

# MICHAEL BEST

& FRIEDRICH LLP

Two Riverwood Place  
N19 W24133 Riverwood Drive  
Waukesha, WI 53188-1174  
Phone 262.956.6560  
Fax 262.956.6565

**Charles P. Graupner**  
Direct 262.956.6555  
Email cpgraupner@michaelbest.com

March 11, 2005

Commissioner Martin Collins  
Department of Neighborhood Services  
841 N. Broadway  
Room 104  
Milwaukee, WI 53202

Re: Wisconsin Center District Parking Lot  
400 W. Wisconsin Avenue, Milwaukee, Wisconsin

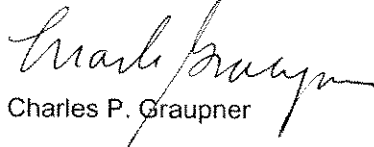
Dear Commissioner Collins:

This letter is written to request that the Department of Neighborhood Services suspend enforcement of the use restrictions regarding Wisconsin Center District's parking lot located between Wells Street and Kilbourn Avenue. It is my understanding that those restrictions will be the subject of a resolution introduced at the Common Council on March 16, which we expect will provide legislative authority for the Wisconsin Center District's unrestricted use of its parking facility.

Thank you for your consideration of this request. Please contact me if you are in need of further information.

Sincerely,

**MICHAEL BEST & FRIEDRICH LLP**



Charles P. Graupner

CPG:wlb

cc: Alderman Willie Hines  
Alderman Michael D'Amato ✓  
Franklyn M. Gimbel, Esq.  
Mr. Richard Geyer

N:\Client\096382\0001\F0154297.1

# MICHAEL BEST

& FRIEDRICH LLP

Two Riverwood Place  
N19 W24133 Riverwood Drive  
Waukesha, WI 53188-1174  
Phone 262.956.6560  
Fax 262.956.6565

**Charles P. Graupner**  
Direct 262.956.6555  
Email [cpgraupner@michaelbest.com](mailto:cpgraupner@michaelbest.com)

March 3, 2005

Michael D'Amato  
Milwaukee City Hall  
Milwaukee, WI 53202

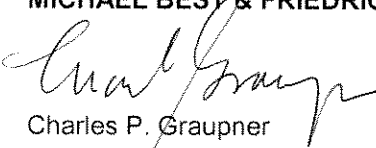
Re: Wisconsin Center District

Dear Alderman D'Amato:

Enclosed you will find the application for extension of special use permit regarding the Wisconsin Center District parking lot. Thank you again for your support. Please feel free to contact me if you have any questions.

Sincerely yours,

**MICHAEL BEST & FRIEDRICH LLP**



Charles P. Graupner

CPG:kld

Enclosure

N:\Client\096382\0001\F0153170.1



Two Riverwood Place  
N19 W24133 Riverwood Drive  
Waukesha, WI 53188-1174  
Phone 262.956.6560  
Fax 262.956.6565

**Charles P. Graupner**  
Direct 262.956.6555  
Email [cpgraupner@michaelbest.com](mailto:cpgraupner@michaelbest.com)

March 2, 2005

**Via Messenger**

Board of Zoning Appeals – City of Milwaukee  
809 North Broadway, First Floor  
Milwaukee, Wisconsin 53202

RE: The Wisconsin Center District; 400 W. Wisconsin Avenue;  
BOZA Case Nos. 25674 and 25680

Dear Chairman Zetley and Members of the Board:

Our firm represents the Wisconsin Center District (the "District") in the above referenced matters. By this letter the District respectfully requests that the two matters referenced above, both scheduled for public hearings this Thursday at 5:00 p.m., be dismissed. The following information briefly reviews the reasons for the requested dismissals.

On March 9, 2004, the Department of Neighborhood Services ("DNS") issued an order to correct a violation at the premises. DNS concluded that the District has violated the terms of the special use permit by not limiting the use of the parking lot to attendees of events held at the Midwest Airlines Center. The Department of Neighborhood Services also issued an Inspection Report and Order to Correct Condition. In response to this enforcement action, and out of concern that the parking lot, a critical portion of its operation, would be shut down indefinitely, the District immediately filed an appeal of the order, hoping that enforcement would be stayed until the situation could be sorted-out. Several days later, the District also filed a petition with the Board of Zoning Appeals requesting a clarification of the March 4, 2004 permit. This was not intended to frustrate the Board of Zoning Appeals. It was a genuine request, made in good faith, asking for a clarification of the motion that had been approved at the February 19, 2004 hearing. (See 2/19/04 BOZA transcript at pp. 41-47).

Regardless of the outcome of these requests, the 2003 special use permit expires on March 2, 2005. As such, the District has herewith submitted a new special use application, obviating the need for the appeals.

The District acknowledges the controversy that has surrounded the parking lot. In a desire to clear the slate and move forward, the District is requesting that the Board dismiss the pending appeal and the pending request for clarification. It is the District's sincere hope that the Board will agree to the dismissals, thus clearing the way for consideration of the new special use application.

On behalf of the Wisconsin Center District, I thank the Board for the considerable amount of time and attention it has devoted to these matters. I look forward to a successful resolution to all of the outstanding

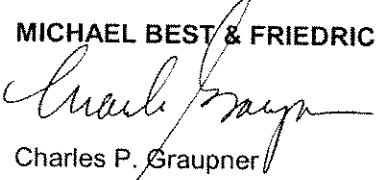
**MICHAEL BEST**  
& FRIEDRICH LLP

March 2, 2005  
Page 2

issues in a way that will not only be a benefit to the District, but to the City as a whole. If you require any additional information, please contact me and I will respond immediately.

Very truly yours,

**MICHAEL BEST & FRIEDRICH LLP**



Charles P. Graupner

CPG:kld

# MICHAEL BEST

& FRIEDRICH LLP

March 2, 2005

Page 3

bcc: Mr. Richard Geyer  
Alderman Willie L. Hines, Jr.  
Alderman Robert J. Bauman

# MICHAEL BEST

& FRIEDRICH LLP

Two Riverwood Place  
N19 W24133 Riverwood Drive  
Waukesha, WI 53188-1174  
Phone 262.956.6560  
Fax 262.956.6565

**Charles P. Graupner**  
Direct 262.956.6555  
Email cpgraupner@michaelbest.com

March 2, 2005

## VIA MESSENGER

Board of Zoning Appeals – City of Milwaukee  
809 North Broadway, First Floor  
Milwaukee, Wisconsin 53202

Re: The Wisconsin Center District; 400 W. Wisconsin Avenue;  
BOZA Case Nos. 25674 and 25680

Dear Chairman Zetley and Members of the Board:

Enclosed you will find the Wisconsin Center District's original application for special use permit, our check in the amount of \$100.00 and four copies of the following documents:

1. Plan of Operation and Statement of Special Use (with Exhibits)
2. Proof of Interest (Transfer Agreement)
3. Survey
4. Site Plan and Landscaping Plan
5. Site Photos

Please advise me if you require a further filing fee or more information.

Sincerely,

**MICHAEL BEST & FRIEDRICH LLP**



Charles P. Graupner

CPG:wib  
Enclosure

# MICHAEL BEST

& FRIEDRICH LLP

March 2, 2005

Page 2

bcc: Mr. Richard Geyer (w/encl.)  
Alderman Willie L. Hines, Jr. (w/encl.)  
Alderman Robert J. Bauman (w/encl.)

N:\Client\096382\0001\F0151606.1

## Plan of Operation

The following information is presented in accordance with the special use submittal requirements listed in the *BOZA General Information* guide:

1. Address of the premises. The premises is known as 400 W. Wisconsin Ave.
2. Name and type of business. The premises is occupied by the Midwest Airlines Center and by a surface parking lot. The surface parking lot is the subject of this application.
3. Dimensions and method of construction. The existing surface parking lot measures approximately 240' x 360' (86,400sq. ft.) and accommodates 188 vehicles. The lot is paved with a bituminous surface in accordance with City of Milwaukee building codes, with all storm water managed according to code. As part of this application, the Wisconsin Center District (the "District") seeks permission to create an addition to the parking lot approximately 70' x 240' to accommodate an additional 86 vehicles. The perimeter of the existing lot is buffered with the code-required landscape border, which would be extended around the newly-paved area if the addition is approved.
4. Description of prior use. Prior to 1996, when the District acquired all of the property between 4<sup>th</sup> and 6<sup>th</sup> Streets and Wisconsin and Kilbourn Avenues, the property was occupied by the MECCA convention center, several commercial buildings, and by 476 surface parking spaces. In 1998, the District constructed the second phase of the Midwest Airlines Center on a portion of the property and sought permission to create a temporary surface parking lot on the remainder. The Board of Zoning Appeals approved an application to construct a 370-space parking lot. However, due to various financial and physical constraints at the time, only 188 of the 370 spaces were constructed. In 2000, the District received approval to construct an additional access drive from Kilbourn Avenue. The parking lot has operated in that configuration since 2000.
5. Description of proposed use. The applicant proposes to continue the use of the existing surface parking lot, which accommodates 188 vehicles, and seeks permission to construct an expansion to accommodate an additional 86 vehicles. By this application, the District requests permission to offer all 274 spaces to the general public at any time. The parking lot would be



operated by District employees as a general commercial parking lot. The primary purpose of the parking lot would be to serve the venues operated by the District and maximize their attractiveness to persons and organizations desiring to host events in Downtown Milwaukee. It is anticipated that most, but not all, of the parking lot's customers will be attending events hosted by the District at one of the venues operated by the District: 1) the Midwest Airlines Center, 2) Milwaukee Theater, or 3) U.S. Cellular Arena.

6. Adjacent land uses. North: Milwaukee Theater and U.S. Cellular Arena, South: Midwest Airlines Center, East: Hyatt hotel and parking structure, West: State Office Building.

7. Potential adverse impacts. The District does not anticipate that any problems will result from the operation of the parking lot. The parking lot has operated at the current capacity without incident since it opened. An additional access drive from Kilbourn Avenue was added in 2000 to improve the operation of the parking lot. This modification has also operated without incident. While the District acknowledges that an expansion of 86 parking stalls, if approved, represents an intensification of the current use, the District believes that it will be able to continue operating the parking lot in the same safe manner it has for the past nine years.

8. Clientele and service area. The parking lot would be operated by District employees as a general commercial parking lot. It is anticipated that most, but not all, of the parking lot's customers will be attending events hosted by the District at one of the venues operated by the District: 1) the Midwest Airlines Center, 2) Milwaukee Theater, or 3) U.S. Cellular Arena. In addition to offering parking spaces to the general public on an hourly or daily basis, the District would also like to offer parking, on a contract basis, to long-term tenants of its facilities.

