

Nunn-Bush Shoe Factory, Milwaukee, Wis.



Welford Sanders Historic Lofts

Talking points

- This \$21 million project will renovate a severely dilapidated, historic building in the Harambee neighborhood and will allow MLKEDC to continue its mission of bringing hope and opportunity this important Milwaukee neighborhood.
- The project is named in honor of Welford Sanders who died on unexpectedly in May 2015. Welford was a visionary, a role model and a neighborhood catalyst. For 15 years, serving as Executive Director of MLKEDC, he was a leader in the revitalization efforts in the Harambee neighborhood and dramatically changed the face of that community by generating over \$50 million of new real estate development.
- This project will create 59 affordable housing units and 35,000 sq. ft. of office space. The office space will be leased to a consortium of agencies that are collaborating to help area residents achieve self-sufficiency through sustainable employment and other forms of social support





▪ **Financing:**

✓ Mortgage loan (WHEDA)	\$2,713,390
✓ TID financing (City of Milwaukee)	1,195,091
✓ HOME funds (City of Milwaukee)	550,000
✓ Historic tax credits (Associated Bank & R4)	3,509,773
✓ Housing tax credits (WHEDA & R4 Capital)	10,122,624
✓ Grant: WEDC & Milwaukee County	250,000
✓ Grant: Associated Bank	100,000
✓ Other sources	143,398
✓ Deferred developer fee	<u>2,232,634</u>
TOTAL:	\$20,817,465

Development Team

Developers	Martin Luther King Economic Development Corp (MLKEDC) Ben Johnson – President Leo Ries - Interim Executive Director
	Wisconsin Redevelopment Todd Hutchison Robert Lemke
Architect	Continuum Architects American Design
Contractor	Catalyst
Lender (WHEDA)	Wisconsin Housing and Economic Development Authority
Investors Credits)	R4 Capital (Housing Tax Credits and Federal Historic Tax Credits) Associated Bank (State Historic Tax Credits)
Historic Tax Credit Provider	National Park Service State Historical Society Wisconsin Economic Development Corporation (WEDC)
TIF Provider	City of Milwaukee
Housing Tax Credit Provider (WHEDA)	Wisconsin Housing and Economic Development Authority
TIF Lender (WHEDA)	Wisconsin Housing and Economic Development Authority
Area Business Advisor	Historic King Drive BID
Grants	City of Milwaukee Block Grant Office Wisconsin Economic Development Corporation (WEDC) Associated Bank
Commercial Manager	Ogden
Residential Manager	TEAM



KEY	
	KING DRIVE COMMONS PHASE ONE
	KING DRIVE COMMONS PHASE TWO
	KING DRIVE COMMONS PHASE THREE
	KING DRIVE COMMONS PHASE FOUR



KING DRIVE COMMONS
MILWAUKEE, WISCONSIN

Welford Sanders
Historic Lofts
Redevelopment

JOB FAIR

WEDNESDAY
APRIL 5
5:30 - 7:00PM
Milwaukee Enterprise Center

Future home of
Welford Sanders Historic Lofts

2821 N. 4th St.
MKE, WI 53212

Join Wisconsin Redevelopment, Martin Luther King Economic Development Corporation, Catalyst Construction, and Prism Technical to learn about Residents Preference Program (RPP), Section 3, and WHEDA job opportunities for laborers, concrete masons, iron workers, carpenters, electricians, plumbers and HVAC.

Light Refreshments Provided

REGISTER AT: <https://welfordsanders-job-fair.eventbrite.com>

For More Information Call 414-935-6475

WHAT TO BRING

- Current Valid WI ID (driver's license, state ID, passport)
- Proof of Income (copy of evidence of public assistance, check stubs, W2's, 1099, or unemployment status)
- Proof of Residency (ID or Driver's License listing current address, copy of lease, or 2 months of utility bills)

You MUST provide all of these items in order to complete an application.



WISCONSIN
REDEVELOPMENT



Keeping King Drive dream alive



The Welford Sanders Historic Lofts, the proposed redevelopment of a business incubator at 2821 N. 4th St., will be turned into 30,000 square feet of office space and 58 two- or three-bedroom apartments. Credit: Michael Sears

By Tom Daykin
August 15, 2015

For several years, Welford Sanders spurred redevelopment efforts in an area centered on the 2700 block of N. King Drive in Milwaukee's central city. However, Sanders died in May after a lengthy illness before his latest project could become a realized reality.

Now, the nonprofit group that Sanders led is proceeding with the \$14.1 million development, which would convert an underused former industrial building into apartments and offices.

"It continues Welford's vision for the neighborhood," said Robert Lemke, who is working on the effort.

The six-story building, to be called the Welford Sanders Historic Lofts, would feature 58 apartments and 30,000 square feet of offices. The building, at 2801-2821 N. 4th St., was constructed in 1915. It was originally used as Nunn Bush Shoe Co.'s factory.

