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June 6, 2017

VIA E-MAIL & HAND DELIVERY

Chairman James A. Bohl and Members of the
Zoning, Neighborhoods & Development Committee
City Hall – Room 205
200 East Wells Street
Milwaukee, WI 53202

ROBERT H. FRIEBERT
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EMERITUS
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OF COUNSEL
THOMAS W. ST. JOHN

RE: File No. 170030, Resolution approving a final Certified Survey Map for land located on the south side of West Layton Avenue and west of South 20th Street to divide a portion of one parcel into two parcels and to dedicate land for public street purposes, in the 13th Aldermanic District

SUBJ: Zoning, Neighborhoods & Development Committee June 13, 2017 Agenda

Dear Chairman Bohl and Members of the
Zoning, Neighborhoods & Development Committee:

As the Committee knows, this firm represents WoodSpring Suites Milwaukee Airport LLC (“WoodSpring”), the developer of a new hotel on property located at 1701 West Layton Avenue. A hotel is a permitted use in the zoning district for the site and the project cost is approximately \$9.5 million.

The development site is excess highway right-of-way currently owned by the Wisconsin Department of Transportation (“WisDOT”) which is thus exempt from paying property taxes. WisDOT listed the property for sale in December, 2013. WoodSpring learned of the site’s availability in late 2015 and concluded that it would be a great location for a new hotel. WoodSpring and WisDOT entered into a contract in January, 2016 for WoodSpring to acquire the entire 11+ acres of excess right-of-way which will thereafter become taxable.

In connection with the sale of the property, a Certified Survey Map (“CSM”) was prepared on behalf of WisDOT and submitted to the City. The Committee considered the CSM at its May 23, 2017 meeting. Following an extended closed session, we spoke in favor of the CSM because it fully complies with the requirements of Chapter 119, Ordinances, as well as Wis. Stat. Ch. 236. No issues were raised by the Committee regarding the CSM but Committee members did have questions about the hotel use. In this regard, Alderman Kovac on behalf of the Committee requested additional information regarding WoodSpring and the hotel at the site.

We are pleased to provide that background information to the Committee as a precursor for the review and approval of the CSM at the Committee’s June 13th meeting.

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By way of some brief history, for its first 13 years, the company was named and marketed as Value Place. As we noted at the May 23rd meeting, a new investment group acquired a majority interest in Value Place in the spring of 2015. A new management team was installed and the name of the company was changed to WoodSpring Suites. The primary goals of the new management included developing new upgraded WoodSpring Suites hotels and rebranding and updating all corporate-owned hotels as WoodSpring Suites hotels. The “WoodSpring Suites Milwaukee Airport” will be a corporate-owned and managed property.

Accompanying this letter is a copy of WoodSpring’s “It’s Simple. Done Better.SM” publication which provides information on the company and its hotels. The extended-stay hotel market is competitive and WoodSpring strives to beat the competitors by offering basic amenities at a better level at competitive prices.

We are also sharing an annotated map showing the locations of all 96 corporate-owned hotels as well as a number of hotels owned by franchisees that are managed by WoodSpring Suites. Because the Milwaukee site is relatively close to General Mitchell International Airport, please take note that the map includes WoodSpring Suites hotels currently operating at the following airport-area locations:

- Charleston
- Cleveland
- Colorado Springs
- Indianapolis
- New Orleans
- Oklahoma City
- Orlando
- Shreveport
- Tinker Air Force Base in Oklahoma City

We also thought that the Committee might be interested in the hotels built or rebranded since April, 2015 as being representative of the metropolitan areas in which the hotels are located and illustrating the company’s dedication, progress and capital commitment to elevating its brand and standards on a national scale. These include the following hotels:

- WoodSpring Suites Atlanta Chamblee
- WoodSpring Suites Dayton South
- WoodSpring Suites Oklahoma City Airport
- WoodSpring Suites Colorado Springs
- WoodSpring Suites Aurora Denver Airport
- WoodSpring Suites Grand Rapids South
- WoodSpring Suites Orlando Airport
- WoodSpring Suites New Orleans Airport
- WoodSpring Suites Minneapolis Fridley

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In addition, hotels under construction or in an earlier phase of development include:

WoodSpring Suites Manchester Merrimack
WoodSpring Suites Detroit Rochester Hills
WoodSpring Suites Providence
WoodSpring Suites Signature Boston North
WoodSpring Suites West Melbourne I-95
WoodSpring Suites Deerfield Beach
WoodSpring Suites Portland North Gresham
WoodSpring Suites Minneapolis Airport Mendota Heights

Further relevant for the Committee's background information are the photographs that we have included of the WoodSpring Suites New Orleans Airport which opened in December, 2016 because it is comparable to what we will build at the Milwaukee site.

