



Freshwater Plaza Case Study

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Contents

FRESHWATER QUICK FACTS	4
FUNDING SOURCES	3
RESULTS...	4



— FRESHWATER PLAZA CASE STUDY

From Dirty Site To Community Catalyst

Walker's Point is a hot bed of new commercial development and has long been known for its industrial heritage dating back to the days of founding father George Walker, a Virginian fur-trader who later gained title to the area. What is now known as Freshwater Plaza, a gateway mixed-use development, was initially the former Grede Foundries site at the corner of 1st Street and Greenfield Avenue.

Freshwater Plaza is adjacent to the inner harbor, located between Rockwell and the rail corridor just west of the UW-Milwaukee School of Freshwater Sciences. Work on the 8.4-acre brownfield development was initiated in 2013. Site challenges included highly contaminated soils, underground storage tanks and unstable soils requiring various methods of deep foundations for new structures.

"Early on during our due diligence research, we worked with the City's Department of City Development to identify the ultimate use mix for the site. What we learned was that the City's plans were worlds apart from what the community wanted in the area. Alderman Pérez was a large advocate in bringing consensus among the key stakeholders not only at the City level, but for that of the community. Wangard Partners backed the project from the start and didn't waver in our commitment to bettering communities," stated Stewart Wangard – CEO | Wangard Partners, Inc.

Because of the extraordinary costs required to redevelop this site, the financial structure to accomplish this was also extraordinary. Freshwater Plaza involved hundreds of people who saw promise and potential in Walker's Point. Some 30 agencies worked on this project -- the State of Wisconsin, WEDC, WDNR and WHEDA; Milwaukee County; the City of Milwaukee (CDC); First-Ring Industrial Redevelopment Enterprise, Tri-City National Bank, NCB, U.S. Bancorp, Impact 7, our private investors, to the Hispanic Community as well as neighborhood and professional associations (Inner Harbor District) and private industry.



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FRESHWATER QUICK FACTS

- Four-phase, 180,000 SF mixed-use urban re-development
- Located on a former brownfield site in Walker's Point
- A 46,280 SF Cermak Fresh Market is the first healthy food store in the community
- An L-shaped, four-story mixed-use building includes three floors of apartments (76- units) and 16,645 SF of commercial retail space
- Two retail outlots with up to 6,600 SF of retail are being developed to the north of the L-shaped building (Sherwin Williamsnorth outlot)
- A future 50,000 SF office building to the east of the L-shaped building

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FUNDING SOURCES

- US Bank Community Development Corporation \$7.2 million in NMTC equity; \$12 million in NMTC from First-Ring Industrial Redevelopment, Enterprises, Inc., and \$10 million in NMTC from the Greater Wisconsin Opportunities Fund Development Corp., of which The Wisconsin Housing & Economic Development Authority (WHEDA) belongs
- \$4.7 million TIF Grant from the City of Milwaukee
- \$2.5 million from developer and private equity investments
- \$1.8 million from direct loan sources (Tri-City National Bank, Old National Bank)
- \$15 million from leverage loan sources (National Cooperative Bank, Impact Seven, Tri-City National)

With financial partners in place, site remediation underway and plans progressing, Wangard Partners was faced with another challenge... finding a large enough local workforce to manage and construct the development. Contributing to the challenge were large projects already under construction at that time within the immediate area including Northwestern Mutual's new office tower along with the Bucks Entertainment District coupled with the fact that the trades in general have not been popular with the younger generations. Wangard Partners' construction management division worked steadfastly with local partners as well as the City of Milwaukee to meet requirements and milestone dates. However, Wangard Partners wished to "push the envelope" a bit further with regards to changing perceptions of the built environment and established a partnership with Catalyst Construction (Catalyst), Bradley Tech High School, Milwaukee Public Schools' Career and Technical Education Department, WRTP/BIG STEP and Building Advantage Wisconsin and created an awareness program called CADRE Yo Pros. The program's name originated as an acronym standing for its focus markets including: Construction, Architecture, Development, Real Estate and Engineering (CADRE), however it is coincidentally synonymous with the actual meaning of the word. Yo Pros was added to reflect the trendiness and focus on Young Professionals. The outreach program spanned nine months including off-site learning sessions not only at the Freshwater Plaza site, but within industry partners' offices to give participating students an understanding of the commercial development industry.

The site will also incorporate cutting-edge water management techniques and features that allow for the separation of the combined sewer system for the area. A focal point of this development was the collaboration with the UW-Milwaukee School of Freshwater Sciences on a water feature for the public plaza area along Greenfield Avenue. The water feature doubles as an experiment for the School's water research and features a 30,000-gallon, underground cistern with reflecting pools flanked by planter boxes. The experiment part is a "forced wetland", which recirculates water spill into the fountain after being forced up through roots of the plants. The plants filter and remove contaminants from polluted urban runoff. The water feature captures all the rainwater from the mixed-use building.



“It’s an ecological fountain for the 21st century, fed by rainwater,” said Jim Wasley, a UWM professor of architecture who designed the feature. “This is the first time I’ve worked on a storm-water project that captures the water and recirculates it while also cleaning it.”

ArtWorks for Milwaukee, a local non-profit organization that supports high school students aspiring to be artists, also provided artwork for Freshwater Apartments lobby and reception areas.

Freshwater Plaza’s success is a direct result of partnering with multiple key stakeholders, fostering relationships throughout the industry, working in collaboration with local and Federal government agencies as well as community-based organizations to better the community at large.

“I think people will forget how this started, but will long remember how this ended.”

- Rocky Marcoux, Commissioner of the Department of City Development | City of Milwaukee





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RESULTS...

1. 325 construction jobs and 180 permanent jobs were created
2. New retailers drawn into the area including: Cermak Fresh Market, The UPS Store, Sprint, MODD by Luci Boutique, LyLy Nails & Spa, Jimmy John's as well as Tribeca GalleryCafe & Books
3. Inner Harbor estimates that an additional 1,300 jobs will be created along with an additional 120-acres+ of new light industrial, mixed-use and commercial development



Contact us today.

Burton Metz
Vice President of Wangard Partners, Inc.
Phone: 414-745-9051
Email: bmetz@wangard.com

