

# REAL RESULTS

Building Investment, Jobs & Prosperity in Milwaukee's Downtown

JULY 2015



BID #21

## Good Morning,

Downtown Milwaukee's stock of hotel rooms continues to expand and diversify to meet growing demand. Learn about a new hotel under construction near the Wisconsin Center.

Also, Milwaukee Downtown has added an additional resource to our toolkit. Hear about a new financing mechanism helping commercial properties complete a wide range of energy efficient upgrades without out-of-pocket costs.

Plus, Downtown Employee Appreciation Week returns July 27-31. Get the scoop on how your company or fellow co-workers can participate.

And last, but certainly not least, as many catalytic projects are advancing forward in the central business district we look forward to a positive outcome from the State Legislature as they consider the downtown Milwaukee arena financing deal.

Thanks for reading,

*Matt Dorner*

Matt Dorner  
Economic Development Director  
Milwaukee Downtown, BID #21  
mdorner@milwaukeedowntown.com



### In This Issue

[Project Spotlight: SpringHill Suites](#)

[Downtown Tools: PACE Financing](#)

[Event Spotlight: Downtown](#)

[Employee Appreciation Week](#)

[By The Numbers: Live-Work](#)

[Quotient](#)

[Movers 'n Shakers: Patti Keating](#)

[Kahn](#)

## PROJECT SPOTLIGHT - SPRINGHILL SUITES

— BY THE —  
NUMBERS

No surprise to us, more and more downtown employees are choosing to live downtown. Downtown Milwaukee boasts an extremely high live-work quotient, rivaling highly



With more than 1,000 new hotel guest rooms since 2008, downtown's 4,200-room inventory continues to grow. Opening in 2016, SpringHill Suites, located at the corner of 4th and Wells streets, will be the latest addition to the marketplace.

Jackson Street Holdings LLC, developer of the Aloft and full-service Marriott in downtown Milwaukee, is undertaking the adaptive reuse of the 1920s-era Commerce Center building. The developer purchased the building from Zilber Ltd. In 2014 and intends to invest \$30 million to transform the former office building into a hotel. Another \$3 million was secured in state historic tax credits.

The hotel will be the first of this Marriott brand in the Milwaukee area and will feature approximately 150 suites along with underground parking, meeting space, a fitness center and approximately 6,900 sq. ft. on the ground floor for a future restaurant or retail space. In addition, SpringHill Suites will be served by a skywalk connection to ease accessibility, especially to the neighboring Wisconsin Center. The hotel could also benefit from a future extension of the Milwaukee Streetcar, which is expected to run on 4th Street.

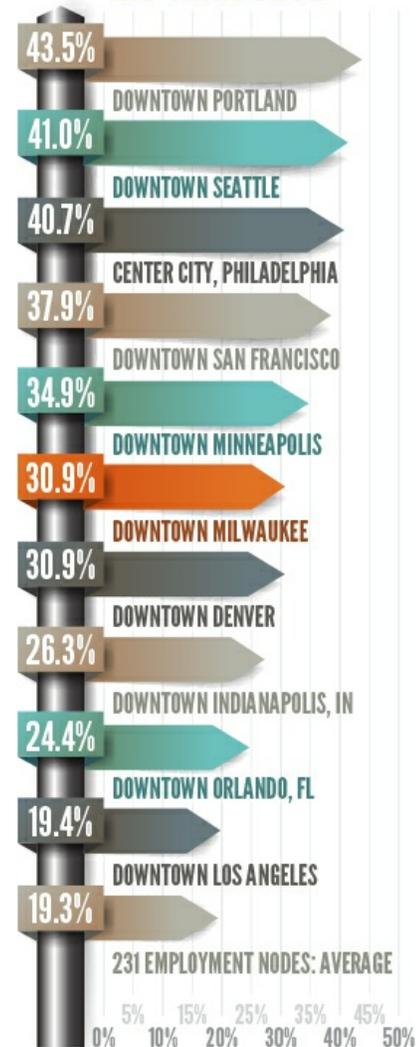
SpringHill Suites will have a central location within Westtown and play an integral role in the neighborhood's transformation. Within a few blocks of the project, several adaptive reuse residential projects are also underway.

## DOWNTOWN TOOLS - PACE FINANCING POOL

Milwaukee Downtown, BID #21 has partnered with PACE Equity to establish a \$20 million funding pool to encourage energy efficient upgrades for commercial properties within the boundaries of BID #21. The Property Assessed Clean Energy (PACE) financing pool can assist with upgrades such as heating and cooling systems, roofs, elevators, mechanicals, lighting, building controls and

regarded peer cities such as Minneapolis, San Francisco and Denver. As the following chart shows, downtown Milwaukee has a live-work quotient that is more than 10% higher than the average of the 230+ employment nodes in the study.

