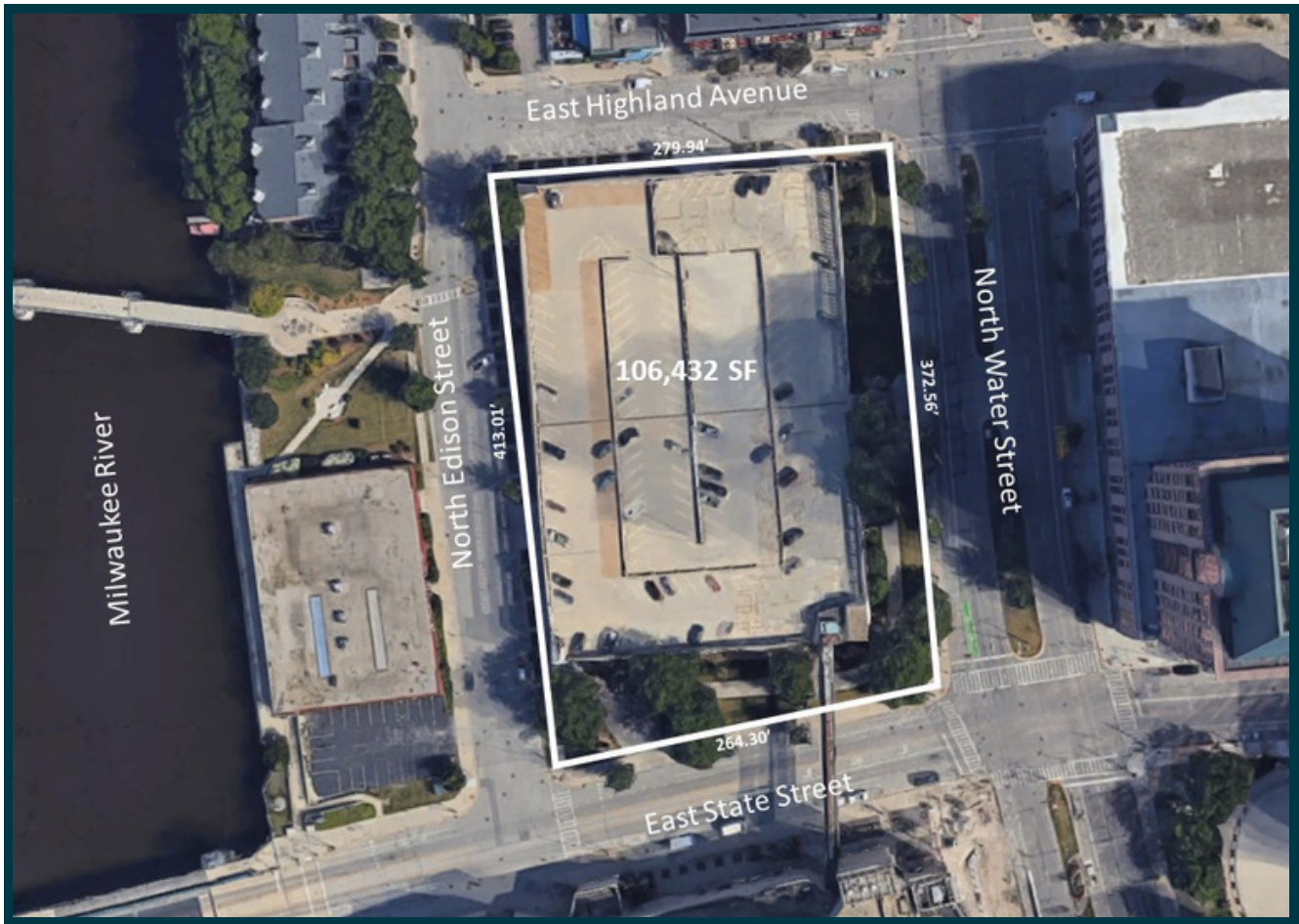
**Environmental:** An Historical Land Use Investigation report prepared by the City of Milwaukee is available [HERE](#).

**Traffic Circulation:** The site is bordered on all 4 sides with two-way public streets. A signalized/controlled intersection exists at the corner of Water and State Streets. Primary automotive access to parking should be oriented to State Street, Edison Street and Highland Avenue.

