Request for Proposals
Premiere Transit-Oriented Development Opportunity
on a Redevelopment Authority of the City of Milwaukee-owned parcel in the heart of Downtown Milwaukee

June 22, 2016
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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 2-acre parcel is located in the heart of downtown Milwaukee, on Milwaukee’s main thoroughfare, Wisconsin Avenue. This high visibility and high traffic site is situated directly across the street from Wisconsin’s main convention center, blocks from the Marquette University campus and centrally-located among significant redevelopment efforts in thriving downtown Milwaukee.

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

// Quick Site Facts //

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

**Address:** 401-441 West Wisconsin Avenue

**Size:** 86,400 SF

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

**Asking Price:** $4,600,000 (this price will be reduced proportionally, based on the final size of the public plaza and streetcar easement area)

**Zoning:** C9E – Major Retail. Allows for a variety of commercial uses including office, retail, restaurant and hotel, as well as multi-family residential uses.
Downtown Milwaukee is undergoing an extraordinary renaissance with nearly $3 billion in projects completed since 2005, $1 billion under construction and another $1.3 billion in advanced planning stages. In the greater downtown area, over 9,500 housing units have been added since 2004 and over 1,300 hotel rooms have been added since 2008. As a result of this extraordinary investment and substantial growth, downtown Milwaukee now has 26,000 residents, 83,000 daily workers and over 6 million annual visitors. Additional market information can be found on Milwaukee Downtown’s website: milwaukeedowntown.com/doing-business.

Projects currently under construction in downtown Milwaukee include:

• $450m, 32-story, 1.1m SF new headquarters for Northwestern Mutual, opening in 2017.
• $524m new downtown arena, opening in 2018 that will be home to the NBA’s Milwaukee Bucks and the Marquette University Golden Eagles men’s basketball team, as well as the anchor for a 25-acre redevelopment area that is expected to bring an additional $500 million in private investment over the next 20 years. See rendering below - bottom.
• 2.1-mile modern streetcar system, the Milwaukee Streetcar, connecting the lower east side, central business district, Third Ward and Milwaukee Intermodal Station, opening in 2018.
• 2,000 new housing units.
• 314 new hotel rooms (in addition to 308 new hotel rooms opening in 2016).

Planned projects in downtown Milwaukee include:

• Marquette University’s $120m, 250,000 SF, Athletic Performance Research Center, in partnership with Aurora Health Care, south of the site. See rendering below - top left.
• Complete redevelopment of the former Shops of Grand Avenue, the iconic downtown Milwaukee mall, into a mix of office, retail and food/beverage uses, directly east of the site. See rendering below - top right.
• 0.4-mile extension of the Milwaukee Streetcar to the offices, parks and attractions along Milwaukee’s Lake Michigan lakefront.
True Transit-Oriented Development
The site is situated among significant planned transit improvements and existing transit service.

The Milwaukee Streetcar  milwaukeestreetcar.com
The 4th Street extension of Milwaukee's new modern streetcar system will literally traverse the site; serving as the point where the line merges from northbound on North 5th Street and southbound on North 4th Street to north and southbound on North 4th Street (see Site Diagram under “The Site” on page 8). This extension will directly connect the site with the Milwaukee Intermodal Station, the new NBA arena, the Third Ward warehouse district, the central business district, the Milwaukee River and riverwalk, the Lake Michigan lakefront, the densest concentration of residential and office development in the State of Wisconsin and other downtown Milwaukee attractions.

Bus Rapid Transit and Local Busses  eastwestbrt.com
In addition to seven local bus routes directly serving the site, Milwaukee County’s proposed 7-mile East-West Bus Rapid Transit line (“BRT”), connecting the region's top employment centers (the regional medical complex/research park and downtown Milwaukee), will stop at the site's doorstep and will be one of 2-3 stops in all of downtown Milwaukee.

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 over 8 daily trips to Madison, among other regional destinations.

Bikeshare  bublbikes.com
The site is also well-served by Bublr, Milwaukee's bikeshare system, with over 35 stations and growing.
The Site

The almost 2-acre development site is currently a paved surface parking lot. The streetcar connection will bisect the site. A portion of the development site must be reserved for the streetcar track, boarding platforms and an associated plaza.

**Site Diagram:** Likely maximum buildable area. Dimensions are approximate.
Site Attributes

- **Size:** 86,400 SF, with 320’ of frontage on West Wisconsin Avenue, and 270’ of frontage on both 4th Street and 5th Street.

- **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](http://city.milwaukee.gov/ImageLibrary/Groups/ccClerk/Ordinances/Volume-2/CH295-sub7.pdf)

- **Utilities:**
  - The site has access to all public utilities.
  - A low-pressure steam pipe runs under the vacated 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 Zilber Ltd. owns the parking garage to the south of the site, at 615 North 4th Street. The structure has 757 parking spaces, a majority of which are leased to employees of The Bon-Ton Stores, Inc. during business hours. However, there may be opportunities to utilize parking spaces in the structure on nights and weekends.

