

**SITE CONTROL REPORT
COMMON COUNCIL OF THE CITY OF MILWAUKEE (“COMMON COUNCIL”)**

DATE

August 30, 2022

RESPONSIBLE STAFF

Amey E. Turim, Department of City Development (“DCD”) Real Estate

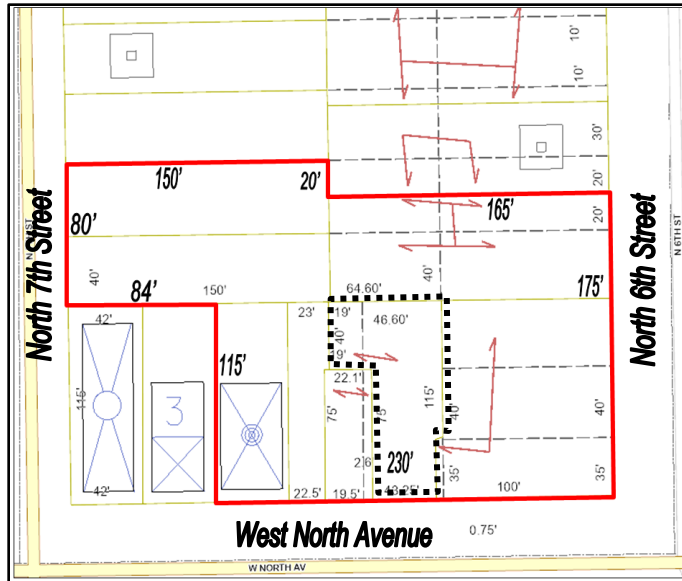
PARCEL ADDRESSES AND DESCRIPTION:

The Redevelopment Authority of the City of Milwaukee (“RACM”) owns seven properties listed below (the “RACM Parcels”). The RACM Parcels were acquired to remove blight and to assemble the parcels for development in accordance with the goals of the 2005 Bronzeville Redevelopment Plan within the Bronzeville Cultural Entertainment District.

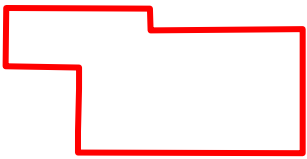
The City of Milwaukee (“City”) owns 616-18 West North Avenue (the “City Parcel”) also listed below. The City Parcel was acquired through property tax foreclosure in August 2020. It is the intent of this Site Control Report to seek approval to convey the City Parcel to RACM so that all eight parcels listed below have common RACM ownership and may be combined as the “Development Site.” The Development Site is located within the Harambee Neighborhood.

Development Site Parcels			
Address	Property Owner	Lot Size/Building	Zoning
2307-09 North 6th Street	RACM	11,500	LB2
2317-25 North 6th Street	RACM	9,875	RT4
616-18 West North Avenue	City	5,900	LB2
622 West North Avenue	RACM	2,020	LB2
626 West North Avenue	RACM	2,600	LB2
628-30 West North Avenue*	RACM	4,830/2,100	LB2
2316-18 North 7th Street	RACM	6,000	RT4
2322 North 7th Street	RACM	6,000	RT4
		48,725 square feet (Total)	Mixed Zoning

* This property has a damaged structure that will be razed as part of this overall development.



Development Site Location



City Parcel to be conveyed to RACM for assemblage into the Development Site Area

RFP GOALS AND DEVELOPER SELECTION

The Department of City Development (“DCD”) on behalf of RACM issued a Request for Proposals (“RFP”) for eight contiguous properties located between 6th Street and 7th Street and north of West North Avenue in July 2021.

Six responses to the RFP were received. DCD performed its due diligence on the proposals, convened a selection team comprised of City staff and other stakeholders, which narrowed the selection to the top three respondents. After the selection committee made their choice, DCD staff presented the top three responses to the Bronzeville Advisory Committee (“BAC”) on April 11, 2022. All three respondents had an opportunity to present their development proposal and answer questions at the BAC meeting. On April 18, 2022, the BAC unanimously recommended that the proposal by FIT Investment Group, LLC and Cinnaire Solutions Corp. (the “Developer”) move forward.

