



EAST LIBRARY REDEVELOPMENT
PROPOSAL SUMMARY & PUBLIC DISCLOSURE STATEMENT

PROPERTY 1910 East North Avenue

OFFER INFORMATION

Offer Price: \$20,000 (Minimal amount to cover sale expenses)
Contingences Full City Approval

No brokerage fees will be paid by City.

SUBMITTER IDENTIFICATION

Developer Name HSI Properties, LLC
Mailing Address Crossroads Corporate Center, VII-A, 20975 Swenson Dr., Ste 395, Waukesha, WI 53186
Primary Contact Ryan Schultz Telephone (262) 439-8701
Email ryan@hsi-properties.com FAX: (262) 439-8705

Principals of existing company / future owner (if known) and extent of ownership interest.

Name	Address	Title	Interest
<u>Ryan Schultz</u>	<u>Same as above</u>	<u>Manager</u>	<u>50</u>
<u>Brett Haney</u>	<u>Same as above</u>	<u>Manager</u>	<u>50</u>

Attach a list of properties in the City of Milwaukee in which developer (or future owner) has an ownership interest either as individual or as part of a corporation/partnership. *See list on the left.*

Properties
3800 W. Canal Street, Milwaukee, WI 53208

PROJECT DESCRIPTION

Building Area
*MPL covered staff parking on First Level

Property Summary Building Area 119,800* SF # Stories 4 Above grade 1 Below grade
Land Area 44,450 SF
 Includes excess right of way (Approximately 5 feet on Thomas)
Parking Spaces: Total 124 Library spaces 40 Underground 84

~~Alternate Library Scenario applicable (additional information below)~~

Describe overall project: The proposed development features the library on the corner of Cramer St. and North Ave. with three (3) levels of housing above. The parking is accessed from both Cramer St. and Thomas Ave.

Library component Approximately 16,000 sf, single-story space fronting North Avenue and Cramer Street, offering multiple options for layout and organization. See page 10 for additional narrative.

Secondary Use The proposed secondary use is three (3) levels of housing including 59 one bedroom units and 12 two bedroom units with lower level parking.

SF 73,900 (3 levels) # Units 71 # Parking spaces 84

Sustainable Elements

The developer, designer and client will together discuss the numerous options for sustainable design strategies, including geothermal HVAC and solar options.

Zoning Change

The zoning is LB2 (Local Business District). Both multi-family housing and library are permitted uses. It is anticipated that a number of detailed design issues will be subject to review.

Team Expertise

**Expanded descriptions of our team's expertise and experience is included in the enclosed proposal appendix, which begins on page 13.

Discuss benefits to neighborhood This mixed-use development, comprised of the East Library plus Multi-Family Housing, will provide a visible, engaging destination for its neighbors. The building, with a 21st century design aesthetic complementary to the neighborhood, will be a welcoming place for all.

Discuss contribution to BID This project will contribute to the TIF basis, increase the density of this urban neighborhood, and provide quality housing options for a diverse population.

Identify "sustainable" elements See response on the left.

Anticipated storm water management method MMSD grant opportunities for green roof, pervious paving, etc.

Will a zoning change be requested? See response on the left.

Other approvals, permits or licenses (i.e. BOZA) Building permits, code review, environmental, etc.

Temporary library location during construction Multiple local options will be evaluated.

Library area 4,500 - 15,000 SF Parking spaces 0 - 20

Alternate Library Scenario applicable

Proposed location _____

Library area _____ SF Land area _____ SF Parking spaces _____

Special conditions _____

POTENTIAL DEVELOPMENT TEAM

Architect Engberg Anderson, Inc.

Contractor To be determined

Sales Agent/Property Manager HSI Properties, LLC

Other Members Blair Williams c/o WiRED Properties

Describe team expertise and experience: **

> General development Our development team is a partnership between two well-respected developers who have the vision and capability to create a successful mixed-use library project for the City. HSI has several current outstanding projects including The Enclave Luxury Apartments and the Junior Achievement Kohl's Education Center. WiRED has been lead development consultant on numerous mixed-use developments.