**Parking Structure:** The site currently includes a 690-stall parking structure. Developer will be responsible for the cost of demolishing the existing parking garage on the site. Development teams responding to this RFP must include a recognized parking management consultant who will submit as part of the RFP response a shared parking demand analysis demonstrating the adequacy of a new parking facility's size/available stall count and the effective use of the available stalls through the application of shared parking strategies. Parking consultant should work with MPAC on parking demand for staff, visiting artists and guests attending performances and events.

# Site Attributes

## Site Diagram





# DEVELOPMENT GOALS AND PREFERRED USES

This site is a pivotal location in downtown Milwaukee. It is a critical block in a civic/public/private anchor to downtown Milwaukee that includes MPAC, the Milwaukee Center, Red Arrow Park, MGIC, City Hall, 1000 North Water Street and MSOE.

It is intended to serve as a major east/west portal that is engaged by downtown visitors moving to/from Pere Marquette Park and the Deer District on the west side of the Milwaukee River. It also serves to link together areas both north and south along Water Street.

Downtown has many very active blocks, however this site has been a non-contributor to the activation of the North Water Street corridor due to its singular use as a parking facility and its setback from North Water Street. A key outcome of the successful RFP responder will be to raise the vibrancy of this block and its new use to offer activation of the site's urban edges.

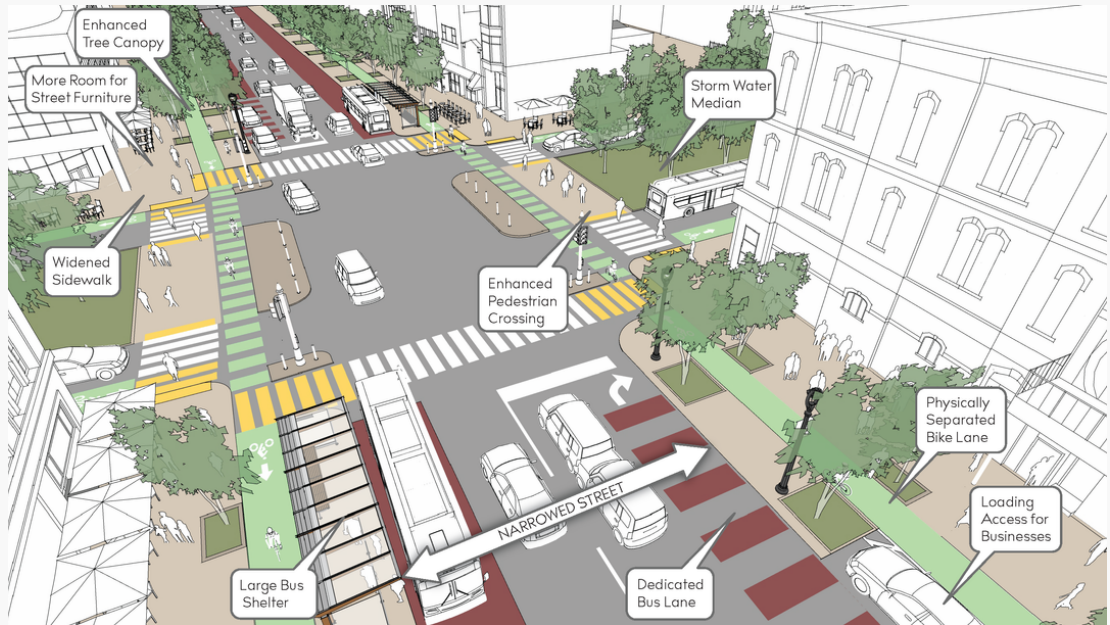
An aggressive mixed-use development with ground floor public activation, which includes a mix of uses is ideal at this site. Ground floor uses might include restaurants, art galleries or cultural/civic uses; with residential, hotel, office, cultural/civic uses above. These uses should be used to wrap any above ground structured parking on the site. The parking ramp component should be considered a design opportunity in and of itself, making the experience of parking there a favorable experience for users.