9. Number of employees. The District is a major employer in the Westtown Neighborhood, currently employing more than 288 full and part-time employees at the Midwest Airlines Center, the Milwaukee Theater, and the US Cellular Arena. The parking lot will be operated by district employees. At peak times, additional officers may staff the lot in order to direct the traffic flow, improving the lot's efficiency and minimizing any queuing that might otherwise occur on-street. In addition, the parking lot is routinely patrolled by uniformed security personnel employed by the District.

10. Hours of operation. The District is seeking permission to operate the parking lot 24 hours per day, seven days a week. Although the District does not anticipate that the lot will be operated during this entire period of time, the District seeks flexibility so it can respond to market conditions and to maximize the attractiveness of its facilities to persons and organizations desiring to host an event in Downtown Milwaukee.

11. Traffic patterns. There are two access points to the parking lot: 1) an ingress/egress point on W. Wells St. attended by a cashier, and 2) an ingress point on W. Kilbourn Avenue controlled by an electronic gate. During normal operation, all vehicular traffic will be directed to enter the lot through the access points on W. Wells Street and on W. Kilbourn Avenue. All traffic will exit on W. Wells Street. Pedestrian access to the parking lot is provided at several points, which are landscaped and connect directly with the public sidewalks along W. Wells Street and W. Kilbourn Avenue.

12. Signage. The current parking lot signage was designed to fit-in with the overall signage for the Midwest Airlines Center. The District does not anticipate the need for any additional signage.

## Statement of Special Use

The Milwaukee Zoning Code defines a Special Use as “a use which is generally acceptable in a particular zoning district but which, because of its characteristics and the characteristics of the zoning district in which it would be located, requires review on a case-by-case basis to determine whether it should be permitted, conditionally permitted or denied.” Milw. Ord. § 295-201-619. The proposed use is an existing 188-space parking lot and a proposed addition of 86-spaces, available to the general public but primarily intended to serve the three civic venues owned and operated by the Wisconsin Center District. The subject premises is zoned “C9D - Civic Activity” and “is designed and intended to serve as a regional center for office, governmental, educational, cultural and recreational activities.” Milw. Ord. § 295-701-4. The Board of Zoning Appeals evaluates all proposed Special Uses using the four criteria specified in the zoning code. Milw. Ord. § 295-311-2-d. The following paragraphs explains how the existing parking lot and the proposed expansion satisfy each of the four criteria.

1. Protection of Public Health Safety and Welfare. The parking lot is designed, located and operated in a manner that protects the public health, safety and welfare. The physical layout and design of the parking lot was completed by engineers and architects licensed by the State of Wisconsin in their respective professions. Adequate care was taken in the design to ensure that the proposed use does not create any public safety issues, as more fully addressed below in the section dealing with pedestrian and vehicular safety. Similarly, nothing in the plan for the proposed parking lot implicates a public health concern. Nevertheless, public health will be adequately protected because the lot will be operated in accordance with all applicable ordinances and regulations.

The public welfare will also be protected if the use is approved. In the context of zoning decisions, the Wisconsin Supreme Court has held that “[a]nything that tends to destroy property values of the inhabitants of the [municipality] necessarily adversely affects the prosperity, and therefore the general welfare.” *State ex rel. Saveland Park Holding Corp. v. Wieland*, 269 Wis. 262, 270 (1955). As more fully discussed in the following section, the District’s parking lot has been designed in a way that is protective of neighboring property and is therefore protective of the general welfare of the citizens of Milwaukee.

2. Protection of Property. The use, value and enjoyment of other property in the neighborhood will not be substantially impaired or diminished by the establishment, maintenance or operation of the parking lot. Prior to 1996, the land on which the current convention center sits was occupied by several different commercial buildings along with a total of 476 surface parking spaces. When the District acquired the land, the commercial buildings were raised, parking operations ceased, and the first phase of the new convention center was constructed between Wisconsin Avenue and Wells Street. The second phase of the convention center was then constructed on a portion of the block in question, with the remainder of the site designated for future expansion—the third phase of the convention center.

A special use application was filed with the Board of Zoning Appeals requesting permission to recreate a parking lot to serve as an interim use until such time as it is appropriate for the District to proceed with the third phase of construction. The Board, having found that all of the criteria necessary to grant a Special Use had been met, approved the plan for a 370-space parking lot. Due to various financial and physical constraints at the time, only 188 spaces were eventually constructed. This parking lot was, and still is, an interim use of the site. Construction of phase three of the convention center remains the long-term plan for the site.

The aesthetic appearance of the site has been dramatically improved over the last nine years with the construction of the Midwest Airlines Center, the new parking lot, and extensive landscaping and screening. All of the elements of the design have been carefully coordinated to offer a consistent look and feel to the convention center property—building elements, lighting, signage, landscaping, and screening, have all been coordinated to enhance the value of the neighborhood.

According to the chapter of the *Downtown Plan* that deals with parking lots, the landscaping and screening of a parking lot serves important functions that protect the use value and enjoyment of surrounding properties—it serves as a natural way to manage rain water, it buffers pedestrians from large paved areas, and it contributes to the greening of the city. (Exhibit A). The 476 surface parking spaces that used to exist on the property were not landscaped and screened as required by today's zoning code. The existing parking lot meets the

rigorous landscaping and screening requirements of the zoning code and represents a dramatic improvement to the area.

The City of Milwaukee Assessor's office maintains detailed information on the value of all properties in the City. Data from the Assessor's office shows that no property in the neighborhood immediately surrounding the parking lot has decreased in value since it began operation in 1999.

3. Traffic and Pedestrian Safety. Adequate measures have been taken to provide safe pedestrian and vehicular access to the parking lot. In accordance with the City's Principles of Urban Design, the Comprehensive Plan, the Zoning Code, and various recommendations from Department of City Development staff, the parking lot plan includes pedestrian links between the parking lot and the public rights-of-way, all of which have been heavily landscaped and integrated into the overall design for the site. These pedestrian links serve to buffer the pedestrian circulation areas from the vehicular, thereby creating separate zones of operation which enhances the overall safety of the design. In addition, all vehicular ingress and egress points for the parking lot have been designed by professional engineers to comply with generally accepted standards and practices for vehicular operation.

As part of the 1996 request to re-create up to 370 parking spaces on the site, the District's plans were reviewed by the Department of Public Works, Infrastructure Services Division ("DPW"). DPW offered no objection to the proposed parking lot. When the District sought permission to construct an additional driveway on Kilbourn Avenue in 2000, the plans were again reviewed by DPW. In response to the application, DPW submitted a letter to the board conditionally concluding that the parking lot "can be operated in a manner which will not have a significant adverse impact on traffic operation, parking, or other use of the public right of way." (Exhibit B). In 2003, when the District first proposed an 86-space addition to the parking lot, DPW once again reviewed the plan and concluded that "[p]rovided the proposed use is developed and operated according to the plans submitted, DPW believes the use can be operated in a manner which will not have a significant adverse impact on traffic circulation, parking or any use of the public right-of-way." (Exhibit C).

Moreover, the area has long been used for surface parking – as many as 476 spaces prior to the construction of the convention center and more recently as the 188-space parking lot operated by the District. A track record has been established by this long-standing use of the site as a parking lot, which shows that the site can be operated in a way that is protective of vehicular and pedestrian safety. Accident data maintained by the Department of Public Works supports this conclusion, showing no change in number or severity of vehicular accidents on the adjacent streets that can be attributed to the parking lot operation. (Exhibit D).

4. Consistency with Comprehensive Plan. The parking lot has been designed and located in a manner consistent with the City's comprehensive plan and will be operated as such. Development in Milwaukee is guided by the City's *Principles of Urban Design*, a policy statement adopted by the City Plan Commission as part of the City's comprehensive plan. (Exhibit E). Downtown development is further guided by the *Downtown Plan*, adopted by the Plan Commission in 1999. (Exhibit F).

#### *The Principles of Urban Design*

The first principle of urban design is “neighborhood compatibility.” This principle encourages development to “[r]elate to the physical character and scale of the neighborhood” and to “[e]nhance linkages to surrounding uses, especially public services and amenities (schools, parks, mass transit).” The proposed parking lot meets both of these objectives. First, every aspect of the parking lot has been designed to be consistent with the development of the other properties in the area, principally the Midwest Airlines Center. From the landscaping design, to the lighting fixtures, to the signage, careful thought has been put into compatibility of design. Second, pedestrian links have been incorporated as an integral part of the overall design for the parking lot, providing a direct connection to the public sidewalks and the surrounding neighborhood.

The second principle of urban design promotes “pedestrian friendly design.” Here again, the parking lot is compatible with this principle through its use of pedestrian access points from the parking lot to the public sidewalks surrounding the site. Pedestrian friendly design is also accomplished through the installation of landscaping materials that provide relief from the harsh

paved surfaces, screen the parked vehicles from view of pedestrians, and provide an improved aesthetic appearance.

The third principle deals with land use diversity. This principle encourages development to seek out opportunities for shared uses. This is precisely what the District hopes to accomplish in this case by requesting permission to share this lot among its various facilities and the public at large. Although a parking lot may not be the highest and best use of this land (and in fact this area has been reserved for the ultimate development of the next phase of the convention center), it nonetheless serves an important function, the benefit of which is increased when it is shared with neighboring facilities.

Milwaukee's final principle of urban design relates to "transportation diversity." Although the lot primarily serves to accommodate vehicles, it is consistent with this principle through its pedestrian linkages to surrounding uses, pedestrian connections to the public sidewalks, and ultimately, connections to transit. Two important transit routes pass directly in front of the parking lot: Route 143, an interurban line connecting Ozaukee County with Downtown Milwaukee; and Route 11, a north-south route that is part of the Milwaukee County Transit system. (Exhibit G). Accommodations for bicycles are also located on nearby District property.

#### *The Downtown Plan*

Not only is the Downtown Plan the major planning document guiding development in downtown Milwaukee, the District was instrumental in its creation and ultimate adoption. In 1997, the City of Milwaukee, in partnership with the Wisconsin Center District and the Milwaukee Redevelopment Corporation, embarked on a master planning process for downtown. The purpose of the plan was to serve as a blueprint for development during the next 20 years. The City Plan Commission formally adopted the plan on July 16, 1999. The plan contains seven specifically enumerated objectives. (Exhibit H). The proposed parking lot furthers four of those goals in a specific way and, at the very least, has a positive indirect effect on the remainder. The four goals that this proposal furthers are:

- 1) *Destination Entertainment*: To expand the number and variety of destination entertainment venues in the downtown;

- 2) *Balanced Transportation*: To provide attractive options for travel within downtown; and
- 3) *Quality of the Pedestrian Realm*: To make walking attractive, easier, and convenient; and
- 4) *Catalytic Projects*: To achieve maximum benefit from major private and public investments.