In the RFP, DCD indicated that it would work with the selected developer to seek common ownership by RACM for all eight parcels, obtain common zoning for all eight parcels located within the Development Site, and work with the selected developer to provide site control allowing developer to seek financing for the proposed development.

DEVELOPMENT TEAM: FIT INVESTMENT GROUP, LLC AND CINNAIRE SOLUTIONS CORPORATION

FIT Investment Group, LLC is an emerging Real Estate Development company in Milwaukee, WI focused on the revitalization of neighborhoods through the development of quality and affordable residential and mixed-used projects and rehabilitation of foreclosed/neglected homes (rental and for homeownership). Our motto is: Investment, Innovation, Impact. We believe that in order to truly transform neighborhoods, we must leverage a three-pillar approach of: 1) Investing in and developing our human capital, 2) developing housing and spaces to spur economic development and provide neighborhood stability, 3) innovation through creative uses and tech infrastructure to empower and create opportunities for underserved communities, especially communities of color.

Michael Adetoro is Managing Partner of FIT Investment Group, LLC and has over 17 years of

business and technology experience including 10+ years with a focus in Real Estate Investment and Development. Michael started FIT Investment Group, LLC with the belief that impactful real estate development first and foremost emphasizes community and economic development. Taking this innovative approach, Michael and his firm are investing in the redevelopment of distressed scattered sites housing units and vacant retail spaces on commercial corridors, which is shown to be an effective strategy for reducing neighborhood blight, increasing neighborhood stability, and building community wealth.

Michael is a proud graduate of the Associates in Commercial Real Estate Certificate (ACRE) program and holds a Master's degree in Electrical Engineering.

Cinnaire Solutions Corporation is a nonprofit development firm focused on community development and affordable housing, in partnership with local developers. We are affiliated with Cinnaire, a longstanding nonprofit organization that provides equity syndication and Community Development Financial Institution (CDFI) services. The Cinnaire Solutions team has a strong background in leveraging Low Income Housing Tax Credits ("LIHTC") equity and grant funding sources to successfully complete multifamily developments, gained from staff experience managing development projects at Wisconsin Housing and Economic Development Authority ("WHEDA"), for- and non-profit development companies, and lending and grant-making institutions.

Cinnaire Solutions' presence in Wisconsin revolves around co-partnerships with neighborhood organizations and other nonprofits involving various development projects, ranging from downtown infill development, rural housing for farmworkers, and the rehabilitation of foreclosed homes in Milwaukee. As such, we are uniquely positioned to obtain financing that, when coupled with our partners' vision and human context, can truly bring transformative development projects to life.

PROJECT DESCRIPTION

Commercial:

The Developer is proposing an approximately 22,000 square foot Arts and Technology Hub. This catalytic site will be a hub for creative businesses. It will serve as a community and citywide destination, including:

- Music education, performance, and production space
- Studios and makerspace for film production, content creation, photography, dance, and fashion
- Office and collaborative space for creative industry start-ups, non-profits, and entrepreneurs
- Intentional community
- Education/Mentorship, access to capital, access to supportive professionals
- Boutique Café and public outdoor space for community events
- STEAM education and programming for children and youth

This space will celebrate the history and culture of Bronzeville and Milwaukee's African American arts community. It will provide access to culturally-specific services and programming to serve the needs of local artists. In turn, this will help creative entrepreneurs to grow their businesses, creating local jobs and allowing MBE/SBE entities to expand capacity and build wealth locally. It will also bridge community divides through arts and music programming and education, attracting creative talent of all ages and backgrounds. The creative ecosystem space will serve as a community anchor and a distinct landmark welcoming residents and visitors to the Bronzeville Cultural and Entertainment District.

