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April 27, 2017

Ms. Beth Weirick BID # 21
c/o Deborah Tomczyk, Esq.
Reinhart Boerner Van Deuren s.c.
1000 North Water Street, Suite 1700
Milwaukee, WI 53202

Sent via first class mail and email to: dtomczyk@reinhartlaw.com

Re: Application of PPH 1, LLC

Dear Ms. Weirick:

At your request that you be contacted only through your attorney, I am sending this letter to you via your attorney, Deborah Tomczyk.

We were disappointed to read your April 24th statement renegeing on your offer to assist us in finding an alternative location for our new business venture in downtown Milwaukee. It was our hope that the motion made by Alderwoman Lewis, based on the testimony of you and other BID 21 representatives, would provide the impetus to work with us to arrive at a compromise solution. We have always been willing to work in good faith with your organization and the Common Council to find a permanent solution to this matter.

Our records show that it was in 2012 that we first reached out to you,

asking you to provide us with some direction on how we might work with BID 21 to cooperatively find a “suitable location” downtown for our establishment that would not be objectionable to you. Unfortunately, then, like now, BID 21 declined involvement rather than arrive at a compromise that would have been to the benefit of all parties. Ironically, had BID 21 worked with us to resolve this matter when we first reached out in 2012, the City would now have an additional \$1 million available to invest in Wisconsin Avenue or other much needed initiatives.

In your statement from April 24 you reiterated your objection that an adult entertainment establishment “has no place in the renaissance of Wisconsin Avenue,” and you continued to object without making any realistic alternative suggestions. Instead, BID #21 cynically offered five alternative locations in a largely industrial area in the Menomonee Valley. Not surprisingly, the Menomonee Valley partners were opposed. And we don’t blame them. Land that is zoned for industrial use is not the appropriate place for an entertainment venue. Industrial land should be reserved to support businesses that can provide family-supporting, technical jobs for Milwaukee residents. It’s not the appropriate place to establish a nightlife establishment and promote a vibrant, 18 hour city for your residents, downtown workers, and visitors.

Entertainment venues belong downtown, clustered among other entertainment venues like theaters, restaurants, taverns, and hotels. The City’s Comprehensive Plan For Downtown supports this simple planning principle.

The Plan, which BID #21 helped create, refers to the North Old World Third District as, among other things, an entertainment district. If granted a license, Executive Lounge would be one small component added to the mix of the entertainment available in that district.

Despite years of objecting, BID #21 has never offered any concrete evidence that the presence of one adult entertainment club would endanger the economic viability of any part of downtown. On the following pages, I submit actual evidence to the contrary, taken from the city of Minneapolis where adult entertainment clubs co-exist with all manner of development: high end residences, luxury hotels, family-oriented entertainment venues, boutique retailers, and government offices.

Downtown Minneapolis is home to nine gentlemen's clubs that operate alongside some of the city's most exclusive retail, residential and hotel establishments. There is absolutely no evidence that entertainment clubs have impeded development in Minneapolis. Instead, these clubs have added to the vibrant mix of entertainment options in a city that many cite as an example of successful downtown redevelopment. These clubs coexist with high end apartments and condos and are within walking distance of the city's best known cultural attractions.

Many of the clubs are neighbors with a street retail cluster that is much more robust than Milwaukee's Westown and that shows no ill effects from the proximity to adult entertainment. They also are neighbor to the downtown

Nicolet Mall, a much more successful version of Milwaukee's Grand Avenue. In fact, the adult entertainment sector is expanding right along with other downtown business sectors with the national chain Spearmint Rhino now operating a three-story club in the heart of the Western Downtown district.

Rather than wasting their energy battling these legal businesses and draining the city's resources through unnecessary legal settlements, downtown boosters have built a vibrant downtown that includes an array of options for residents, workers, and visitors to Minneapolis. In a story in the Minneapolis Star Tribune, one downtown business owner is quoted as saying:

"The city as a whole is thinking about how to coexist with a residential profile of business, of commerce, of entertainment and a hospitality nightlife district.....It's all sort of commingling in a very unique chemistry, which is one of the reasons why I love Minneapolis."