The Midwest Airlines Center, the U.S. Cellular Arena, and the newly renovated Milwaukee Theater, provide Milwaukeeans with a diverse mix of entertainment. From auto shows, to professional soccer, to theater and live concerts, each of the three venues operated by the District easily falls within the category of “destination entertainment,” as specified in the Downtown Plan. The plan provides that “[d]owntown should be the first choice location for one-of-a-kind cultural and entertainment venues.” However, in order to *be* the first choice, these venues must remain competitive choices as compared to other venues in the greater Milwaukee region. And Parking is one very important reality of being competitive.

While the Downtown Plan notes that there is “adequate” parking available downtown, the perception among a large segment of the population runs contrary to this notion. Many people believe that parking a car downtown is difficult. In a 2001 publication of the Urban Land Institute titled “Developing Sports, Convention, and Performing Arts Centers, the author draws attention to the importance of the public’s perception of parking on the ability of a facility to attract business:

If parking is perceived to be insufficient or too expensive, or if attendees believe that parking facilities are unsafe or anticipate long delays when they leave a multilevel garage after an event, a facility’s marketability—as measured by attendance at events—will be compromised. (Exhibit I).

VISIT Milwaukee (formerly known as the Greater Milwaukee Visitors and Convention Bureau) recognizes the importance of parking availability and has submitted a letter of support. (Exhibit J). Anything the District can do to promote the perception that parking is easy, will increase the desirability of its venues. This will, in-turn, increase the Districts profitability,



which is an important prerequisite to moving forward with the next phase of the plans to expand the convention center. The proposed parking lot, is a very visible signal to event promoters and especially the general public, that the District's venues have convenient parking.

The parking lot also provides "attractive options for travel within downtown," which is another of the goals identified in the Downtown Plan. While there are many ways that visitors reach downtown (on foot, by bicycle, by bus, etc.) a great many choose to visit Downtown by car. In recognition of this, the Downtown Plan devotes an entire chapter to the important subject of parking. The design of the proposed lot has been carefully developed to address each of the concerns outlined in that section of the plan. The lot is landscaped so that the hard surface of the parking lot is "softened" with plant materials. The landscaping also screens the parked vehicles from pedestrians walking along the public sidewalks as discussed above.

Another goal of the Downtown Plan is to "make walking attractive, easy, and convenient." Given that many downtown pedestrians start off as commuters in vehicles, a necessary step along the path to making walking convenient is to make getting out of the car convenient. The proposed lot does this. The lot is centrally located between the three facilities the District maintains, as well as many other downtown shops, restaurants and offices. The centrality of the location is the biggest encouragement to remaining a pedestrian – because of the convenient, central location, it's simply easier to remain on foot than it is to get the car, drive a short distance, and park again.

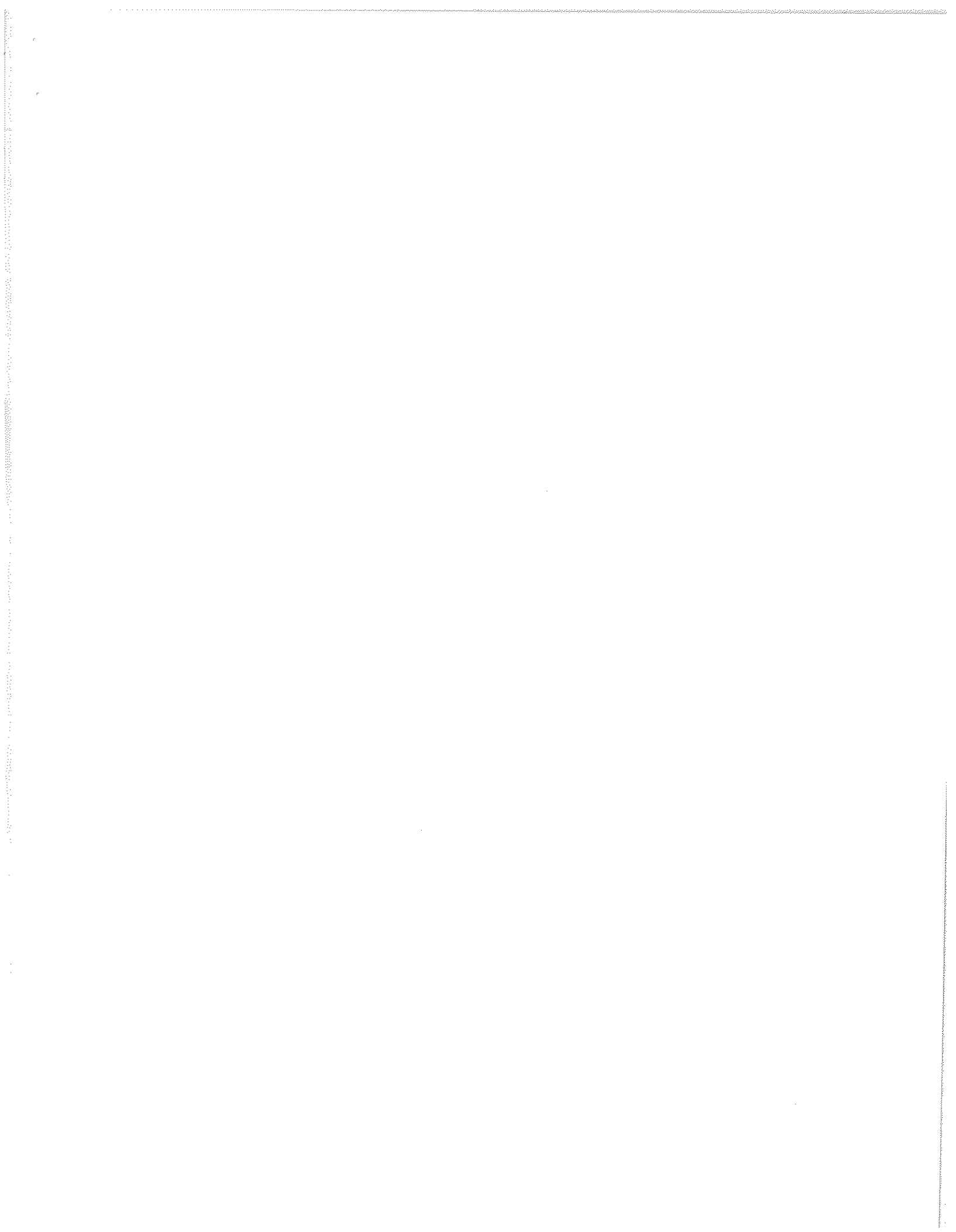
Once visitors arrive and park their cars in the parking lot, they set out on foot to reach their destination. The proposed parking lot provides connections, via pedestrian paths, to the public sidewalk. These connections help to promote the "park once" concept described in the Downtown Plan as the idea that visitors should be able to park their car in one place, travel throughout the downtown area to any number of different destinations without having to return to their vehicles in-between activities. (Exhibit K). This concept is closely linked with the convenience discussed in the preceding paragraph. If these other destinations are not within walking distance, the parking lot's proximity to Wisconsin Avenue—the major hub of activity for busses traveling through downtown—makes it easy to switch from car, to foot, to bus.

Restricting the use of the parking lot to certain events at certain times frustrates the “park once” ideal promoted by the Downtown Plan.

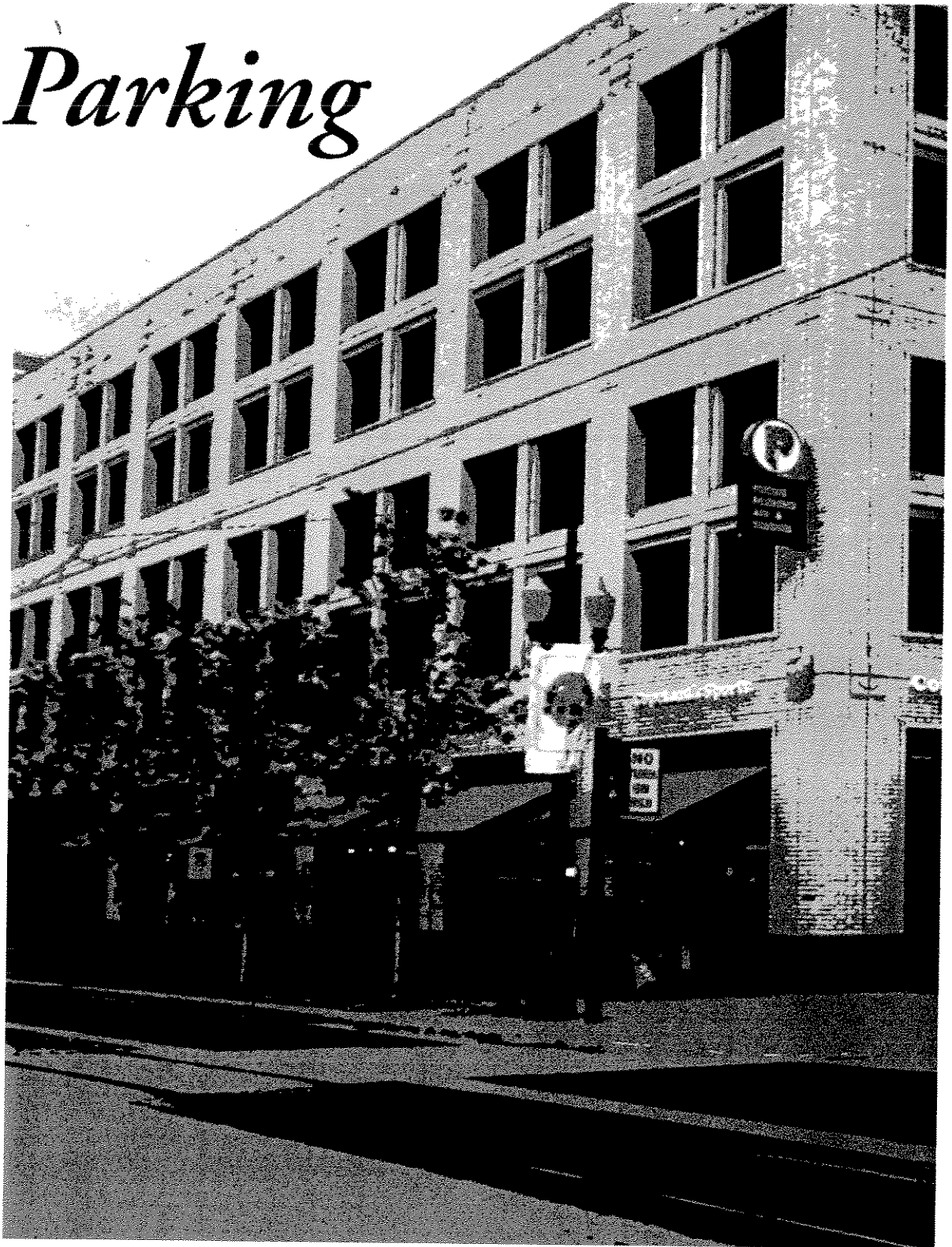
A final important explanation of how the proposal is consistent with the Downtown Plan relates again to the proposed landscaping. One of the catalytic projects identified in the Downtown Plan is the improvement of the “streetscape” along Kilbourn Avenue. (Exhibit L). As mentioned above, the landscaping and signage package has been designed to enhance the pedestrian experience—a benefit for all visitors who walk down Kilbourn Avenue, not just those who park in the lot. The District will meet all of the requirements of the plan and of the zoning code to ensure that the final result will be an improvement to the street.

