

MKE BLUEPRINT



Downtown Milwaukee's Changing Landscape

Summer 2015

Milwaukee Downtown, BID #21 | 600 East Wells Street | Milwaukee | 414.220.4700 | MilwaukeeDowntown.com

The 833 East building is part of the renaissance reshaping Milwaukee's downtown skyline with more to come!



The Buckler - 401 West Michigan

reinvention of the former UMB property and its surrounding eight acres, Westtown is positioned to emerge as downtown's hottest new neighborhood.

Most importantly, there are adaptive reuse projects currently underway and scheduled for completion during 2015 that are converting nearly 500,000 sq. ft. of obsolete office space into approximately 350 new apartments. These new residences, representing approximately \$60 million in combined private and public investment, are the essential density component to making a vibrant hub of people who will live, shop, dine and work in Westtown.

Westtown Becomes Downtown's Next Hottest Neighborhood

With high-profile developments like Northwestern Mutual's headquarters tower, Irgens' 833 East Michigan office building and the Lakefront Gateway project, the East Town neighborhood has garnered the attention of many downtown observers.

At the same time, redevelopment

west of the Milwaukee River has been lively, yet much more under-the-radar. Building on the momentum of significant redevelopment projects such as Schlitz Park and The Brewery, planned catalytic developments like the multipurpose arena entertainment district, and Marquette University's planned



MKE Lofts - 725 North Plankinton

Together, these three projects will provide Westtown with greater residential density and create additional demand for retail and consumer services.

	MKE LOFTS	THE BUCKLER	700 LOFTS
	Local developer HKS Holdings is taking on the historic rehabilitation of the century-old Posner Building on West Wisconsin Avenue to create the MKE Lofts. Currently home to Mo's Irish Pub, the building will boast 105 apartments. Amenities will include in-unit laundry, stainless steel appliances, heated underground parking, a fitness facility and a club room. The developer is seeking tenants for 8,000 sq. ft. of new ground floor commercial space as part of the redevelopment.	The former Blue Cross Blue Shield HQ building on 4th and Michigan will soon become The Buckler, offering 207 luxury market-rate units overlooking Zeidler Union Square. Phoenix Development Partners along with Chicago-based CA Ventures LLC will invest \$30.6 million into the building. When complete, The Buckler will tout underground and surface parking, a basketball court, fitness center, conference room, party room and courtyard with a fire pit.	Just a few blocks west of The Buckler will be 700 Lofts – a redevelopment by Kenosha-based Bear Development. Combining historic preservation and affordable housing tax credits, the repurposed building will have 49 apartments, 41 of which will be reserved for residents earning less than 60% of the area's median income. 700 Lofts will offer underground parking, a community room, activity room and fitness center.
ADDRESS	• 725 North Plankinton Avenue	• 401 West Michigan Street	• 700 West Michigan Street
DEVELOPER	• HKS Holdings	• Phoenix Development Partners	• Bear Development
CONSTRUCTION COSTS	• \$21.8 Million	• \$30.6 Million	• \$6.7 Million
FLOORS	• 9	• 11	• 5
YEAR BUILT / UNITS	• 1914 / 105 Units	• 1978 / 207 Units	• 49 Units
RENT RANGE	• Studios \$1,125 / 2 Bed \$1,385	• \$750 - \$3,000+	• \$550 - \$1,000
PARKING	• Heated Underground	• Underground & Surface	• Underground
OPENING	• Late Summer 2015	• Late Summer 2015	• Late Summer 2015
WEBSITE	• mkelofts.com	• buckler.prospectportal.com	• 700loftsmilwaukee.com

MILWAUKEE STREETCAR ON FAST TRACK FOR OPERATION

Earlier this year, the Milwaukee Common Council voted to approve the Milwaukee Streetcar. The decision was a victory for downtown Milwaukee, advancing economic development opportunities and improving connectivity within the central business district.

Since 2005, over \$2.6 billion has been invested in completed private and public projects in and around the central business district, spurring a dramatic turnaround that has re-established downtown as a vibrant center of activity. In addition, \$980+ million is currently being invested in projects under construction, and another \$1.2+ billion awaits in proposed projects.

As demonstrated by other cities with fixed transit, the 2.5-mile Milwaukee Streetcar system, which includes connections to the Lakefront and Couture, could spur investment near and along the route, attract and retain businesses and talent, appeal to millennials who are less likely to own cars, and further establish Milwaukee as a world-class city that can compete globally.



