

# REAL RESULTS

Building Investment, Jobs & Prosperity in Milwaukee's Downtown

AUGUST 2015



BID #21

## Good Morning,

Downtown Milwaukee's apartment vacancy rate is among the lowest in the nation. With high demand for urban living, downtown Milwaukee is primed for growing its residential population. Learn about a recently announced apartment project along the Milwaukee RiverWalk.

Also, get the scoop on commercial rehabilitation incentives available to downtown businesses owners.

Plus, NEWaukee's Night Market continues tonight with its August installment. If you've yet to check it out, I highly encourage you to experience its dynamic impact on West Wisconsin Avenue.

Thanks for reading,

*Matt Dorner*

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## PROJECT SPOTLIGHT - KLEIN APARTMENT PROJECT



### In This Issue

[Project Spotlight: Klein Apartment Project](#)

[Downtown Tools: Commercial Rehabilitation Incentives](#)

[Event Spotlight: NEWaukee Night Market](#)

[By The Numbers: Lowest Apartment Vacancy Rates in Urban Centers](#)

[Movers 'n Shakers: Tracy Johnson](#)

— BY THE —  
NUMBERS

Comparable to Oakland, Portland and Sacramento, Downtown Milwaukee is among the top 10 lowest apartment vacancy rates in the U.S. with a 3.1%



Fueled by strong absorption, low vacancy rates and an influx of people moving to the urban center, apartment development in downtown Milwaukee continues to be robust. The most recent announcement, resulting from a City of Milwaukee request for proposal process, will be built along the east bank of the Milwaukee River at North Edison Street and East Highland Avenue.

Milwaukee-based Klein Development won the City RFP process with a 10-story building featuring 72 apartments and approximately 4,500 sq. ft. of ground-floor commercial space for a "high-end brew pub" with outdoor seating. The development will include a RiverWalk extension and link to the existing pedestrian bridge, which connects the east and west sides of the Milwaukee River.

The mixed-use building is expected to add another \$15 million of investment to downtown Milwaukee, which has seen more than [\\$5 billion](#) in recently completed, under construction and proposed projects.

Unlike other apartment construction in downtown Milwaukee, the Klein Development proposal does not include new parking. According to [Urban Milwaukee](#), by not building parking, the developer will save significantly on construction costs, which will allow rents to be priced competitively. In the same article, Jason Korb of Korb + Associates noted that the project is intended as a "walk-to-work building," mimicking national urban trends. In addition, shared parking solutions exist with the Marcus Center for the Performing Arts parking deck located across the street.

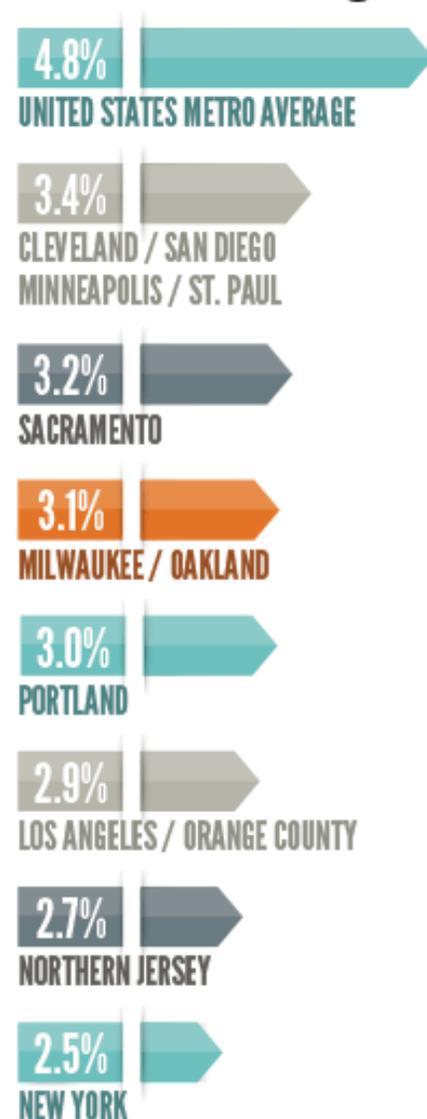
The developer intends to begin construction in Spring 2016 after gaining approvals and paying the \$840,000 purchase price for the nearly 20,000 sq. ft. parcel.

## DOWNTOWN TOOLS - COMMERCIAL REHABILITATION

vacancy rate. The U.S. metro average is 4.8%.