Conclusion. The Downtown area where the parking lot is located is zoned “C9D – Civic Activity” and is intended to serve civic institutions such as the Midwest Airlines Center, the Milwaukee Theater and the U.S. Cellular Arena. Milwaukee’s zoning code permits surface parking lots in this zoning district provided a special use permit is obtained. The zoning code defines a special use as a use that is generally permitted but requires a case-by-case review to ensure that it will not be detrimental to the neighborhood or the city at large. This application demonstrates that the proposal to continue using the parking lot and create an 86-space addition meets each of the criteria used by the Board in its case-by-case review. The District therefore respectfully requests that the Board grant the special use permit.

X:\clientb\096382\0001\B0493294.1



# *Parking*

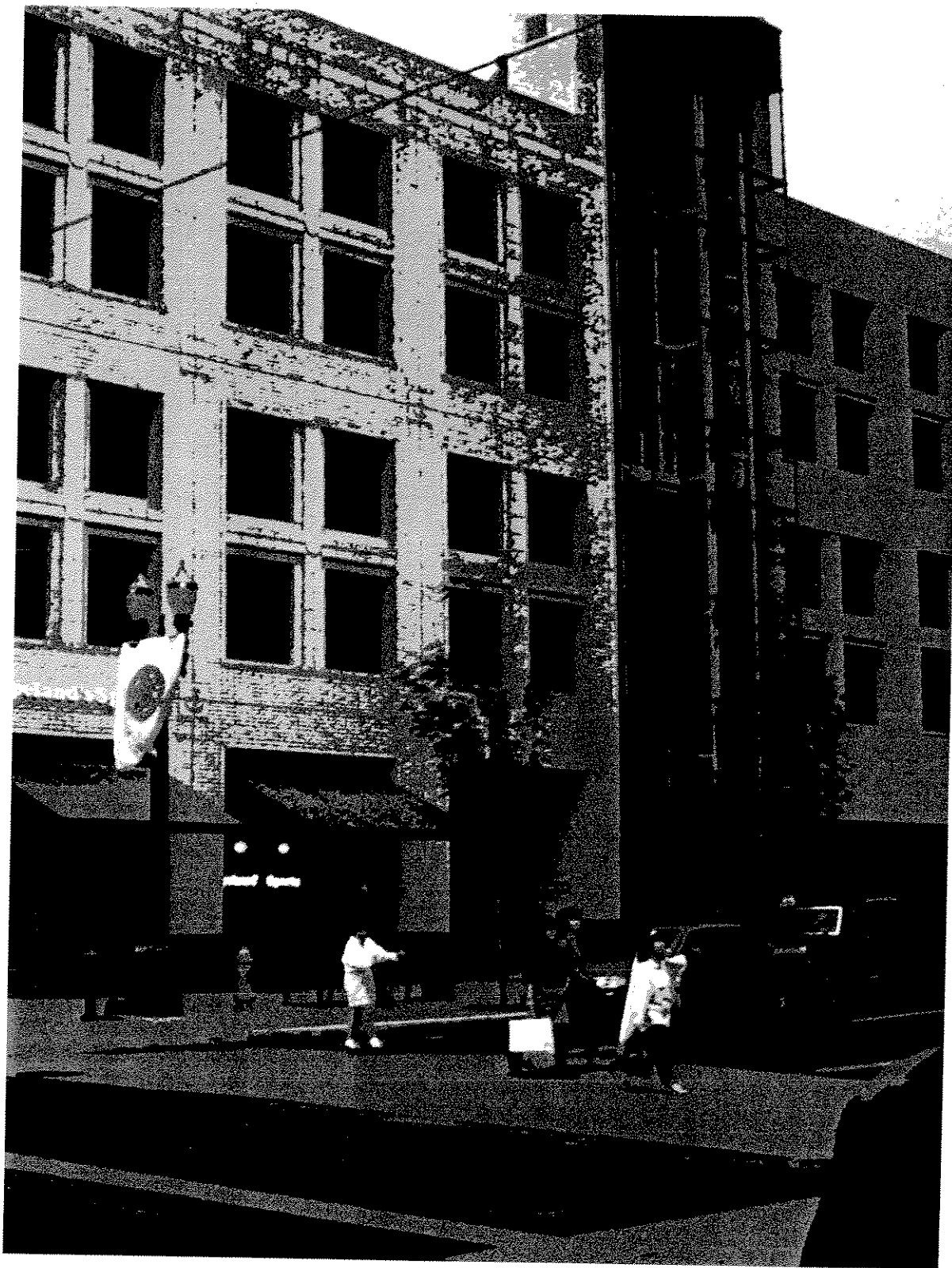


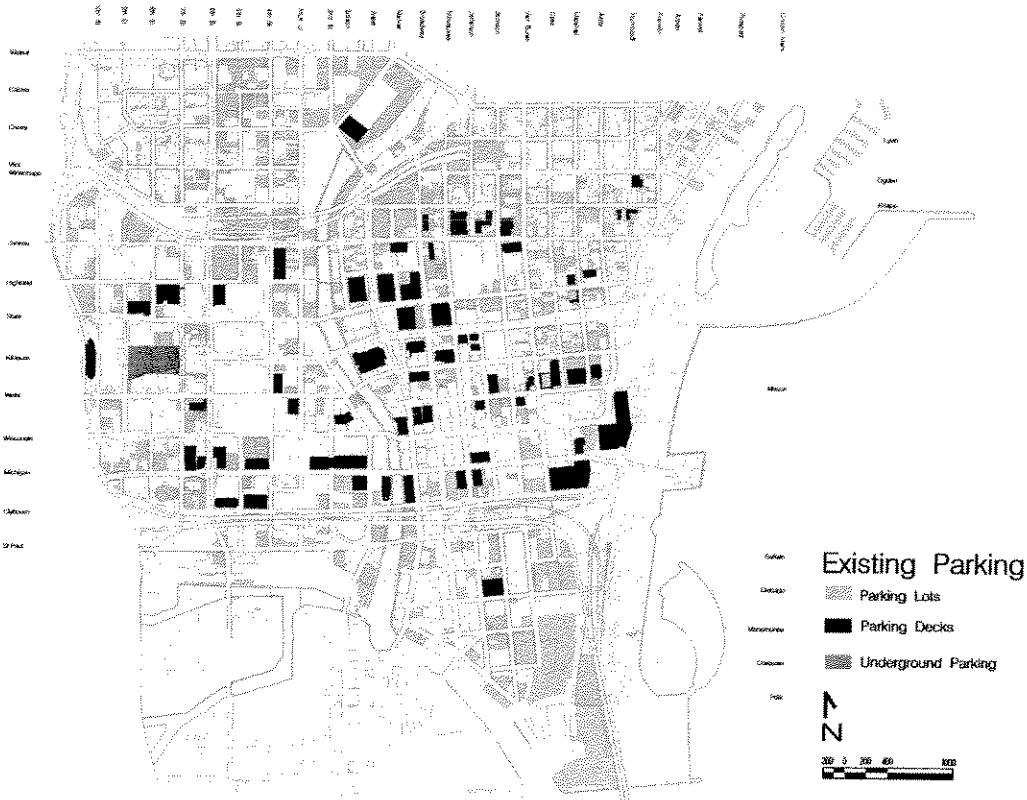
Milwaukee

**EXHIBIT**

tabbies

A





Exposed parking lots along sidewalks present a negative appearance

On an average 16,800 off-street parking spaces, or 4,500,000 square feet, are empty Downtown. The overall occupancy rate for all off-street parking is 60.5 percent. (HNTB Parking Management Study, considering the provision of off-street parking states that parking facilities should strive for an occupancy rate of 85 percent.)

As Milwaukee deepened its dependence upon the automobile, the need for parking spaces increased. In response to the omnipresent surface lots readily available for suburban developments, Downtown investors razed underutilized buildings to remain competitive. The competition against suburbia dictated that parking ratios were high. Ample Downtown parking has been, and will continue to be a pressing concern for the competitive success of Milwaukee. Of greater concern to Downtown's success will be how parking is accommodated. This plan proposes a parking solution in which the car is accommodated without overwhelming the physical form of Downtown.

Design of the parking plan began with an identification of all existing parking facilities. The HNTB Parking Demand Management Study identifies and presents capacity-occupancy data for all existing parking facilities. Review of the HNTB study revealed the following information.

- 77,025 on-street and off-street spaces exist Downtown
- 68,631 public and restricted off-street spaces exist in surface lots and decks
- 8,394 on-street parking spaces exist
- The overall occupancy rate of downtown parking spaces is approximately 61%
  - 60% occupancy for public parking
  - 61% occupancy for restricted parking

Initial analysis focused upon the capacity and occupancy percentage of structured and surface lots. The location of parking spaces with respect to Downtown activity generators was also studied and mapped.

The mapping process identified parking facilities within the following categories.

- Surface lots with high occupancy rates (80% or greater)
- Decks with a low occupancy rate (65% or below)
- Surface parking lots with street frontage
- Surface parking lots with 10 or fewer spaces
- Interior block surface parking lots
- Residential parking lots

These maps reveal that downtown is well served with parking facilities within a proximate location of all activity generators. However, most of the parking spaces exist beyond walking distance to most Downtown locations and uses. Furthermore, most downtown parking structures are underutilized.

General findings of this information are:

- Only 28 percent of the parking facilities have an 80 percent or higher occupancy rate
- 50 percent of the itemized facilities are occupied at 65 percent or less
- All parking lots comprise approximately 8.5 million square feet of downtown land

The overall occupancy rate for off-street parking is 60.5% which leaves over 16,800 unused parking spaces. Clearly Downtown does not want for parking spaces. Rather, parking spaces are inappropriately located and poorly signed. There is a disproportionate allocation of location and demand.

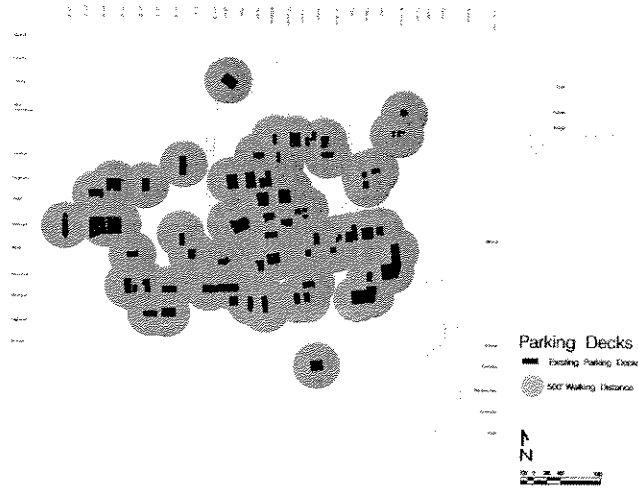
The new parking strategy must take a multi-faceted approach to managing the parking situation. People will not walk more than five minutes from a parking space to their destination. Therefore, the parking strategy requires adequate provision of public parking spaces within a five minute walk of all significant activity generators and residences. The Downtown Plan proposes the following parking management goals.