This is the attitude that should be embraced by our city officials, downtown Milwaukee boosters, and civic leaders: promoting a vision of inclusion that welcomes new investment in long-empty storefronts instead of devolving into hand-wringing and creating divisive doomsday scenarios. Milwaukee's downtown is every bit as strong and resilient as Minneapolis's. To support a narrative that demonizes one potential business as a killer of downtown revitalization does a disservice to our city and flies in the face of the example of Minneapolis and many other American cities.

Inclusiveness allows Minneapolis to thrive. We hope that after reading the

attached, BID #21 and other downtown leaders will come to realize that inclusiveness can help Milwaukee thrive as well.

Sincerely yours,
THE JEFF SCOTT OLSON LAW FIRM, S. C.

A handwritten signature in blue ink that reads "Jeff Scott Olson". The signature is written in a cursive, flowing style.

Jeff Scott Olson

JSO:sfc

cc: Licenses Committee Members
Milwaukee Alderpersons
The Honorable Mayor Tom Barrett
Assistant City Attorney La Keisha Butler

Minneapolis: a model for successful retail, residential, and entertainment co-existence

Nine adult entertainment clubs are clustered in three sections of downtown Minneapolis: the Warehouse District, the North Loop, and Western Downtown. The Warehouse District is the historic downtown district; it's home to high-end apartments, condominiums, and a number of boutique shops and trendy eateries and taverns. The North Loop features entrepreneurial businesses, artists, and professional services as well as larger offices, some for major corporations. There is also boutique shopping, dining, and apartments. The apartment buildings are nearly all recently built, contain 100-200 units that run the gamut from studio to three bedrooms, and have full modern amenities (community rooms, theater rooms, gyms, often swimming pools on the roof) and "ultra-luxury" styling. Monthly rent for apartments in this area ranges from \$1,300 to over \$5,000. The condominiums are also high-end, with sales prices from \$200,000 to \$ 1,000,000 per unit.

The Western Downtown area contains Hennepin and Nicollet Avenues, many performing arts venues, hotels, and a focus on night life. Many of the hotels are high-end (four stars and costing than \$160 per night), and the area is proximate to many city, county, and federal government buildings.

Choice Gentleman's Club

Choice is located in the North Loop/Warehouse District, **on the same block as specialty retailers Midwest Motorcycles and Wilson and Willie's Neighbor Goods (men's and women's clothing and accessories)**. It's two blocks from the luxury Velo apartments (102 units) and boutique retailers Shinola (trendy wristwatches and accessories), Pacifier (high-end baby store), Russell & Hazel (stationers), Benobos (men's boutique). Choice is within three blocks of luxury Dock Street Flats (100 units) and Hennepin Apartment Homes (large luxury apartment complex), Hewing Hotel (a century-old brick-and-timber warehouse that has been reshaped into a 124-room and 13-suite hotel), and boutique retailers C'est Chic (women's fashion), Martin Patrick 3 (men's fashion), Filigree Jewelers, Spring Finn & Co. (leather goods), Roe Wolfe (women's boutique), Ribnick Luxury Outwear (fur and leather) and Askov Finlayson (menswear) as well as the Nicollet Mall.

Déjà vu Showgirls Minneapolis

Déjà vu is also in the North Loop/Warehouse District neighborhood. **It's located within one block of the Dock Street Flats, Hewing Hotel, retailers Shinola, Pacifier, and Russell and Hazel , Midwest Motorcycles, and Wilson and Willy's, Martin Patrick 3, and Filigree Jewelers, and within two blocks of the luxury 5th Avenue Lofts condominium and apartment complex.** The club is three blocks from Whole

Foods, luxury apartments at The Paxton, Heritage Landing Apartments (flats and townhouses), Hennepin Apartment Homes, and Towne Place Suites by Marriott.