"The Milwaukee Streetcar is a game changer for downtown," said Beth Weirick, CEO of Milwaukee Downtown, BID #21. "We look forward to seeing this catalytic project come to fruition, and know the success of the starter system will prompt expansions to near-downtown neighborhoods and beyond for the benefit of our city and region."

SPRING 2015	FALL 2015	WINTER 2015	SPRING 2016	FALL 2017	WINTER 2017	SPRING 2018	SUMMER 2018
• Common Council Approval	• Public Utility Construction Start • Vehicle Selection	• Mainline and Maintenance Facility Bidding & Contractor Selection	• Mainline and Maintenance Facility Construction Start	• Delivery of First Vehicle	• Maintenance Facility Construction Complete	• Mainline Construction Complete • System Testing & Startup	• Revenue Service Starts



Milwaukee Among Many Urban Centers Re-emerging as a Workplace Destination

Downtowns across the country are experiencing an upward growth trajectory as new businesses emerge, existing businesses grow or relocate, and more and more people flock to the urban center for living options.

People Moving

As evidenced by these trends, changing preferences and redefining core values are making cities magnets for downtown dwellers. Educated younger people in particular, ones that prefer alternative transportation modes, have a propensity to rent over buy, seek a vibrant nightlife and thrive on socio-economic diversity, are choosing to live in walkable urban neighborhoods with these characteristics.

In the CityObservatory's "The Young and the Restless and the Nation's Cities" study, Joe Cortright demonstrates that talented younger adults are much more likely to live in urban neighborhoods. **Today, young adults with four-year degrees are approximately 126% more likely to live in downtowns or in nearby neighborhoods than other metropolitan residents.**



Businesses Following

With talented workers concentrating in or adjacent to downtown, employers are following suit with their locational decisions. In the same study, Cortright states **"...the growing preference of talented young workers for urban living is influencing the location decisions of private firms. Access to labor is a critical competitive factor...as a result, many firms decide to locate in places where they can easily find lots of talented workers and where it is relatively easy to attract more."**

This trend is also echoed by the Smart Growth America study titled "Core Values: Why American Companies are Moving Downtown." After interviewing nearly 500 companies that have either relocated, opened new offices, or expanded in walkable downtowns between 2010 and 2015, six common themes emerged. The top reason for investment in downtowns was being able to attract and retain talented workers. Employers cited the need to fulfill employees' wishes to be in a neighborhood with restaurants, cafes, cultural institutions, entertainment and nightlife, as well as easy access to public transportation.

Northwestern Mutual affirms this

motivating factor with its decision to build a new \$450 million world headquarters in downtown Milwaukee rather than a suburban location. While there were additional costs with a downtown location, Northwestern Mutual expressed that a **"downtown location was worth the additional cost... professionals, especially young people, increasingly want to live and work in an urban environment."**

Nationally, companies like GE in Cincinnati; Motorola Mobility and Hillshire Brands Co. in Chicago; Quicken Loans and Fifth Third Bank in Detroit; and Yahoo, VISA and Pinterest in San Francisco have all decided to move completely or expand in their respective downtowns to be closer to their talent pools as a means to recruit and retain the best employees.

Live-Work Dynamic

In 2013, the Philadelphia Center City District prepared a report documenting the live-work dynamic in 21st century U.S. cities for the International Downtown Association. The study, titled "Downtown Rebirth," demonstrated that America's 150 largest cities hold 30% of all jobs in the country, and the 231 major employment centers within them contain 18.7 million

jobs – 14.4% of total U.S. employment. Nationwide, downtowns are the preferred place for work, entertainment and living.

Locally, downtown Milwaukee is a leader in this trend. Downtown Milwaukee has an "extremely high live-work quotient" with 30.9% of its downtown workforce living within the central business district or in a one-mile radius of downtown. For comparison, downtown Denver shares the same live-work quotient as Milwaukee. "Downtown Milwaukee's live-work quotient is extremely high," said Paul Levy, president and CEO of Center City Philadelphia, and author of the "Downtown Rebirth" study. **"And like many major cities, the residential population living within a mile of downtown is growing faster than the rest of the city, and sometimes faster than adjacent suburbs."**

Perhaps most interesting are the impacts of this trend on the urban environment and real estate market. According to the 2014 Urban Land Institute's annual "Emerging Trends" report, "...the growth of generation Y [or millennials] and its impact on all sectors of commercial real estate could be the singular most dominant trend for many years. This group lives, works, and plays in different ways than previous generations. The impact will be felt by all real estate sectors.