> Library design and/or development Engberg Anderson has provided architectural, interior design and planning services throughout the nation: over 90 library projects, totaling more than 3,000,000 square feet and ranging in size from 300 square feet to over 150,000 square feet, each with a different program and budget, yet all emphasizing value and quality. EA is currently working with MPL on the Villard Square Branch Library project.

> Proposed secondary use for design, development & management All of our team members bring an impressive portfolio of mixed-use multi-family developments. This entire team collaborated on The Enclave Luxury Apartments (HSI: Developer; WiRED: Owner's Rep; EA: Interior Designer). WiRED and EA recently completed The Cornerstone, an award-winning mixed-use project in Shorewood, and are currently collaborating on Ravenna.

Other team projects In addition to our team collaborations on The Enclave Luxury Apartments, The Cornerstone and Ravenna, our team experience includes Trostel Square, Norhardt Crossing, Boston Lofts, Gaslight Lofts, and ONE at The North End. Each of our firms has received awards and accolades for our positive contributions to the City's architectural landscape.**

Potential EBE Contractors To be determined

PROJECT BUDGET

Property Acquisition (minimal amount)	\$	20,000.00
Demolition	\$	200,000.00
Environmental testing/remediation/abatement	\$	40,000.00
Hard construction/rehabilitation costs	\$	6,500,000.00
Soft costs – architectural fees, permits, charges, etc.	\$	2,100,000.00
Fixtures & Equipment (if applicable)		
Financing fees	\$	120,000.00
Total cost	\$	8,980,000.00

Estimated Emerging Business Enterprise (EBE) Use (Goal) 25 % of total budget or \$ _____
 Estimated Prevailing Wage Use (Goal) 15 % of total budget or \$ _____
 Financing strategy We are reviewing several alternatives for project financing including HUD/FHA market rate program, conventional bank financing, Midwest Disaster Bonds and WHEDA tax credits, all of which are options with which our team has experience.

CONFLICT OF INTEREST DISCLOSURE

Submitter covenants that no member of the Common Council of the City of Milwaukee, nor any officers or employees of the City of Milwaukee, has any interest in the Submitter's company or the intended redevelopment, except as follows: N/A
 Is Submitter a City of Milwaukee employee or member of any City board? Yes No
 If yes, identify the department, board and/or and position: _____

ESTIMATED SCHEDULE

	Months to complete
Final Plans/Specification Preparation	<u>6 months</u>
Bidding & Contracting	<u>2 months</u>
Firm Financing Approval	<u>6 months</u>
Building Construction	<u>12-15 months pending start date</u>
Landscaping/Site Work	<u>2 months</u>

CITY POLICIES

Submitter certifies that it as individual or member of a corporation or partnership is not now and will not be at closing in violation of the following policies:

- Delinquent taxes due the City
- Building or health code violations that are not being actively abated
- Convicted of violating an order of the Department of Neighborhood Services or Health Department within the previous year
- Convicted of a felony crime that affects property or neighborhood stability or safety
- Outstanding judgment to the City
- In Rem foreclosure by the City within the previous five years.

Property will be sold on an "as is, where is basis." The City discloses that the property may contain old foundations and debris or other subsoil problems and the building may contain asbestos containing materials for which the buyer will be solely responsible. An ALTA survey will not be provided. Building encroachments in the right of way may require Special Privilege Permits or Air Space Lease at buyer's sole cost.

A Phase I Environmental Assessment will be provided by City. All environmental testing will be buyer's responsibility, but must be done by an environmental consultant under a master contract with City. Remediation, including asbestos abatement, will be the responsibility of the buyer.

The Buyer must comply with the City's Emerging Business Enterprise (EBE) goal of 25% of the total project budget. An EBE Agreement will be required at closing. Buyer may need to comply with Chapter 355, Milwaukee Code of Ordinances, for payment of prevailing wages and hiring City residents

All properties must be fully taxable for property tax purposes. The deed shall contain a restriction prohibiting future application to the City for exempt status.

SUBMITTER'S COMMENTS/CONTINGENCIES

More information on our team and the project can be found in the enclosed proposal.

SUBMITTER CERTIFICATION & ACKNOWLEDGEMENT

We certify that this statement is true and correct and we understand City policies.



Signature
RYAN SCHULTZ PRINCIPAL

Print Name & Title
8-15-2011

Date

Signature

Print Name & Title

Date