- The majority of future parking should be in decks.
- Shared parking facilities must become a priority.



Parking decks can accommodate the parking needs of different uses when proximate uses have different parking schedule demands.

- Establish a parking authority
- Future parking ratios must reflect the urban nature of a city, considering:
  - positive walking distances can reduce trip demand
  - alternative transit can reduce trip demand
- Parking facilities must have an intuitive way-finding system that directs drivers to decks and informs customers of the current occupancy level.
- Parking decks should have direct access to transit to enhance Downtown linkages; this is an important component of the "Park Once" concept.
- Parking spaces must be located within a reasonable 600 feet of smaller activity generators.
- Larger activity generators, particularly evening attractions, should rely on shared parking and transit.
- Residential parking must have a minimum number of on-site spaces with any additional parking in a shared parking deck within 600 feet.
- Design standards must be adopted for all surface lots and decks.



### Shared Parking Table

	WEEKDAY		WEEKEND		NIGHTTIME
	DAYTIME	EVENING	DAYTIME	EVENING	
<b>OFFICE</b>	100%	10%	10%	5%	5%
<b>RETAIL</b>	70%	90%	100%	70%	5%
<b>RESTAURANT</b>	50%	100%	50%	100%	10%
<b>RESIDENTIAL</b>	80%	90%	80%	90%	100%

The HNTB study states that parking structures should obtain an 85% occupancy rate before additional parking is provided. If there was no structure or a shortage of capacity within a five-minute walk of the existing parking then a new structure was recommended. This relocation method raised the overall off-street parking rate from 60.5 percent to 74 percent. This method considered only existing parking demand. However, future redevelopment would generate additional parking spaces in Downtown. If an 85 percent occupancy rate for all parking decks is still targeted, 7,800 parking spaces are available in the existing decks for additional parking. Many of the existing decks may be underutilized because of the vacancy rate in buildings that, in the future when occupied, will require additional spaces. The need for additional parking structures will depend also on an uneven future demand of parking spaces (land use and/or location). The potential parking space needs, at full occupancy, can only be approximated. As land is redeveloped specific parking studies and plans will be required.

The following urban parking ratios were employed to calculate the new parking requirements.

Building Use	# of Parking Spaces
Residential	1.5 spaces per unit in building or on-site 0.5 to 1 additional spaces depending on number of bedrooms within 600 feet of the site
Retail	3 per 1,000 Sq. ft
Office	3 per 1,000 Sq. Ft
Theatres, restaurants, etc.	number of seats or tables

Concentration and reallocation of existing parking spaces through cooperative agreements must be the first phase of the new parking plan. This assumes that parking deck operators will want to more fully utilize their underused spaces. At peak use deck occupancy should approach 100% of capacity. This will be facilitated with the vehicular way finding system explained later in this section.

In an effort to control the overall number of required parking spaces the plan encourages mixed-use blocks. Mixed-uses buildings have the advantage of accommodating shared parking facilities. A mixture of uses sharing the same parking, throughout different times of the day and week, requires a smaller number of parking spaces than individual uses. The shared parking table (top right) suggests the different schedule requirements of parking spaces indicating the possibility of sharing.

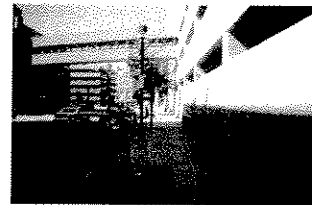
These percentages allow for a greater density in districts when development that is heavily used during the day, for example office and retail, are mixed with developments heavily used at night such as residential. Encouraging shared parking facilitates mixed-use development while reducing the required number of parking spaces.

The development program to determine parking need was an average of four story residential buildings, four story mixed-use buildings, 8 to 15 story office buildings, and a full occupancy of existing habitable structures. When each vacant site was developed to the maximum potential, the following approximate square footage totals and corresponding parking requirement were generated:

Use	Sq. Ft.	Parking
Mixed Use/Retail	680,000	2,940
Mixed Use/offices/hotel	2,700,000	8,100
<b>Total</b>		<b>11,000</b>
Current Oversupply		7,800
Future need		3,200

Residential and office buildings will accommodate parking needs in self-contained parking structures or underground parking.

Housing units	12,150	21,263 cars @1.75 per unit
Retail	301,670	905 spaces @ 3/1000 sq.ft
Office	488,280	1,464 spaces @ 3/1,000sq.ft.
<b>Total</b>		<b>2,369 spaces</b>

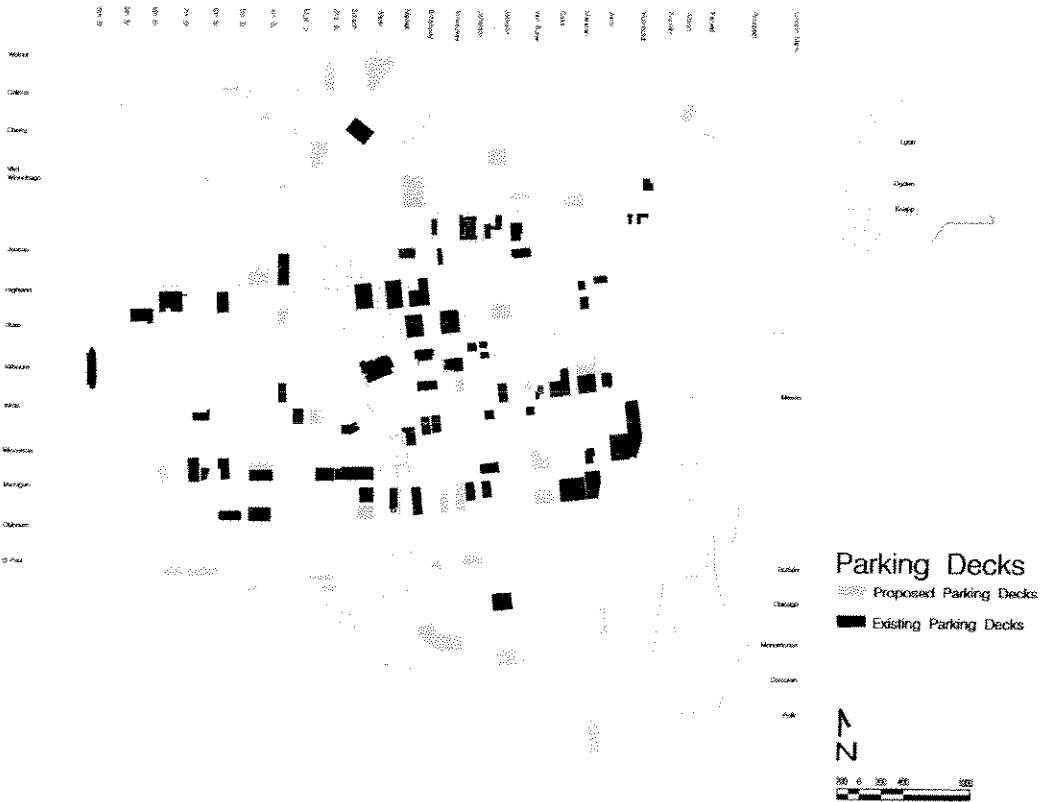
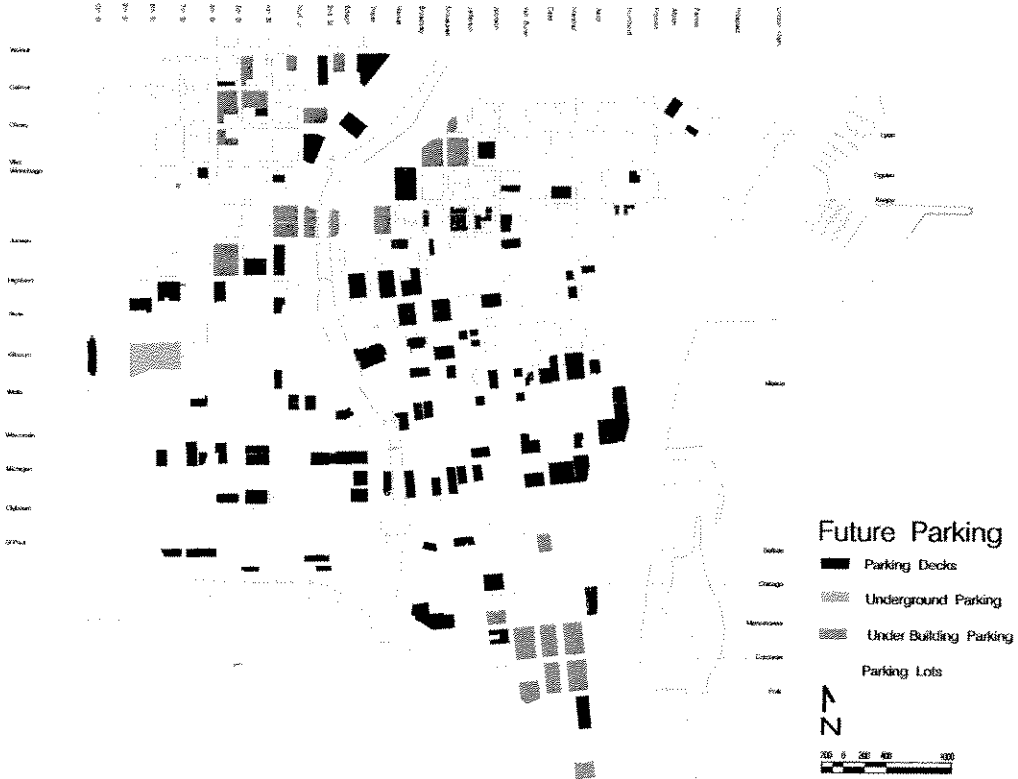