This generation will be more urban and less suburban; they won't want to drive as much but will want to be mobile. From in-town rental housing to collaborative office space to close-in warehousing to ensured same-day delivery from online retailers, gen Y will be a noticeable force in shaping commercial real estate."

With concrete evidence mounting daily, these trends provide support for policy makers, public sector officials, and the development community to continue cultivating an environment in downtown Milwaukee that is poised to reap the multitude of benefits that will come as this urban revitalization trend persists.

TOOLS AND INCENTIVES

Milwaukee Downtown Business Development Loan Pool

Milwaukee Downtown, BID #21 partnered with First Bank Financial Centre (FBFC) to create the Milwaukee Downtown Business Development Loan Pool (BDLP) program as a source of potential financing to assist in commercial revitalization efforts, increase capital investments, and provide support to new and existing property owners and businesses located within the boundaries of BID #21. The program can provide low-cost loans to businesses and property owners for redevelopment or improving commercial and mixed-use structures. Loans generally range from \$10,000 to \$25,000 with fixed interest rates as low as 1.0%.

Kiva Zip Loans

Kiva Zip is a loan program that provides 0% interest loans for small businesses and entrepreneurs through a crowd-funding platform. The Kiva Zip program aims to expand access to capital (loans up to \$5,000) and connect entrepreneurs with the global community. Milwaukee Downtown, BID #21 is a trustee of the program and is seeking small businesses and entrepreneurs to work with and endorse for the Kiva Zip loans.

PACE Financing

Milwaukee Downtown, BID #21 has partnered with PACE Equity to establish a \$20 million funding pool to facilitate energy efficiency improvement projects for commercial properties located within the boundaries of BID #21. The Property Assessed Clean Energy (PACE) financing pool assists commercial property owners to affordably finance building upgrades such as: heating and cooling systems, roofs, elevators, mechanicals, lighting, controls and solar. PACE financing can be used for building renovations, redevelopments or new construction.

PACE allows commercial property owners to pay for improvements over a longer period of time, up to 20 years, while reaping the benefits of lower energy and maintenance bills. Payments are collected through the property tax system and projects are designed so the energy savings pay for the special charge while resulting in net positive cash flow.

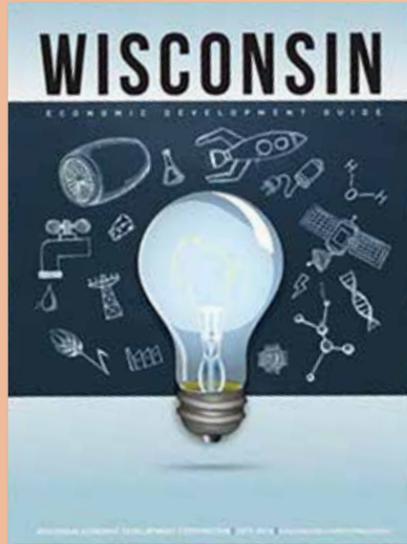
Facade and Whitebox Grants & Retail Investment Fund

The City of Milwaukee has tailored programs to assist property owners and businesses in improving the interior and exterior of commercial properties, while other programs are working to promote job growth. Milwaukee Downtown staff works with the City of Milwaukee to utilize these and other programs in the best way possible and ensure commercial revitalization projects are successful. In most instances, BID #21 programs can be combined with City programs to bring projects to fruition.



For more information on economic development tools and incentives, contact: **Matt Dörner**, Economic Development Director, Milwaukee Downtown, BID #21
414.220.4700 ext. 4 | mdorner@milwaukeedowntown.com

Wisconsin Economic Development Guide and Milwaukee Downtown



Milwaukee Downtown has a prominent advertising presence in the first-ever Wisconsin Economic Development Guide. More than 15,000 printed editions will be sent out to showcase Wisconsin and attract businesses to downtown Milwaukee and the state as a whole.

As a known top priority among site selection consultants and companies making locational decisions, the Milwaukee Downtown advertisement focuses on downtown's highly educated, skilled and available talent pool.

The Wisconsin Economic Development Guide will also be packaged with the September issue of Site Selector Magazine. In the meantime, the guide can be found online at siteselection.com/cc/wisconsin/.

DOING BUSINESS IN DOWNTOWN MILWAUKEE

MEANS TAPPING INTO AN UNRIVALED WORKFORCE

"Downtown Milwaukee is a vibrant community that offers a talented and skilled workforce. ManpowerGroup employees have a strong sense of pride and passion for Milwaukee, and relocating our world headquarters to the heart of the city has been a perfect fit for us internally as well as for the surrounding community."