Augie's Bourbon Street Cabaret and Dreamgirls Nightclub

Augie's and Dreamgirls, located on the same block, straddle the border of Western Downtown and the Warehouse Districts. **The clubs are within one block of AC Hotel by Marriott, Embassy Suites, The Illusion Theater (performing arts), the Cowles Center (dance theater), and Nicollet Mall.** They are within two blocks of ultra-luxury high-rise apartment buildings, Nic on 5th and 4Marq apartments, the Westin, Loews, and Minneapolis Marriott City Center hotels, the New Century Theatre, and Minneapolis Central Library.

Augie's and Dreamgirls are also three blocks from Radisson Blu, First Avenue (premier rock venue), Pantages and Skyway Theaters (music venues), retailer Candyland (novelty and specialty candy), the Gaviidae Commons Shopping Mall (shopping mall and office space, connected to skyway), and the Wells Fargo History Museum (complete with authentic stagecoach).

Downtown Cabaret

Downtown Cabaret is in Western Downtown **within one block of Nic on Fifth, 4Marq, and Soo Line Building Apartments (also luxury high-rise), the Hotel Minneapolis Autograph Collection (originally the historic Midland Bank Building, built in 1906, transformed in 2008 to a luxury hotel) and City Hall.** It is within two

blocks of Crossings Condominiums (high-rise), AC Hotel, The Westin, the Nicollet Mall, and the Central Library. It is three blocks from the Kimpton Grand and Crowne Plaza hotels, Gaviidae Commons, Museum Louvre it or Love it (eclectic modern art), and the Wells Fargo History Museum.

Rick's Cabaret Minneapolis

Rick's Cabaret is also in Western Downtown and **in the same block as luxury Latitude 45 (high-rise) apartments**. It is within two blocks of Renaissance Minneapolis Hotel—the Depot (newly renovated luxury historic hotel), the Hotel Minneapolis Autograph Collection, and Residence Inn by Marriott. It is three blocks from the River Gate luxury apartments, and the Carlyle and Riverwest luxury condominium complexes.

Spearmint Rhino Gentlemen's Club Minneapolis

Spearmint Rhino is a recent addition to Minneapolis' collage of downtown entertainment offerings. Located in the Western Downtown district, this new three-story adult entertainment club is **on the same block as The Radisson Blu, Skyway Theatre (concert venue) and Candyland, and one block from the Marriott City Center, First Avenue, Pantages Theater and New Century Theatre (performing arts)**. It is two blocks from Loews Minneapolis Hotel (luxury high rise), Embassy Suites, Nicollet Mall, and the Target Center (a multi-purpose arena that, according to Wikipedia, "hosts major family shows, concerts, sporting events, graduations and private events"). It is

three blocks from AC Hotel by Marriott, Gaviidae Commons, the Illusion Theater, Cowles Center, and Wells Fargo History Museum.