Michigan Street, existing condition

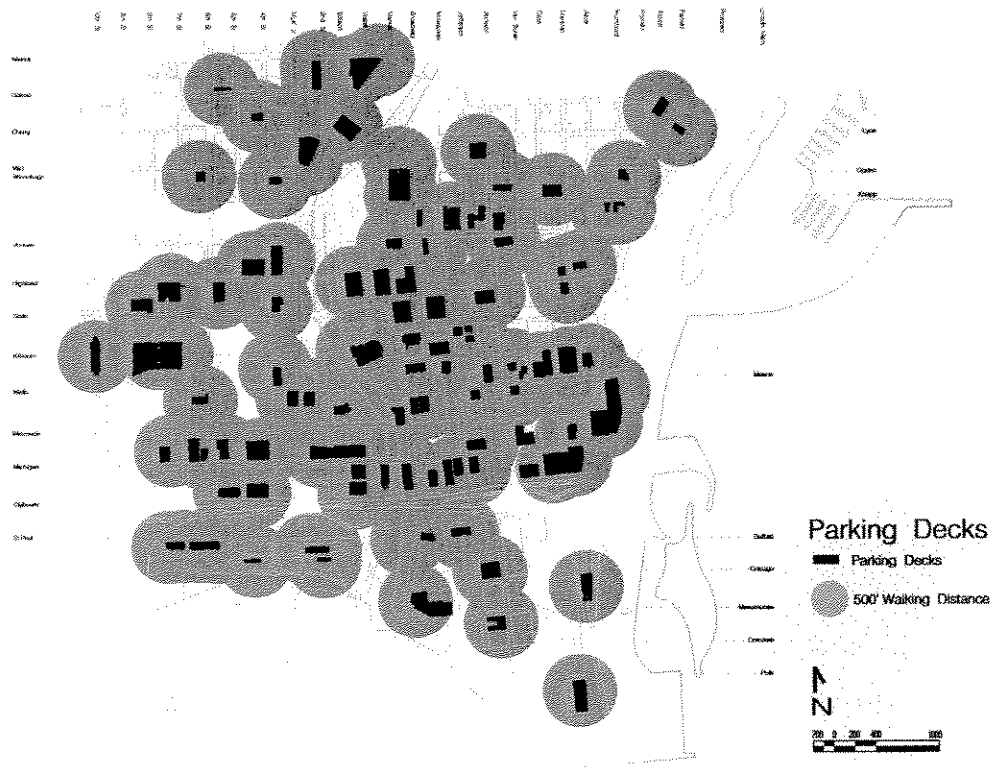


Simulation of parking deck facade improvements









**Proposed Parking Decks**

Analysis of the existing parking conditions included the definition of the area serviced by each facility. The location of the new proposed decks was coordinated with the highest and best use of the parking lots, adjacent parcels, and transit. Within Downtown new parking decks have been located to provide facilities within a 600 foot distance of all services and entertainment.

The Parking Plan indicates the locations for parking decks, surface lots and underground parking. Approximately 35 new decks or additions to decks are recommended. These decks must meet the recommended parking deck guidelines.

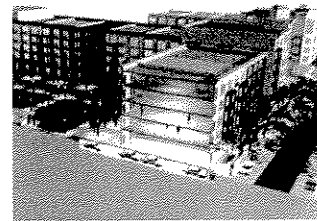
There are three larger parking structures recommended in the plan. The first is located near the site of the Water Street Entertainment complex or MED-Milwaukee Entertainment District-between Broadway, Market, Knapp and Water. The second is located adjacent to the proposed Union Station mixed-use project. A third is located in the Third Ward near the festival grounds.

All parking decks are recommended as mixed-use structures with some form of commercial use on the ground floors facing the pedestrian realm.

Two new parking/transfer facilities are strategically located within the redesigned mixed-use Union Station and behind the Water Street entertainment complex. These large structures are located at the northern and southwestern gateways to the City. The vehicular way-finding system will encourage Downtown visitors to park in these facilities. The transit system provides service between these structures and other downtown attractions; the trolleys stop at both facilities, the circulators are no more than one block away. This relationship permits visitors and employees to park in one of these facilities in the morning and not need their car again until they leave.

**Parking Configurations**

The Plan assumes that most of the new parking demands will be accommodated on site. Theoretical studies were completed to understand how on-site parking could be accommodated for residential, mixed-use, office and the other downtown uses. The most common parking recommendation was under the building, 1/2 level below grade, as shown to the right.



Recommended Underground Parking Configuration



Mixed-use Parking Deck

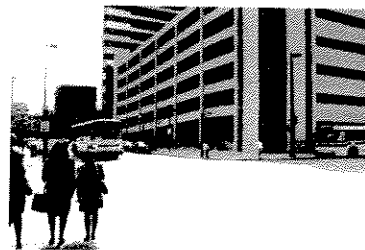




Proposed Parking Deck Screen has a printed image, a technique popular in Europe. This is an inexpensive way to enhance the streetscape image of existing decks.

**Immediate Actions**

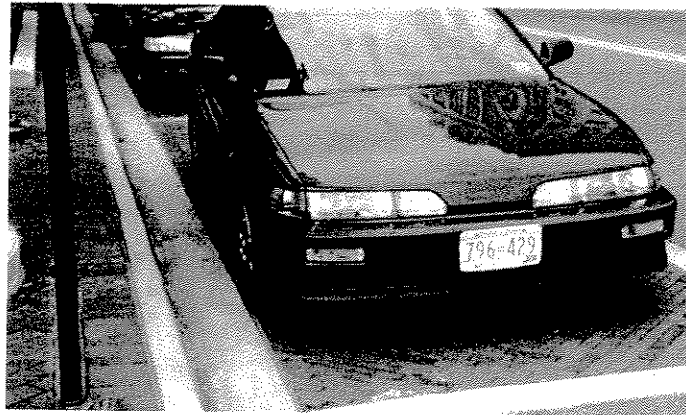
Many of the existing parking decks create visually unacceptable streetscapes. The facades contribute a harsh character to the streets. Most pedestrians perceive the ground level facades as negative. Pedestrian entrances are non-distinguished and at times difficult to find. Conversion of these facades will be a challenge to implement. Purchasing facade easements might be an incentive for rehabilitation. Providing standards for businesses to emulate is an important step. The simulation to the left presents one solution. Here a parking deck facade is covered with a printed screen to conceal the structure. The image should create a positive structural composition on the streetscape.



Existing deck is negatively perceived

**On-Street Parking**

Parallel and diagonal head-in parking are recommended on most streets. It is the parking of first choice. It is recommended that curbside parking be provided and encouraged on all streets and boulevards where the right of way width allows for the recommended pedestrian realm and the minimum number of lanes. Curbside parking can range in width from 6 to 8 feet. Parking times should be limited to encourage turnover.



On-street parking designed to appear as an extension of the sidewalk



Screening parking lots along sidewalks presents a more pleasant environment



Trees within parking lots put the "park" back in parking lots

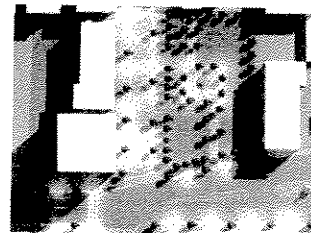
**Surface Parking Lots**

Surface parking will remain in Downtown either as lots waiting to be redeveloped or as planned surface lots. The only lots recommended for surface lots are those providing 10 or fewer spaces. All surface lots with street frontage will require special design standards for peripheral and interior landscaping.

Any remaining surface parking lot must be heavily landscaped on the periphery and the interior. The design standards recommend peripheral screen which is 95% visually impervious up to four feet and 50% visually impervious up to six feet. No fence or hedge shall be over 6 feet. Five feet is the optimum height to obscure views of parked cars. A combination of decorative fence and landscaping is recommended. Chain link and stockade are not allowed.

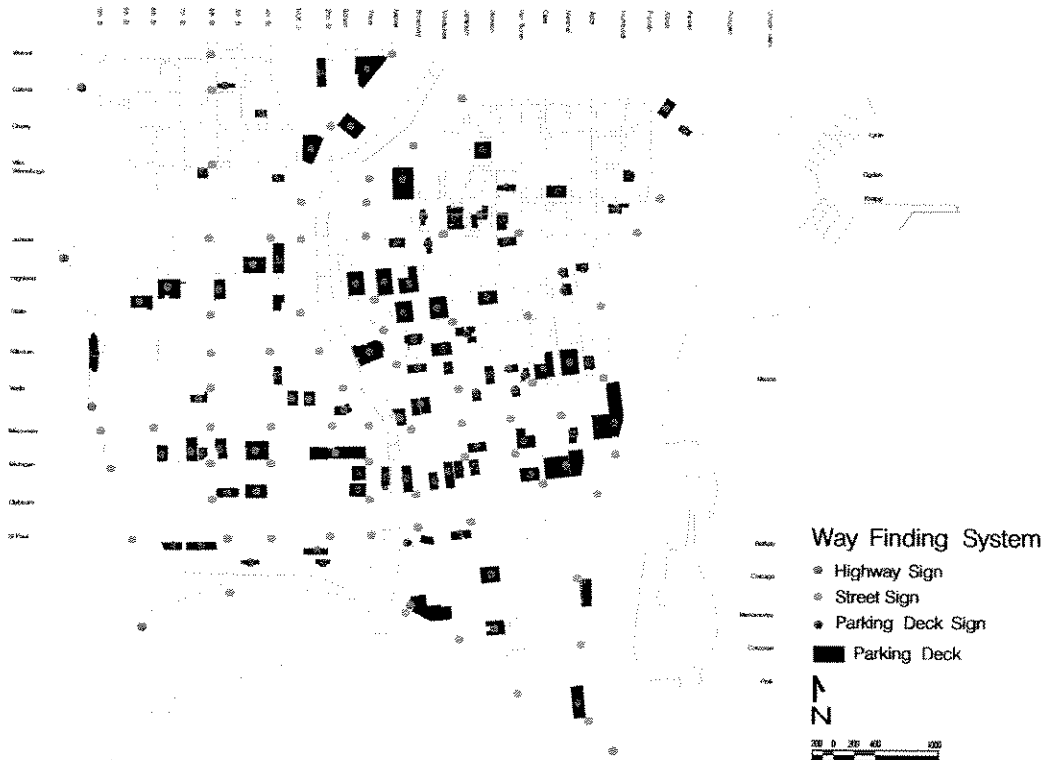
The interior of the lot shall be landscaped with trees at the rate one tree per four parking spaces. A planting diamond of a minimum of 5 by 5 feet with no curbs and small bollards on the corner are recommended. This parking lot landscaping treatment has significant advantages in that it does not decrease the number of spaces, absorbs runoff and certainly contributes to the greening of the city. A surface parking lot if properly landscaped can become an amenity.

The surface parking lots under the freeway pose a challenge. The pedestrian connections under the freeway must be enhanced through edging and fencing.



A planted parking lot, aerial perspective





**Vehicular Way Finding**

Vehicular way finding will make parking more efficient and cost effective. The proposed features of the parking plan begin on the approaching freeways. Electronic signs indicate the flow condition of the various exits as well as the availability of parking at the various exits. The Vehicular Way Finding Map illustrates the recommended location for these freeway signs. These will be placed above the lanes of travel.