Jonas Prising
ManpowerGroup CEO



A YOUNG, VIBRANT & EDUCATED WORKFORCE

Over 60% of employees are age 30 to 54 and 21% are 29 or younger. Nearly one-third of employees have a Bachelor's or advanced degree.

A CONSTANT POOL OF TALENT

Home to over 10 colleges and universities and 97,000 students, Downtown Milwaukee is home to renowned programs like freshwater science, biomolecular engineering and sports law.

BUILDING ON UNPRECEDENTED MOMENTUM

More than \$5 billion of recently completed, under construction and proposed private and public investments.

A GREAT PLACE TO LIVE TOO

Among its downtown peer cities, Downtown Milwaukee has the largest number and percentage of residents age 25 to 34.

www.milwaukeedowntown.com/doing-business



600 E. Wells Street
Milwaukee, WI 53202

With Class A office space opportunities under construction and for more reasons to locate your business in Downtown Milwaukee, contact Matt Dorner at mdorner@milwaukeedowntown.com or 414-220-4700 ext. 4.



Downtown Milwaukee's First Class A Building in Over a Decade Takes Shape

If you live or work in downtown Milwaukee, you're bound to see the significant progress made at Irgens' 833 East. Construction of the \$102 million catalytic project began in June 2014. After a year of preliminary construction, 833 East will have the building's structural steel topped off this summer.

Once complete, the building will offer 358,000 sq. ft. of Class A space, including 454 fully enclosed parking spaces. 833 East will be the newest addition to the US Bank Center campus, which includes 1.8 million sq. ft. of office space and is currently over 99% occupied.

And while occupancy isn't scheduled to open until March 2016, 833 East already has a commitment from anchor tenant Godfrey & Kahn to lease the building's top three floors, as well as commitments from Irgens, Colliers International, Jason, Inc., First American and Cresa Milwaukee.

- Economic Impact to Date**
- 400 jobs created by project construction
 - 2,300 tons of structural steel
 - 1,500,000 lbs. of reinforcing steel
 - 20,000 cubic yards of concrete
 - 25,000 sq. ft. of building enclosure glass





Please Support Downtown's Latest Wave of New Businesses

Agave Southwestern Bar & Grill

800 N. Plankinton Avenue
414.249.5973
agavemke.com

Ale Asylum Riverhouse
1110 N. Old World Third Street
414.269.8700
riverhousemke.com

Amilinda
315 E. Wisconsin Avenue
414.369.3683
amilinda.com

Colour Palate
789 N. Water Street
414.395.3164
colourpalate.com

ConsortiEX Inc.
1000 N. Water Street, Suite 950
consortieux.com

Dermatology Associates of Wisconsin/Forefront Dermatology
735 N. Water Street, Suite 830
414.273.1222
forefrontdermatology.com

Escape Chambers

The Shops of Grand Avenue – Second Floor
275 W. Wisconsin Avenue
414.273.1091
escapechambers.com

First Bank Financial Centre
400 E. Wisconsin Avenue
fbfcwi.com

First Merit Bank
535 E. Wells Street
414.291.3951
FirstMerit.com

The Garden
727 N. Milwaukee Street
thegardenmke.com

Genius@Work
611 N. Broadway
414.271.6611
geniusatwork.net

Kickapoo Coffee
232 E. Erie Street
Opening Soon!

Kit and Ace

315 N. Broadway
kitandace.com

Lucid Light Lounge
729 N. Milwaukee Street
414.431.5557
lucidmke.com

Milwaukee Garden Bar & Grill
611 N. Broadway

MKE Fashion Incubator
608 N. Broadway, 3rd Floor
mkefashionincubator.com

Plum Lounge
780 N. Jefferson Street
414.210.3236
plumlounge.com

Pita Pit
231 E. Wisconsin Avenue
414.930.0910
pitapitusa.com

The Pub Club
1103 N. Old World Third Street
414.988.5000
mke.thepubclubmilwaukee.com

Rock Paper Scissors

757 N. Milwaukee Street
414.982.5653
rockpaperscissorshop.com

Stark Investments
735 N. Water Street, Suite 790
414.294.7000
starkinvestments.com

Vagabond
1122 N. Edison Street
414.223.1122
vagabondmke.com

Ward4 Milwaukee
333 N. Plankinton Avenue
ward4mke.com

West Elm
342 N. Water Street, Suite 100
414.224.0216
westelm.com

Xankia
222 W. Wells Street
414.817.0241
banhminhuy.com



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