Mixed-Income Housing:

The development will also provide mixed-income housing having approximately 54 to 60-unit mixed-income, multifamily residential building. Leveraging LIHTC financing, this development will provide quality 1-, 2-, and 3-bedroom apartments that are affordable to families earning 30 percent–60 percent AMI. Market-rate units will be available, aligning with City policy goals of providing high quality housing that is affordable to a range of income levels. Three of the units will be flexible live-work units for artists, connecting the housing portion to the creative ecosystem space and activating the façade along North Avenue.

The housing portion of the development will include:

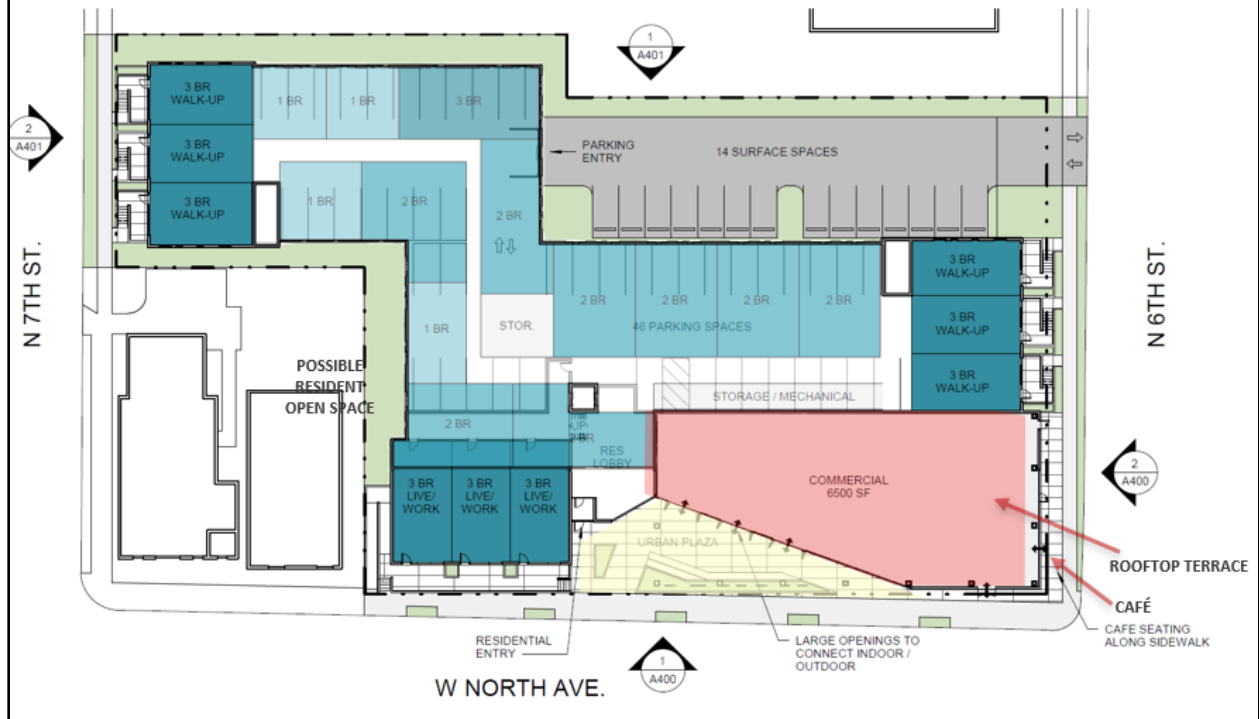
- Approximately 54 to 60 units
- Primarily covered, secured parking, with additional surface parking spaces
- Access to creative ecosystem space
- Resident community room and secure storage area

The Developer is aware that the Development Site is located in a zip code subject to the City's Anti-Displacement Neighborhood Preference Policy, and agrees to abide by the terms of same, should the development meet the criteria.

The preliminary budget is approximately \$21 million. The two primary funding sources for the proposed development is WHEDA's low income housing tax credit program and New Market Tax Credits.

During the WHEDA and New Market applications and review periods, DCD will work with Developer to refine Developer's site and building elevations, budget and financing strategy and development plans.