Street signs directing drivers to the location of decks and occupancy status parking deck signs are the other components of the vehicular way finding. Those who come Downtown regularly know where parking spaces are and the most efficient route to them. However, visitors, occasional Downtown users and tourists are generally unfamiliar with parking locations. For this group, street signs and the parking deck sign will be the most helpful. This system will improve the utilization of the decks, which are currently under capacity.

The parking directional streets sign has been designed in a distinctive shape and distinctive color combination allow them to be clearly seen. It will direct the drivers to entrances of the decks. The recommended location of these signs is illustrated on the Way Finding system map.

A second sign has been designed to be located on or

near the parking deck entrance. It will inform drivers of the availability of spaces within the deck. These will typically be hanging signs, suspended out from the deck. The sign will inform the motorist of the occupancy rate. If the deck is full the sign will direct the motorists to an adjacent location with parking available.

A second street sign, a type of park and ride sign, has been designed to inform drivers that a trolley/transit stop is adjacent to the parking location. These might be mounted inside the deck to direct the people to the transit stop.

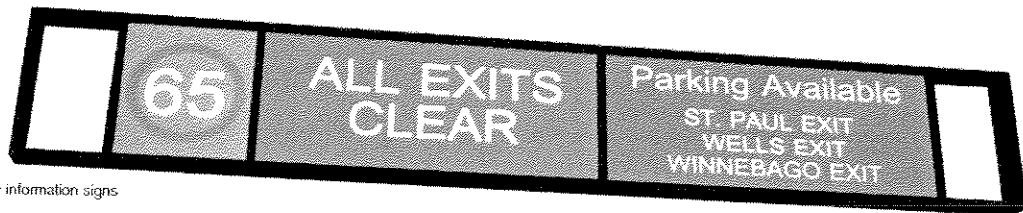
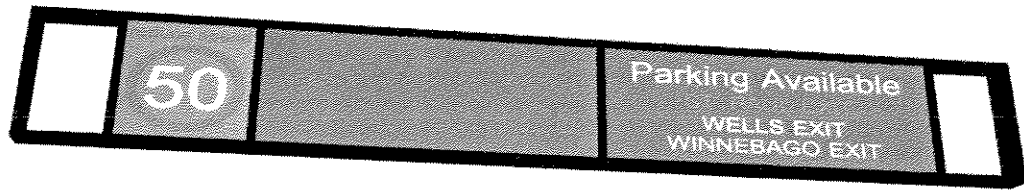
Returning Downtown to a pedestrian-friendly environment where one is unnaturally dependent upon a car requires a multi-faceted approach to parking and transit. The geographic distribution of activity generators, though destined to become infilled and concentrated, will not be decreased. Parking decks must be strategically linked to transit stops and activity generators through a Way Finding system.

**“Park Once”**

The “Park Once” system organizes parking facilities so that when driving into Downtown one need only park once and be within easy access to his or her destination anywhere Downtown. Trolleys will be immediately available or within a very short walking distance of all parking facilities.

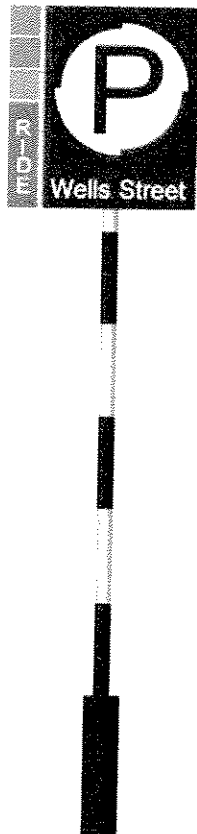


*Parking and Wayfinding signs*

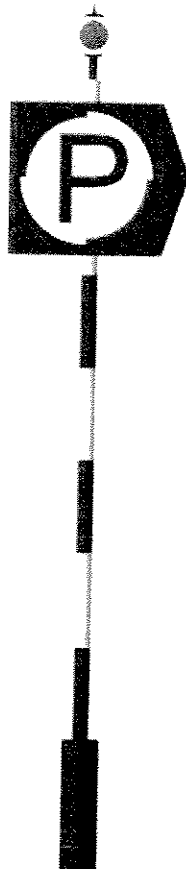


Freeway information signs

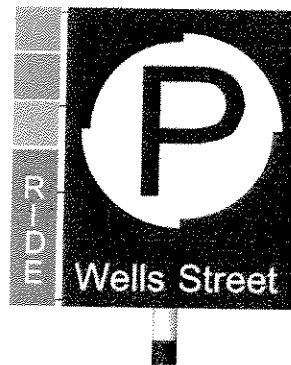
Park and ride sign



Parking direction signs



Signs at entrance of parking deck



### **Implementation Strategy**

The City may want to consider the following:

To implement this plan will require coordinated, lease agreements for parking. Private cooperation will require a parking management strategy. Private parking should be combined with a public parking authority. Each new project must be encouraged to employ shared parking concept for the greatest parking efficiency. An association of parking deck owners and operators is highly recommended. Coordinated parking pricing and marketing strategies should be pursued.

When seeking approval for new or rehabilitated buildings, a maximum parking requirement should be imposed. Curbside parking should be included as meeting the parking requirements. Long term renewal lease agreements for off site parking within a five minute walk of any use should be used to meet any or all of the parking requirement and agreed to as a condition of approval or final certificate of occupancy. Any developer who builds a building below the maximum on-site required parking should be given a bonus.

Application for State and Federal grants for recommend improvements like the vehicular and pedestrian way finding system should be pursued.

Designated preferred parking locations for carpools and vanpools to encourage their use.

Limit on-street parking times. Alternatively, structure meter fees to become progressively more expensive over time.

Establish a parking tax.

Establish a municipal parking fund and allow developers to contribute to the fund for the provision of parking.

Encourage developers to support transit or payment into a municipal parking or traffic mitigation fund.

Require visual and audible signals at parking deck entrances and exits that indicate vehicular presence to passing pedestrians.

Parking deck entrances should not be permitted on "Type A" streets.

Implement zoning that allows owners of existing parking structures to enhance their building's impact. Elevations should be modified to present street-level windows. Incentives should encourage "lining" structures with small shops and offices at sidewalk level.











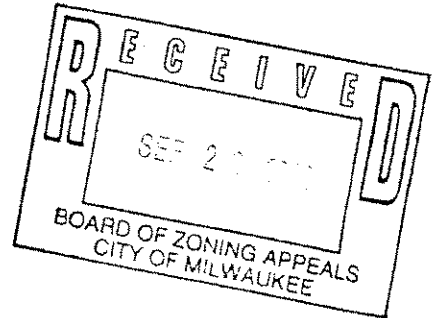
Department of Public Works  
Infrastructure Services Division

Mariano A. Schifalacqua  
Commissioner of Public Works  
James P. Purko  
Deputy Commissioner of Public Works  
Jeffrey S. Polenske  
Acting City Engineer

September 18, 2000

Mr. Craig H. Zetley, Chairman  
Board of Zoning Appeals  
Room 1010, Municipal Building

Subject: Variance and Special Use Requests



Dear Mr. Zetley:

As requested, we have reviewed requests for Zoning Variances and Special Use Exceptions at the following locations relative to their impact on vehicular and pedestrian traffic circulation, area parking, and general use of the public right of way.

Location	Type of Use
1. 5057 N. 65 <sup>th</sup> Street	CLA
2. 1508 N Cass Street	Apartment
3. 400 W. Wisconsin Avenue	Parking Lot Access
4. 4625 W. Mill Road	Foster Home
5. 8701 W. Greenwood Terrace	Subdivide Parcel
6. 3150 N. 35 <sup>th</sup> Street	CBRF
7. 1802 W. Forest Home Avenue	Retail Auto Parts
8. 4800 S. 10 <sup>th</sup> Street	Medical Service Facility
9. 221 S. 2 <sup>nd</sup> Street	Adult Video Store

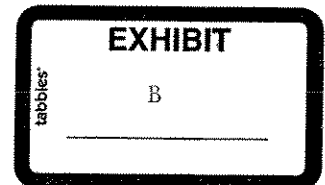
Provided these uses are developed and operated in a manner consistent with the site plans and plans of operation as submitted to the Board of Zoning Appeals, and that operation of these sites is consistent with all other aspects of the City of Milwaukee Code of Ordinances, we believe these uses can be operated in a manner which will not have a significant adverse impact on traffic operation, parking, or other use of the public right of way.

The Department of Public Works (DPW) previously approved the items scheduled on the Consent Agenda for the September 21, 2000 meeting. The remainder of the items scheduled for public hearing were either previously approved by DPW or formal comments have been provided.

Very truly yours,  
*Jeffrey S. Polenske*

Jeffrey S. Polenske, P.E.  
Acting City Engineer

JJM





City of Milwaukee

## Zoning Administration Group Staff Report

Premises: 400 W. Wisconsin Av.

A/K/A Wells to Kilbourn - 4th to 6th St.

Case No. 25220

Request: to add additional parking to the existing surface parking lot

Petitioner: Bob Seefeld, petitioner

Type of Appeal: Special Use

Filing Date: September 17, 2003

Zoning of Premises: C9D(B)

Section of Code being Appealed: 295-703-1

Alderman & District: Ald. Paul A. Henningsen, Dist. 4

### FINDINGS OF THE DEPARTMENTS

**DPW:** Provided the proposed use is developed and operated according to the plans submitted, DPW believes the use can be operated in a manner which will not have a significant adverse impact on traffic circulation, parking or any use of the public right-of-way.

  
Department of Public Works

**DCD:** Based on written information submitted by the applicant, provided no neighborhood objections are identified, and provided the proposed use is developed and operated according to the plans submitted, DCD believes the use can be operated in a manner which will not have a significant adverse impact on adjoining property or the neighborhood in general and that the use is designed located and operated in a manner so that the public health, safety and welfare is protected.

1. That the site is used as a parking lot for the general public only when they are attending an event at the Midwest Express Center.
2. That landscaping and screening is implemented and maintained in a manner that meets the intent of city code and the previously approved landscape plan.
3. That all previous conditions of the Board regarding this property are complied with.

  
Department of City Development

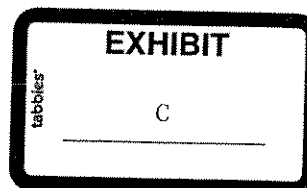
**DNS:** DNS believes that this use can be developed in a manner that will be consistent with the Milwaukee building code. The plan of operation appears to be enforceable.

  
Department of Neighborhood Services

### BOZA STAFF RECOMMENDATION

Based on the evidence submitted by the applicant, the information received from the departments and the case summary, the BOZA staff recommends that this Special Use be granted based on the criteria being met, and recommends that this use be approved for a period of two (2) years provided the applicant complies with any conditions listed above.