*Rendering of an ideal mixed-use development on the site*

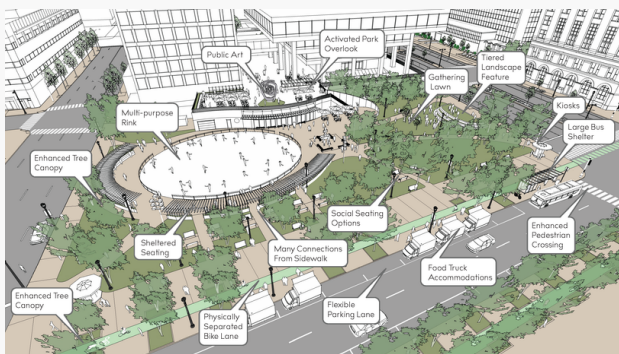
# DEVELOPMENT GOALS AND PREFERRED USES

Connec+ing MKE - Downtown Plan 2040, was approved in the summer of 2023.

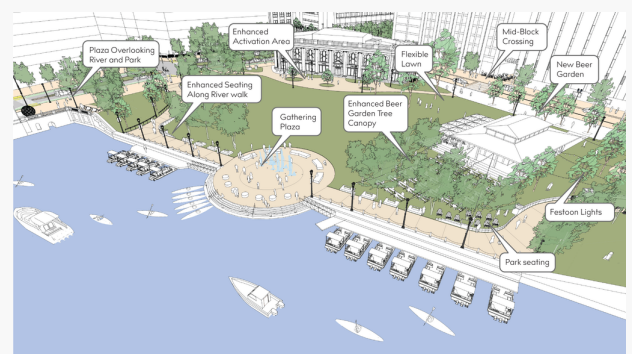


Rendering of redesigned Water Street (at Water/Juneau intersection looking south)

The plan looked at North Water Street as a primary area of focus. Several key large sites, including this site, as well as concepts for re-imagining the design of the street itself are included in the plan. In addition, changes to Red Arrow Park (to the east) and Pere Marquette Park (to the west) to make them more engaging and active spaces are recommended by the updated plan. A new development should fit in with this larger vision and help catalyze improving the larger area.



Rendering of redesigned Red Arrow Park (looking east)



Rendering of redesigned Pere Marquette Park (looking west)

### **The City and MPAC 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. Developer should consider dividing the site into multiple buildings or phases, to potentially allow multiple/smaller developers to complete portions of the project.
- Maximize total investment and ultimately maximize assessed value and tax base generated on the site.
- Create a landmark development given the prominence of this location.
- Maximize pedestrian activity, contributing to downtown's vitality, particularly on the Water Street and State Street frontages, which should provide vibrancy and activity.
- Incorporate a creative solution to the parking needs of the MPAC and the development uses to be located on the site, together with beneficial ancillary public parking usage during times when primary parking audiences create lesser demand.
- Respond to site context and existing neighboring buildings.
- Utilize high quality design and building materials.

## 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. Zoning and City policy encourage high-density solutions. Proposals that under develop the site may not be considered. Extraordinary height/landmark quality buildings will be considered based on architectural excellence and their fit into the overall development plan. The overall block development plan should be responsive to its context.
- Building(s) must have active first-floor uses that engage the street/sidewalk.
- There is not a parking requirement in C9D(A) zoning. Responding development teams should verify their approach to sizing the parking facility and demonstrating financial/operational feasibility in its submitted materials. The parking facility should provide a memorable experience to users and a user-experience friendly methodology for parking and retrieving automobiles (in particular at times of exiting by a large percentage of parkers), create a desirable parking environment by accommodating a majority of the parking spaces on level structure (as compared to pitched) and utilize design practices and strategies that contribute to a parking environment that exudes a feeling of safety for those parking within the structure.
- A skywalk to MPAC is not required, but a properly designed skywalk linkage that is incorporated into the MPAC in a strategic location is a desirable improvement. In addition to any proposed skywalk connection, responders are encouraged to propose detailed operating strategies that include valet parking for MPAC, along with a high-quality pedestrian experience between the site and MPAC.
- Any above ground structured parking should be lined with other active uses.
- More specific design guidelines are available under Design Guidelines.



### **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, a large scale performance venue or event space, rooming houses, check-cashing facilities, pawn shops, automobile sales, service stations, car washes, recycling processing, cigarette or cigar shops, gun shops, drive-thru, auto-title loan stores, and other uses prohibited under C9D(A) zoning.