Finally, we conclude by incorporating by reference the position set forth in our May 18, 2017 letter to the Committee that is in the legislative file. The Wisconsin Court of Appeals has held that a municipality cannot reject a CSM that complies with the relevant ordinances and Wis. Stat. Ch. 236 and is consistent with the municipality's use plan. *See, e.g., State ex rel. Columbia Corp. v. Town Bd. of Town of Pacific*, 92 Wis. 2d 767, 776-79, 286 N.W.2d 130 (Ct. App. 1979).

Based upon the above, we urge the Committee to recommend the approval of the CSM at its June 13, 2017 meeting. If the Committee has additional questions or comments about the hotel project, please do not hesitate to contact us. Thank you for your consideration in this matter.

Very truly yours,

FRIEBERT, FINERTY & ST. JOHN, S.C.



S. Todd Farris
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STF/sjf/las
Attachments/Enclosures

cc: Alderman Terry Witkowski (w/Attachs.) – Via Email
Mr. James R. Owczarski, City Clerk (w/Attachs.) – Via Email
Mr. Gregg C. Hagopian, Assistant City Attorney (w/Attachs.) – Via Email
Mr. Cameron E. Smith, WisDOT Assistant General Counsel (w/Attachs.) – Via Email
Ms. Stephanie Knebel, WoodSpring Suites (w/Attachs.) – Via Email
Brian C. Randall, Esq. (w/Attachs.) – Via Email



Behind every great business there's a story. Choices made, stands taken, risks rewarded.

This is our story.

We share it with you because where we started points to how far we've come. Because our values inform how we create value for our guests. Because our standards determine how we set the standard for the extended-stay hotel industry.

1. WHO WE ARE

From the beginning, our company has been all about setting a new standard in the hotel industry. It started in 1975 with one simple idea: Create a place where guests could stay for more than a night.

A place that felt less like a stop-over and more like a stop-and-stay a while.

This notion was the brainchild of Jack DeBoer, a hospitality entrepreneur who spent the next 22 years refining the extended-stay concept, getting to know the customer, building in must-haves and amenities, and developing a set of standards that ensure our hotels are high quality, well-maintained, and secure.

After a quarter century, Jack's team seized another opportunity to change the hotel business. While the extended-stay sector was maturing, it lacked an option for the value-minded customer – so Jack created affordable, comfortable, accommodations that promised guests a great room for a great price.

His concept was a hit.

In the following 13 years, our company grew to more than 200 hotels in 32 states. And now with our reputation for excellence, we're evolving even further.

It's Simple. Done Better.SM

WE ARE WOODSPRING HOTELS.

WHAT IS AN EXTENDED-STAY HOTEL?

- A hotel where guests stay, on average, 2 to 3 weeks.
- Offers discounted rates for longer stays.
- Rooms are designed with kitchenettes, ample storage, and onsite laundry facilities.
- A service model based on basics done better – think Southwest Airlines[®] or Target[®].

2. WHO OUR GUESTS ARE

WoodSpring Hotels is based on a clear understanding of who stays with us and why.

Down-to-earth people with practical needs who appreciate the necessities, done better.

The majority of our guests are **college educated with incomes at or above national averages**. They are cost-conscious and practical, opting for the solid value of a reasonably priced, comfortable place to stay, rather than the luxuries of a more costly traditional hotel.

People managing transitions make up a large segment of our customer base. These guests are **relocating from other cities**, shopping for a new house; **visiting relatives** helping out for a week or two with a newborn or grandparent; and **families whose homes have been damaged** by fire or weather.

When you welcome WoodSpring Hotels into your community, you give these people peace of mind as they navigate life changes, and the confidence to invest their resources in your area.

Many of our guests are also **business travelers** on temporary work assignments, particularly in the medical staffing, construction, engineering, education and telecommunications industries. By understanding the budgets and practical needs of business people, **WoodSpring Hotels attracts and supports talent that is an asset to your community.**



Did you know? A typical medical assignment lasts a minimum of 13 weeks. That is more than three months of business, discretionary, and tax dollars into your local community.

WoodSpring Hotels has a sales team dedicated to winning business from **major national corporations**, who agree to make us their first choice in hotels when their employees need lodging. These workers represent a **steady, repeat source of revenue for us and your area.**

When we serve our guests well, we also serve your community well – that’s how we all do better.