- **Parking Operation:** Regarding operation of the surface parking lot at the site, RACM has leases with two entities. The leases include termination rights for RACM. The leases will be made available upon request.

Plaza and Streetcar Easement

The entire site will be conveyed to the developer with a permanent easement to the City for the plaza area to ensure public access and a permanent easement to the City to allow for the streetcar to traverse the site. Both easements shall be provided to the City at no cost.

- The City will require a permanent public access easement for the plaza area. All maintenance of the plaza area, other than those related to streetcar/BRT improvements, will be the responsibility of the developer/owner. The form of this easement will be similar to those used for Milwaukee’s Riverwalk system.

- The City will require a permanent easement for the streetcar route that traverses the site (as shown in the Site Diagram on page 8), which must be at least 36 feet wide (12 feet for the track zone and 12 feet on each side for pedestrian connections and maintenance access) and at least 36 feet tall. If the sufficient clearance is provided for, development can occur above the streetcar easement area.

- City will be responsible for construction and maintenance of streetcar track and related improvements in the streetcar easement area.
Development Goals and Preferred Uses

In 2010, the City updated its Downtown Area Plan. One of the catalytic projects listed in the plan was the Wisconsin Avenue Strategy, with the goal of revitalizing Wisconsin Avenue east and west of the Milwaukee River. In particular, the plan identified the development site as vacant and in need of attention.

As a result, the City and RACM seek development proposals that:
• Develop transit-oriented mixed-use building(s) offering street level restaurant and retail uses with residential, hotel and/or office uses on upper levels
• Maximize pedestrian activity, contributing to downtown’s vitality
• Create a landmark building and public plaza that integrate the Milwaukee Streetcar
• 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

Main Development Site
• Preferred uses include multi-family residential, hotel, office, restaurant and retail uses.
• Density on the site is encouraged.
• Height compatible with adjacent context.
• Building(s) should have active first-floor uses that engage the street/sidewalk, as well as the streetcar route.
• Any above ground structured parking should be lined with other active uses.
• The Westown Design Guidelines should be reviewed and considered.

Pavilion Site
• Preferred uses include public uses such as restaurant, bar, beer garden, retail, visitor’s center or market.
• Building should be transparent and should support compatible accommodations for the plaza area, such as publicly-available restrooms, storage and utilities.
• Building should engage the street/sidewalk, as well as the streetcar route.

Plaza
• Design of the plaza should be largely hardscape with appropriate landscaping and public art.
• Sufficient bike parking for the development and surrounding area should be provided.
• Seating for the general public (not just customers of businesses next to the plaza) should be provided.
• Plaza should engage the street/sidewalk, as well as the streetcar route.
• Design should consider four season activation of the plaza.
• Design must be fully-accessible.

Prohibited Uses
Proposals will not be considered for the following uses: surface parking as a primary or secondary use, rooming houses, check-cashing facilities, pawn shops, automobile sales, service stations, car washes, churches, recycling processing, cigarette or cigar shops, gun shops, drive-thrus and auto-title loan stores.
Submittal Requirements and Process

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

• **RACM Project Summary and Public Disclosure Statement**
• Identify the team, estimate preliminary costs and outline your financing strategy and schedule
• Conceptual architectural plans – preliminary, but scaled site plan, conceptual elevations that identify building materials and color renderings. Floor plans are desirable, but not required.

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. **Every last Friday of the month at 2:00 p.m., beginning September 30, 2016**, will be the deadline for consideration in that RFP review period. If City offices are closed on the deadline day, proposals will be accepted until 2:00 p.m. on the next regular business day that City offices are open. Otherwise, proposals submitted after 2:00 p.m. on a deadline day will be held over, unopened, until the next submission date, without exception.

Ten (10) paper copies of the proposal and a digital copy (on a CD or USB drive) must be **received and time stamped** before the review period at the 2nd Floor Bid Desk, Department of City Development, 809 North Broadway, Milwaukee, WI 53202-3716. Write “4th and Wisconsin” on the envelope.

Review and Selection Process

Proposals will be evaluated in terms of:

• Quality and attractiveness of proposed development
• Contribution to the vitality of downtown
• Integration of transit uses into the development
• Quality of building materials
• 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
• 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 $25,000 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 $10,000 in additional earnest money.

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. A $50,000 Performance Deposit will be required at closing and 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 Small Business Development (milwaukee.gov/OSBD) 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 of 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.

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, Senior Economic Development Specialist for RACM at Dan.Casanova@milwaukee.gov no later than the 20th of the month before a due date. 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.
Addendum

Per the April 16, 2018 letter from the Wisconsin Center District to the City of Milwaukee, no proposal should include or rely on the Wisconsin Center District owning or operating space in a new development at 401-41 West Wisconsin Avenue.