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

## DESIGN GUIDELINES



### **Building Materials and Sustainability**

- Overall building materials should be high quality, with masonry at the lower levels and either masonry, commercial window systems or architectural metal above.
- Proposals should be comprised of buildings that demonstrate use of sustainable building materials/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.

## DESIGN GUIDELINES

### Massing

- A long uninterrupted base to the building should be avoided.
- A pedestrian east-west passage at the middle of the block, to better connect Water Street to Edison Street, the waterfront across the street, and the Highland Avenue Pedestrian Bridge across the street should be considered.
- Proposals should consider multi-phase development, provided the initial buildout includes the requisite parking
- Avoid a large exposed parking plinth. Where a large plinth is needed, design a façade which is fully enclosed or has a well-proportioned significant architectural statement.

### Responding to the Surrounding Context

- The northeast corner of the building should improve the visual connection from Highland Avenue to the Highland Avenue Pedestrian Bridge.
- The most activated street frontages should be Water Street and State Street.

### Site Access/Parking

- Vehicular access should avoid a direct connection to North Water Street. Parking entry/exiting is encouraged to occur from the south, west and/or north block faces. Effective management of automobile maneuvers both entering and exiting the parking facility will be measured by the relative safety of the pedestrian environment, the logical management of directional flow of autos that minimize crossing oncoming or intersecting street traffic, and the efficacy of time spent entering/exiting the parking facility.
- 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



A [December 2022 appraisal](#) valued the Property, as a cleared development site at \$6,375,000 (Apr. \$59.90/SF). The City's goal is to maximize sale proceeds.

Developer will be responsible for the cost of demolishing the existing parking structure on the site, if required.

Outstanding indebtedness of approximately \$2.7 million is owed for previous capital rehabilitation and repair on the existing parking structure that was expended during the ground lease between the City and MPAC to maintain the structure for public parking purposes. Proposals should include creative solutions to satisfy that debt.

**Tax Incremental Financing (TIF):** Historically, the City has not considered TIF or other City assistance for market-rate housing or hotel development downtown. 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.





## **SUBMITTAL REQUIREMENTS AND PROCESS**

Due Date: Proposals will be accepted until **5PM on Friday December 15th**. Submit proposals electronically to [dcasan@milwaukee.gov](mailto:dcasan@milwaukee.gov).

Proposals must, at a minimum, include:

- City Project Summary and Public Disclosure Statement ([available on our website](#))
- 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.

### **Review and Selection Process**

Proposals will be evaluated and scored (out of 100 total points) based on:

- Responsiveness to RFP criteria, quality and attractiveness of proposed development, and contribution to the vitality of downtown (25 points)
- Quality of building materials and use of sustainable construction methods or LEED Certification (20 points)
- Purchase price, total project investment and tax base to be generated by the development (15 points)
- Development team's expertise, experience, and financial capacity/feasibility (10 points)
- Use of Small Business Enterprises (SBE) and Resident Preference Program (RPP) (10 points)
- Job creation impact (10 points)
- Meeting the stated parking needs of the MPAC and the repayment proposal for the MPAC debt associated with the current site improvements (5 points)
- Project Schedule (5 points)

The City and MPAC reserve the right to reject any and all proposals if none meet the standards of quality sought by the selection committee.

## **Development Agreement and Closing**

The selected proposal will be presented to the Common Council for formal acceptance. Developer will enter into a development agreement, which will provide for an agreed to closing date to be negotiated between the City and successful respondent. The successful developer will make an earnest money deposit of \$50,000, applicable to the sales price but non-refundable, within 45 days of Council approval. The Commissioner of the Department of City Development may grant two 6-month extensions of the closing date if satisfactory progress is being made toward closing. Each extension would 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. City 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. City 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**

City 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") on construction, 18% SBE for professional services 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: [www.city.milwaukee.gov/CRE](http://www.city.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 City will assist.

## **Questions**

All questions concerning the Request for Proposal must be submitted in writing to Dan Casanova, Economic Development Specialist - Lead for City at [dcasan@milwaukee.gov](mailto:dcasan@milwaukee.gov). All responses to questions, changes or clarifications, will be posted on the RFP website. 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, MPAC staff or Department of City Development representatives may result in disqualification.

City 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.

City 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.