“I moved to San Angelo, Texas after landing a new teaching assignment. While looking for an apartment, I stayed at WoodSpring Hotels for three weeks. The staff made me feel welcome in my new city.” Texas Customer

3. WHAT WE BELIEVE

The hotel experience WoodSpring Hotels provides for both our guests and our partners – can be summarized in four words:

IT’S SIMPLE. DONE BETTER.

Though brief, these four words speak volumes. They attest to the critical eye and creative mode we apply to everything we do. At WoodSpring Hotels, we ask ourselves: *Is this as straightforward as it can be? And: Is this as good as it can be?*

When you partner with us, know that we will work tirelessly to ensure the answer to those question is always: YES.

It’s Simple. Done Better. To us, this isn’t just a saying. It’s a promise we make to every guest and every community in which we work.

It’s Simple. Done Better.SM

We keep it reasonable. We offer a great value by doing the basics really well, in an unpretentious environment.

We keep it simple. We make the experience straightforward and hassle-free for our guests.

We keep it real. We are always welcoming, responsive, and respectful.

“After a tornado leveled our house, I worried we’d have to move in with family out of state. WoodSpring Hotels allowed us to stay in our area while we rebuilt. That hotel was such a godsend – affordable, comfortable, and friendly.” Alabama Customer

4. HOW WE WORK WITH YOU

From the beginning of the entitlement process to the day-to-day running of our hotel, we have fine-tuned every aspect of how we work. In everything we do, we are improving both the bottom line and the communities we serve.

When we are planning a property, **we take the time to study your city’s development vision, building codes, even traffic patterns.** Likewise, we allow for variations in hotel facades and have multiple signage options to comply with local codes.

During construction, WoodSpring Hotels works hard to keep the project running smoothly and quickly.

Our ready-to-build design expedites construction, which usually takes 7 to 10 months. This efficient timeline ensures that the people, businesses, and streets around the hotel experience very little disruption.

Our services and support continue after a hotel is up and running – and for its entire lifespan.



- We require every hotel to uphold rigorous brand standards.
- We conduct an annual assessment of the property and equipment to pinpoint any needed repairs.
- We mandate that annually, a fixed portion of corporate revenues be directed toward hotel upgrades and routine maintenance.

"I was one of the property managers who helped WoodSpring Hotels create its Best Practices for maintaining every property at a top-notch level of quality. I've been very impressed by the care they bring to every hotel." Colorado Employee

5. WHAT WE BUILD

We carefully design each property to fulfill our brand promise. Here are some of the thoughtful features you can expect from WoodSpring Hotels:

- **All new construction means our hotels are well-built, good-looking, and smart functioning.**
- **Multiple signage designs and sizes work with your city codes.**
- **Concrete curbing, coordinated with the drainage and grading plan minimizes runoff and erosion.**
- **Windows, lighting, HVAC systems, water heaters, and appliances are energy efficient.**
- **Security lighting, consistent with the LEED requirements, and security cameras protect public spaces.**
- **One key per room keeps guest access controlled.**
- **Interior corridors ensure guest safety.**

6. HOW WE HELP YOUR COMMUNITY

We want every guest who stays with us to feel they are getting a great value – and we want every community we build in to feel the same. When WoodSpring Hotels joins your community, our positive impact is as broad as it is lasting.

It's Simple. Done Better.SM

A typical build employs around 300 contractors and professionals, and spends approximately \$1.3 million for local equipment and materials suppliers.

When construction is complete, each WoodSpring Hotel creates full-time, part-time and contract-based jobs. Ongoing maintenance and property updates also provide regular work for local vendors.

Guests of WoodSpring Hotels bolster the local economy as well. Because our occupancy rates consistently average 85%, **local businesses enjoy a steady stream of people purchasing gas, food, and supplies.**

And by saving money on value-priced hotel rooms, our customers have more discretionary income to spend.

Bringing more jobs, spending, and tax dollars into your local economy – that's how we do better.

"My company recently supplied the lumber for a WoodSpring hotel – thanks to the revenue from that project, I was able to give all my employees big bonuses." Ohio Business Owner

HOW WE MAKE YOUR COMMUNITY BETTER

By giving down-to earth people a place to call home, we serve as a helping hand and a ready resource. By embracing simplicity, we work as efficient and effective partners to city leaders, city staff and local developers. By increasing jobs, investment opportunities, and spending, we act as a bolster to your local economy.

We become part of the story of your community. That's how we do better – and that's what we do best.