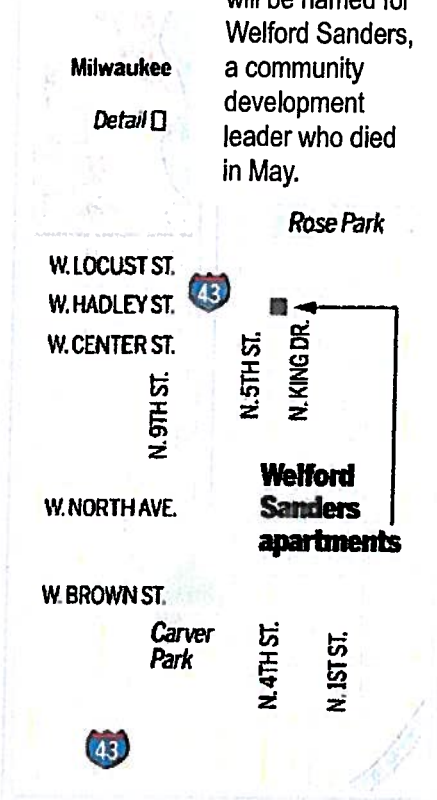
The Milwaukee Area Technical College bought the closed factory in 1985 and operated a small-business incubator, Milwaukee Enterprise Center North, for several years with mixed results. The college sold the property in 2011 to a local investors group.

That group's plan to create apartments fell through, and it was sold in 2013 to Tampa, Fla.-based Mercy Foundation Group Inc.

Mercy continued leasing space to small businesses, but the building is only about one-third occupied. Mercy in December sold the building for \$220,000 to a group affiliated with Wisconsin Redevelopment LLC, which Lemke operates, and Martin Luther King Economic Development Corp., the nonprofit group that Sanders led for 14 years until his death at the age of 65.

Development to honor Welford Sanders

The planned redevelopment of an underused business incubator into apartments and updated offices will be named for Welford Sanders, a community development leader who died in May.



Journal Sentinel

The redeveloped building would be the latest phase in the nonprofit group's King Drive Commons, which features 108 rental housing units and commercial space that includes a Growing Power market and cafe at 2719 N. King Drive.

King Drive Commons was developed in four phases from 2004 through 2013 in an area bordered mainly by N. 2nd and 6th streets and W. Center and Hadley streets.

The planned redevelopment of the Nunn Bush building would be the fifth phase of King Drive Commons.

As with the previous phases, it would use federal tax credits provided to developers of apartments for lower-income people.

Those credits, provided through a competitive process that is overseen by the Wisconsin Housing and Economic Development Authority, require developers to lease apartments at below-market rents to people earning no more than 60% of the area's median income.

Lemke said the developers hope to learn in September whether the authority will grant the credits. If that happens, construction work would likely begin next spring, he said, with completion by the spring of 2017.

Meanwhile, the project has received approval for state and federal historic preservation tax credits, which would partially cover the building's exterior renovation costs.

Along with 47 rent-adjusted apartments, the building would have 11 market-rate units, Lemke said.

The project would include removing 53,000 square feet from the middle of the 193,000-square-foot building, which covers about half the block north of W. Hadley St., between N. 4th and 5th streets. Removing that portion would create a courtyard for apartment residents, Lemke said.

The building's lower level would be converted into 60 indoor parking spaces.

Lemke said the building would provide below-market office rents to help keep and attract groups that work on finding jobs for people, especially those who face barriers to employment.

The office tenants that plan to remain within the building include: Project Return, a faith-based group which works with people released from prison; Step Industries Inc., which places people recovering from drug and alcohol addictions into transitional work; Milwaukee JobsWork, which helps poor people find and keep sustainable jobs; and the Alma Center, which provides employment and other support services to men who have been domestic abuse perpetrators.

New building tenants would include the Associates in Commercial Real Estate program, which recruits and trains African-Americans



Charlene Workman (left) gets training from Milwaukee JobWorks' director of employee development Michael Adams on Wednesday. JobWorks is one of the tenants in the current office space at the historic building. Credit: Michael Sears



Welford Sanders pushed for King Drive development. Credit: Michael Sears

and other minorities for commercial real estate careers. The ACRE office would include a conference room for the program's alumni, along with its current students, Lemke said.

Focusing the office space on work development groups is a good idea, said Bill Krugler, president of Milwaukee JobsWork, formally known as Milwaukee Community Business Collaborative Inc.

Milwaukee JobsWork, which moved to the building in April, has worked with Project Return and other organizations housed there, Krugler said, making it easier for the program's clients. He also said the building's redevelopment would give the groups more visibility, helping the overall effort to fight poverty in Milwaukee's central city.

"The need is obviously huge," said Krugler.

Along with his name on the building, Sanders will be remembered through a life-size statue in the courtyard, Lemke said.

Sanders grew up in Chicago before attending the University of Wisconsin-Madison. He earned his bachelor's degree in history and economics in 1971 and a master's degree in urban and regional planning in 1973. Sanders worked at the Chicago-based American Planning Association and as a consultant before the University of Wisconsin-Milwaukee School of Architecture and Urban Planning hired him as an instructor in 1993.

He became involved with the King Drive development group in the 1990s and switched to part-time status at UWM after being named executive director of the organization in 2001. Sanders also served on the board of directors for almost a decade at Growing Power Inc., a Milwaukee-based group that supports urban farming. He was Growing Power board president from 2013 until his death.

In a 2014 Journal Sentinel article about Sanders and Martin Luther King Economic Development Corp., he talked about future development sites, including the Nunn Bush building.

"Our job now is to come back and see what the opportunities are," Sanders said then.

The building's redevelopment would bring more energy to its block and to the wider surrounding neighborhood, said Ben Johnson, Martin Luther King Economic Development Corp. board chairman.

"It's going to have a dual beneficial impact," Johnson said.