## Percentage of Workers Living Within Downtown and a One-Mile Area Surrounding Downtown, Who Work Within the Same Area



Source: *Downtown Rebirth*, IDA, 2013.

## MOVERS 'N SHAKERS - PATTI KEATING KAHN CEO & Owner, PK2group

Recently named one of Milwaukee's "Women of Influence" by *The Milwaukee Business Journal*, Patti Keating Kahn is a well-known name in real estate. With a passion for

solar. In addition, financing can be used for building renovations, redevelopments or new construction.

"The PACE pool is another effort by BID #21 to assist owners with improvements that are necessary to keep their buildings competitive or develop new projects," said Beth Weirick, CEO of Milwaukee Downtown, BID #21. "PACE also packages well with other programs such as historic tax credits to make some of the most challenging projects a reality."

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 property taxes and projects are designed with a guarantee in energy savings.



The University Club and Mackie Building are among several projects that have or are planning to utilize more than \$10 million of PACE financing as part of their project capital.

"We are excited to partner with Milwaukee Downtown and look forward to marketing this innovative tool that is available for a wide range of project sizes and building types," said Beau Engman, founder & president of PACE Equity. [Click here](#) for more info.

## **EVENT SPOTLIGHT - DOWNTOWN EMPLOYEE APPRECIATION WEEK July 27 - July 31, 2015**

historic preservation, she takes pride in restoring downtown's iconic structures to their former grandeur.



### **What were your main attractions to the buildings you own in downtown Milwaukee?**

*The history of Milwaukee has been intriguing to me from my childhood on. Both my downtown office buildings, The Colby Abbot Building and the Railway Exchange Building, as well as my parking structure (formerly Milwaukee's largest and most prestigious horse and carriage livery) exemplify the stories of successful entrepreneurs and the fascinating growth of our City in the late 1800s to early 1900s.*

### **Why do you choose downtown over suburban locations for your real estate business?**

*Downtown Milwaukee is at the heart of southeastern Wisconsin's business activity. We have about 60 small business tenants who want to do business with larger businesses located here and with each other. There is a level of professionalism, sophistication and diversity downtown that you don't find in the suburbs.*

### **When you are "selling" downtown to perspective tenants, what factors do you highlight?**

*The development going on downtown at this moment has made it almost unnecessary to need to "sell" downtown. People already want to be here. They see and feel the vitality and excitement that surrounds us. Northwestern Mutual's new headquarters, the Couture and the new arena are catalytic projects that are spurring other development and I don't see an end in sight. If you can't find something to do downtown, you are not looking. Access to*



Milwaukee Downtown, BID #21 will collaborate with downtown businesses and community leaders to reward the downtown workforce during the 10th Annual Downtown Employee Appreciation Week, July 27 - July 31. The fun-filled workweek will feature special events, office challenge games, lunchtime giveaways and exclusive discounts for downtown's 81,000 employees.

The much-anticipated spirit week will kick off on Monday, July 27 at 11:45 a.m. in Red Arrow Park with a ribbon-cutting ceremony. Revamped office challenge games and loads of new 1,000-item daily giveaways will sweeten employees' lunch breaks throughout the week. Look for us in Red Arrow Park on Monday, Pere Marquette Park on Tuesday, Schlitz Park on Wednesday, Zeidler Union Square on Thursday and Cathedral Square Park on Friday.

[Click here](#) for a complete schedule of events and employee discounts.

*restaurants, performing arts and the Milwaukee Art Museum are also highlights.*

**As a successful woman in a predominately male field, what insight or unique perspective do you bring to the table?**

*Early in my career I took for granted the gender bias in the field and worked twice as hard as my male counterparts to prove myself. As more women are represented in male-dominated areas, that bias still exists but more covertly. Women in my field develop a "thick skin." At the same time, we tend to be more compassionate about demands of family. I offer employees very generous vacation, flex-time and pay. My tenants gain a more personal touch.*

**What do you believe is downtown's greatest current or upcoming opportunity?**

*The first phase of the new streetcar will be an amazing catalyst for business downtown. The mythical perception of parking problems preventing people from coming downtown will be remedied by this new mode of transit and its future expansion.*

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

Milwaukee Downtown, BID #21  
Matt Dorner  
600 East Wells Street  
Milwaukee, Wisconsin 53202-3811  
[mdorner@milwaueedowntown.com](mailto:mdorner@milwaueedowntown.com)  
(414) 220-4700 ext. 4

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