

December 28, 2023

The Honorable Marcelia Nicholson  
Chair, Milwaukee County Board of Supervisors  
The Honorable Steve F. Taylor  
Chair, Committee on Community, Environment and Economic Development  
Milwaukee County Courthouse  
Room 201  
901 North 9<sup>th</sup> Street  
Milwaukee, WI 53233



**RE: East Pointe Commons Project Agreement – Annual Status Report**

Dear Chairman Nicholson and Chairman Taylor:

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.

Since the COVID-19 pandemic, more millennials and others are returning downtown as more lifestyle amenities associated with downtown living are reopening for business. However, working remotely has decreased the numbers of people that would otherwise find downtown living more convenient. Complicating the situation is the specter of crime in the downtown market that has contributed to a negative impact on demand, less for younger generations, but more for those 45+ years and older. Development of Block 9 depends heavily on the demand of those in the 45+ demographic. The Ascent is currently finishing lease-up and leasing larger apartments for that age cohort as they have been lagging behind. The Hines development in the Third Ward and The Couture are under construction and begin leasing later this year. As we said last year, we firmly

believe the high-rise market for luxury apartments will be saturated in the midterm (2024-2026) when these three developments complete construction and lease-up.

Lastly, the significant increase in interest rates, construction costs, and general instability in our economy have hugely impacted the economic feasibility and financing of new high-rise apartment construction. Accordingly, we continue to re-evaluate our plans.

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

Very truly yours,

MILWAUKEE DEVELOPMENT  
CORPORATION



Pat O'Brien  
President

MANDEL GROUP INC.



Barry R. Mandel  
Chairman and CEO

cc: Sheldon A. Wasserman, Supervisor, 3<sup>rd</sup> District, and  
Parks and Culture Committee Chair  
Guy Smith, County Parks Director  
Celia Benton, Economic Development Director