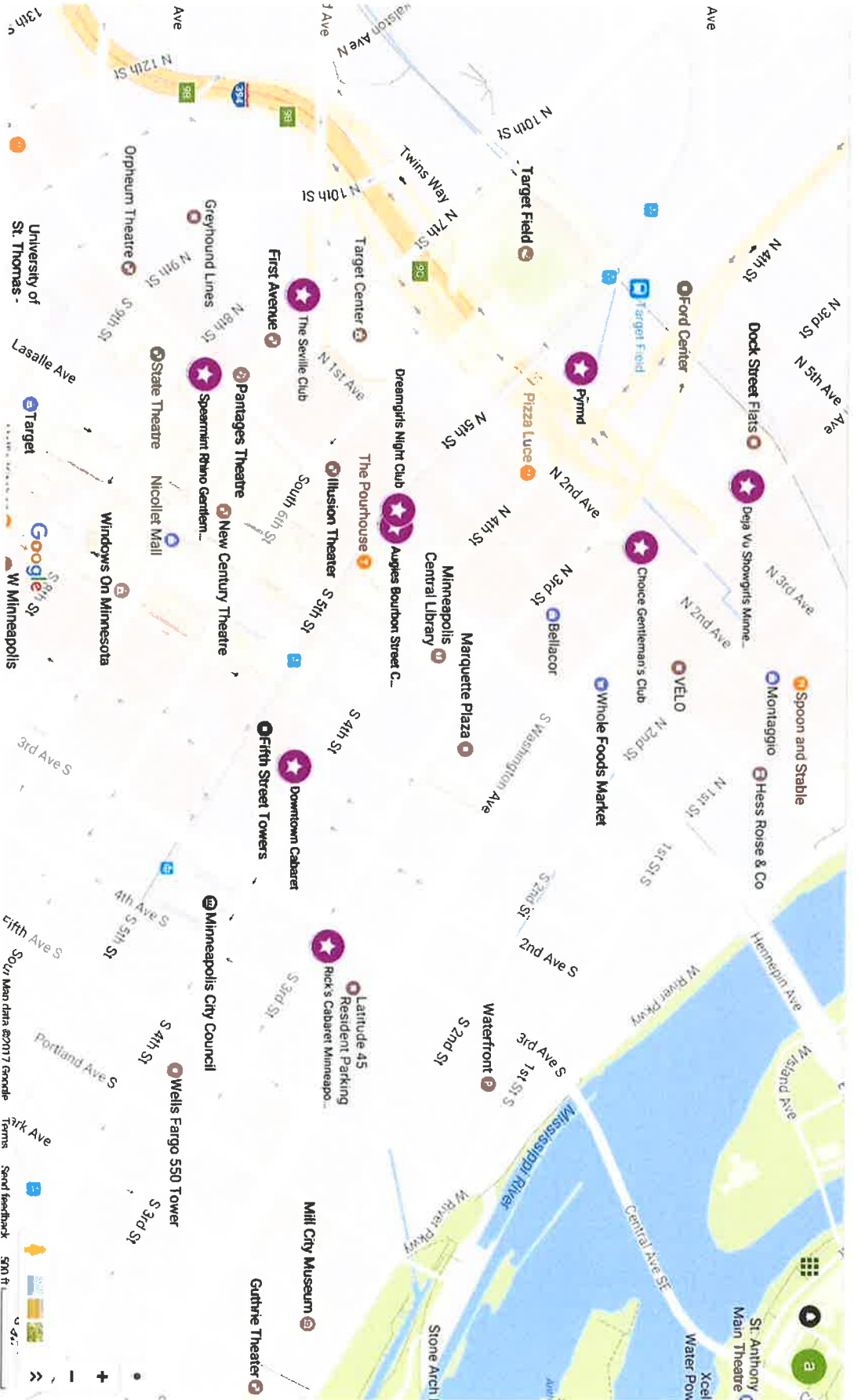
The Seville Club

The Seville Club, in the North Loop, is **within one block of the Hampton Inn, First Avenue, Pantages Theatre, the Target Center, and retailer Infinity Smokes (high end tobacco shop)**, and within two blocks of LaSalle Apartments (luxury), The Radisson Blu, State Theatre, Skyway Theater, and Candyland; within three blocks of the Residence Inn, Nicollet Mall, Orpheum Theatre (music venue), and Target Field (home of the Minnesota Twins).

Pyrm

Pyrm strip club, also in the North Loop, is **one block from Target Field** and three blocks of Dock Street Flats apartments and retailers Midwest Motorcycles and Wilson & Willie's.

Minneapolis Strip Clubs





Minneapolis
City Hall

Hotel Minneapolis—
Autograph Collection

Downtown Cabaret



View from Augie's Bourbon Street Cabaret.