Source: [multi-housing.com](#), *Apartment Market Forecast*, May 2015

## Top 10 Lowest APARTMENT VACANCY RATES of U.S. Metro & the National Average



## MOVERS 'N SHAKERS - TRACY JOHNSON

President & CEO, Commercial  
Association of REALTORS®  
Wisconsin

# INCENTIVES



Milwaukee Downtown staff works independently and with partners to develop incentive programs for property owners and businesses locating or expanding downtown. The organization also works closely with the Department of City Development to promote City programs geared toward assisting smaller scale commercial projects.

Many potential applicants tend to only think of tax increment finance (or TIF) because it garners much media attention; however, several rehabilitation programs are available to commercial buildings.

- **White Box Grant Program** - assists in recruiting new businesses to vacant commercial spaces by offering reimbursable grants for up to \$10 per square foot with a maximum grant in the amount of \$25,000.
- **Façade Grant Program** - provides assistance for renovating the street side façades of commercial buildings and offers a reimbursable grant limited to no more than 30% of the total of the eligible improvements (not to exceed \$50,000 per building).
- **Retail Investment Fund (RIF)** - a reimbursement program to promote retail. The size of the assistance is determined by the project size, private investment and job creation. In downtown, a RIF grant can equate to \$5,000 per full-time job that is created with the project.
- **Signage Grant Program** - provides business owners assistance, up to \$2,500, to add signage to commercial buildings to better promote business to potential customers.

Dozens of downtown property owners and businesses have successfully utilized these City programs to bring their projects to fruition. The best circumstance is when a property owner or business can combine the use of a City program with a BID #21 incentive such as the [Business Development Low Interest Loan Pool](#).

For more information about these or any



**What do you enjoy most about your role at CARW?**

*The culture of the organization resonates with my personality and approach to life. At CARW, I'm working with type-A, entrepreneurial-minded professionals who understand the importance of collaboration, each other and getting to 'yes'. At its core, commercial real estate is about economic exchange and jobs--that's exciting to me.*

**Are there any upcoming events that you are particularly excited about?**

*The Deal of the Year event is a thrill. At this event, the Commercial Real Estate industry celebrates the best deals of the year and the leaders who drove them. There's an undeniable appreciation for the complexity and skill required in any transaction or development.*

**CARW emerged as a leader around the arena deal. Why was it important to take a public position of support?**

*In mid-2014, CARW saw an opportunity to shape the conversation around commercial real estate development and the impact it has on job creation and community development. This arena project is a game changer for Milwaukee and a catalyst for real estate development in the Park East and surrounding neighborhoods. Given the enormity of the CRE impact, we felt that if we didn't do everything within our collective power to get the project completed, we would risk losing out on this generational opportunity, and have only*

other assistance programs, contact Matt Dorner, Economic Development Director, at [mdorner@milwaukeeedowntown.com](mailto:mdorner@milwaukeeedowntown.com) or 414.220.4700 x4.

## EVENT SPOTLIGHT - NEWAUKEE NIGHT MARKET

August 19 | 5pm to 10pm  
West Wisconsin Avenue between  
2nd & 4th Streets



Join NEWaukee and the city's young professionals for this free open-air market featuring a mash up of art and craft vendors, technology installations, food trucks/carts, live art creation, performances, local music and a beer garden. After its August installment, NEWaukee will host its year-end market on September 16. [Click here](#) for info.

*ourselves to blame for the job losses, decreases in property values, and loss of revenue to the State. We were fortunate to lock arms with, Play It Forward Wisconsin, a powerful coalition of like-minded groups.*

**What facet of the arena project is most critical to furthering the development of downtown Milwaukee?**

*Existing plans have so much going for them; connectivity, excellent design, well planned mixed-use opportunities, etc. This project will create density and vibrancy, two critical elements that spur further demand for real estate in downtown. We have already seen the prospect of this development drive purchase decisions and prices of existing real estate. The momentum is real and we need to embrace it!*

**Assuming the arena receives all approvals, what is one project that you would like to see move forward in the Park East?**

*Initial plans show us a multi-use, inviting space. I know this project will be a gateway to our city we can all be proud of. This space should become not only a destination, but an interchange that connects to other parts of our City.*

**Outside of your work at CARW, what is your favorite pastime?**  
*Running. It's how I got to know Milwaukee so well and how I explore any new city.*

**LEARN MORE ABOUT WHAT MILWAUKEE HAS IN STORE AT  
[WWW.MILWAUKEEDOWNTOWN.COM/DOING-BUSINESS](http://WWW.MILWAUKEEDOWNTOWN.COM/DOING-BUSINESS).**

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 Send to a Colleague