Proposed Development



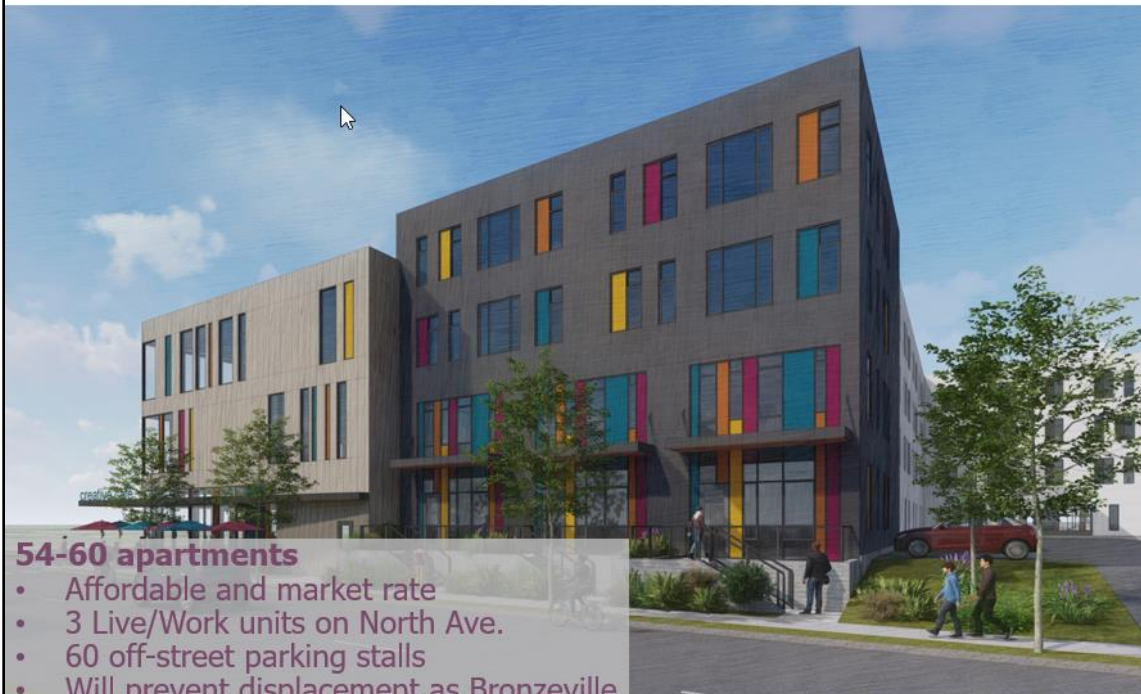
Bronzeville Creative Arts + Technology Hub



22,000 square feet

- Collaboration + amenity space
- Culturally-relevant programming
- Event and performance venue
- Indoor and outdoor public spaces
- Creative entrepreneurship support
- STEAM programming for youth

Mixed-Income Housing



54-60 apartments

- Affordable and market rate
- 3 Live/Work units on North Ave.
- 60 off-street parking stalls
- Will prevent displacement as Bronzeville continues to see investment

TERMS AND CONDITIONS OF EXCLUSIVE RIGHT TO NEGOTIATE AND CONVEYANCE OF THE CITY PARCEL TO RACM:

The Developer is seeking an "Exclusive Right to Negotiate" with RACM and the City for the Development Site properties to allow Developer time to apply to WHEDA and New Market tax credits for this development.

The Exclusive Right to Negotiate letter shall be in effect until the Spring 2023 WHEDA LIHTC award.

After WHEDA tax credit and New Market Tax Credit approvals, DCD will negotiate with the Developer the terms of the sale, purchase, and development and prepare corresponding documents including a Land Disposition Report, Due Diligence Checklist, purchase, sale, and development agreement(s), an Anti-Displacement Neighborhood Preference Plan Agreement and other necessary documents for RACM and Common Council consideration so that the Common Council may determine whether, under Milwaukee Code of Ordinances 304-49, to allow sale and conveyance of the Development Site to the Developer.