



**Milwaukee
Development
Corporation**

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December 17, 2018

The Honorable Theodore Lipscomb, Sr.
Chair, Milwaukee County Board of Supervisors
The Honorable Marcelia Nicholson
Chair, Committee on Economic and Community Development
Milwaukee County Courthouse
Room 201
901 North 9th Street
Milwaukee, WI 53233

RE: East Pointe Commons Project Agreement – Annual Status Report

Dear Chairman Lipscomb and Chairman Nicholson:

Under the provisions of the amendments to the East Pointe Commons Project Agreement, the Milwaukee Development Corporation and Mandel Group Inc., as the developers of the nine-block Park East corridor, are to report annually to the Milwaukee County Board of Supervisors specifically on the status of Burns Commons and the north portion of “Block 9” of the former Park East freeway corridor.

Burns Commons

As you know, pursuant to a three-party agreement between MDC/Mandel, the City of Milwaukee, and Milwaukee County, funds for the improvements to Burns Commons come from the City through a Tax Incremental Financing District, the land is contributed by the County and MDC/Mandel, and the entire park will be conveyed to and operated by Milwaukee County. In the meantime, the park is being privately maintained at no cost to the County.

Block 9 North

This approximately 1.7-acre parcel is situated on the east side of North Prospect Avenue, immediately north of the Lake Bluff Apartments.

We have spent considerable time and investment planning for a high-rise luxury “apartment community” on this parcel. We have designed a high-rise 25 floors above-grade apartment development for this site, which we have named “Portfolio.” We have solicited, secured, and analyzed competitive construction

bids based on schematic design drawings. We have canvassed capital sources throughout the United States and beyond our borders to access equity for this development. In addition, we have and will continue to discuss public assistance (to cover the gap between actual and supportable development costs) with the City. Efforts to obtain City financial support have proved, to date, unsuccessful.

We are currently refining our plans in response to market conditions, changing the number of apartments, floor plan layouts, and amenity package to improve the marketability and increase the profitability to attract capital sources. We remain hopeful that additional refinement of the development (without diminishing its quality) and/or perhaps a public/private component to enhance the capital stack will create a pathway to move forward.

We wish you a Happy Holiday Season and a Happy New Year.

Very truly yours,

MILWAUKEE DEVELOPMENT
CORPORATION

MANDEL GROUP INC.



Pat O'Brien
President



Barry R. Mandel
President

cc: Sheldon A. Wasserman, Supervisor - 3rd District
Guy Smith, Interim Parks Director
Aaron Hertzberg, Economic Development Director