  
Board of Zoning Appeals





*Traffic Volume*

**On Kilbourn**

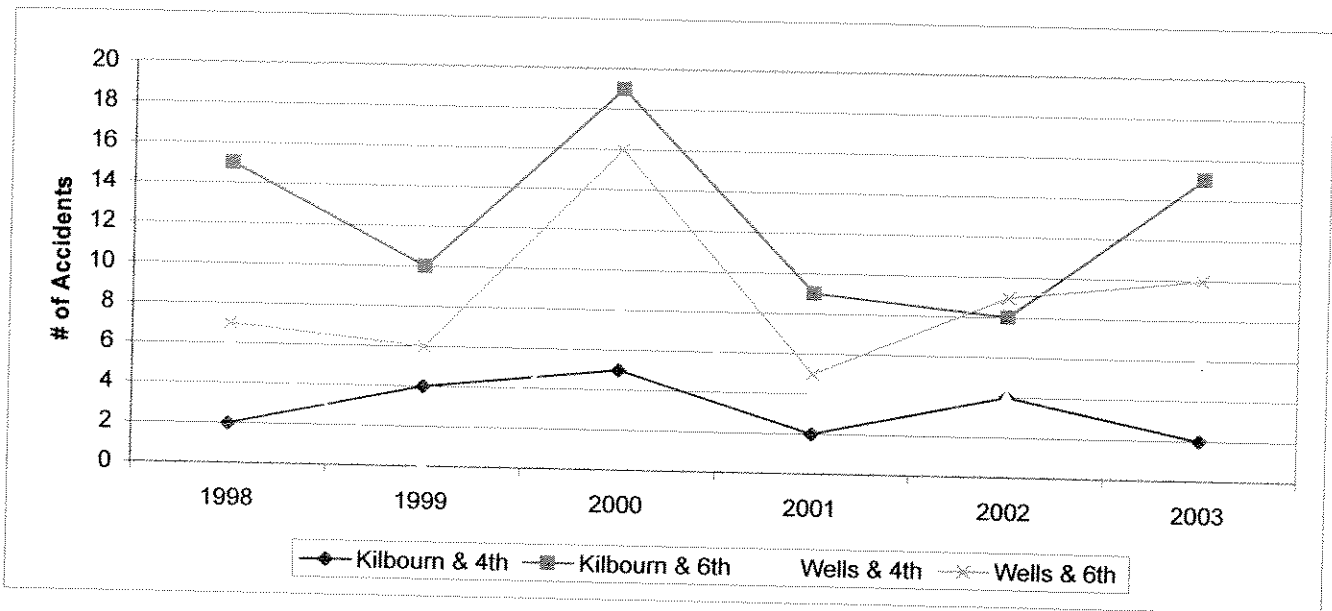
East of 6th	11,545	Nov-03
East of 4th	11,238	Nov-03

**On Wells**

East of 6th	11,405	Jun-03
East of 4th	11,943	Jun-03

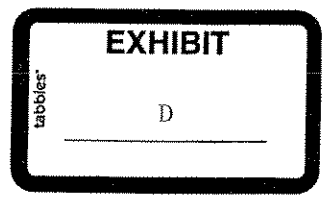
*Accident Data*

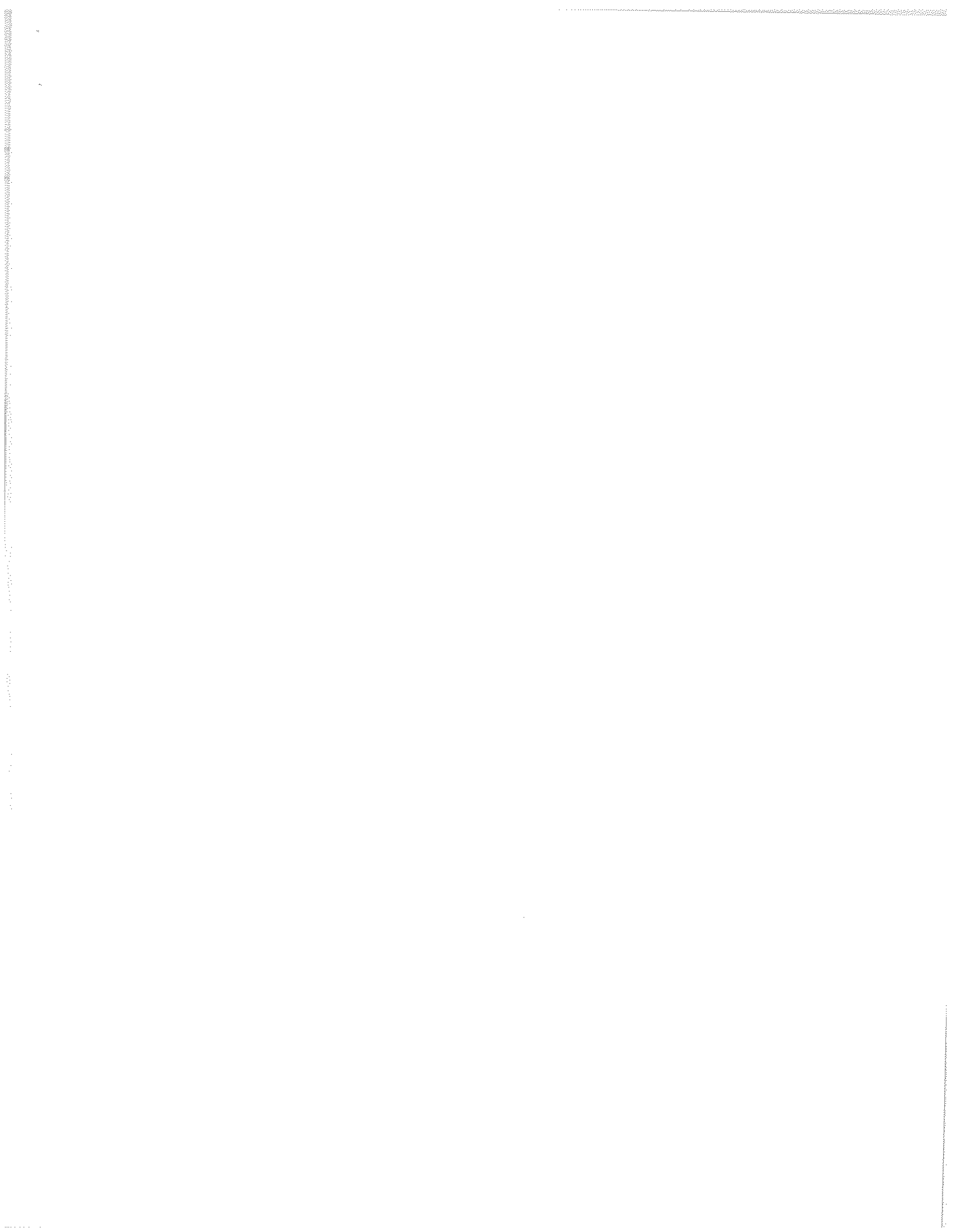
	1998	1999	2000	2001	2002	2003
Kilbourn & 4th	2	4	5	2	4	2
Kilbourn & 6th	15	10	19	9	8	15
Wells & 4th	6	0	8	4	4	6
Wells & 6th	7	6	16	5	9	10




**NOTE: 6th Street was under reconstruction in 2000**

Source: City of Milwaukee Department of Public Works, Administration





 city of milwaukee department of city development										m k e d c d . o r g									
current projects	business climate	planning & permits	city real estate	housing resources	boards & commissions	about us	contact us	search/subject list	home										

## Principles of Urban Design

### Introduction

Cities possess a singular appeal. The proximity of people and activities in cities facilitates efficient use of land and transportation systems and creation of convivial public spaces. Milwaukee must encourage development of housing, commerce and transportation systems that embrace its urban heritage. The city must recognize its unique assets and build upon its strength as the core of a major metropolitan area.

Coordinated planning and development effectively integrate many elements. Quality housing that enhances a sense of community among neighborhood residents; attractive customer-friendly commercial streets; greenspace offering recreational amenities and a diverse array of transportation options represent only a few of the many elements that, when well designed, contribute to good urban form. Milwaukee must promote urban design practices that emphasize the public qualities of buildings and creation of places with lasting value and civic meaning.

New buildings should be designed in ways that retain the traditional qualities of Milwaukee's architecture. This does not mean that new buildings should nostalgically imitate historical styles. In fact, to do so would be contrary to the creative design traditions that produced Milwaukee's rich architectural legacy. Timeless design principles should be followed that produce architecture that fits with its context and is human scaled. New buildings should be designed to be compatible with neighboring structures, spaces and activities. Visually interesting and human-scaled building facades should prevail over sterile, windowless walls - especially when facing public spaces.

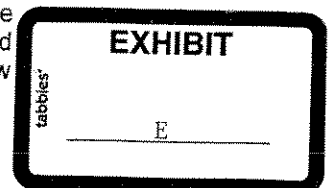
Diversity is the city's unique strength. The rich mix of uses found in Milwaukee's neighborhoods provides convenience, vitality and individual identity. The transportation network binds the city together. Milwaukee must be organized around a transportation network that offers mobility choice. Needs of pedestrians and automobiles should be balanced to create a legible, walkable and memorable public realm.

Combining good design with the city's rich architectural heritage will maintain its unique, attractive, "people-friendly" environment and further enhance Milwaukee's residents' quality of life.

The following design principles articulate those unique qualities that characterize Milwaukee's neighborhoods, and are meant to promote development and redevelopment that reinforce and preserve these characteristics.

### Principle #1: neighborhood compatibility

A cohesive neighborhood environment depends on buildings that compliment one another. The size, shape and location of buildings as well as the uses contained within them, create "patterns" that define neighborhood character. New development should be compatible with the pattern of its surrounding context.



Development that adheres to this principle will:

- A. Relate to the physical character and scale of the neighborhood
- B. Enhance linkages to surrounding uses, especially public services and amenities (schools, parks, mass transit)

**Principle #2: pedestrian friendly design**

Cities are for people, and an environment designed to accommodate the pedestrian heightens human experience and sense of place. New development should be designed to create attractive, comfortable and safe walking environments.

Development that adheres to this principle will:

- A. Locate buildings to define street edges and corners
- B. Enliven street frontages to enhance the pedestrian experience
- C. Create memorable places for people

**Principle #3: land use diversity**

Many Milwaukee neighborhoods are comprised of a rich mix of land uses. Such diversity uses land efficiently, provides for neighborhood convenience and contributes to unique urban experiences.

Development that adheres to this principle will:

- A. Encourage a compatible mix of uses at the neighborhood scale
- B. Identify opportunities for shared uses

**Principle #4: transportation diversity**

Milwaukee's neighborhoods are connected by a functional circulation network of streets and blocks. This system should be maintained and improved in ways that accommodate various modes of transportation balanced with needs for pedestrians.

Development that adheres to this principle will:

- A. Create a balanced circulation system that accommodates mobility choice (pedestrians, automobiles, bicycles and transit)
- B. Enhance public transportation by making it more comfortable and convenient to use

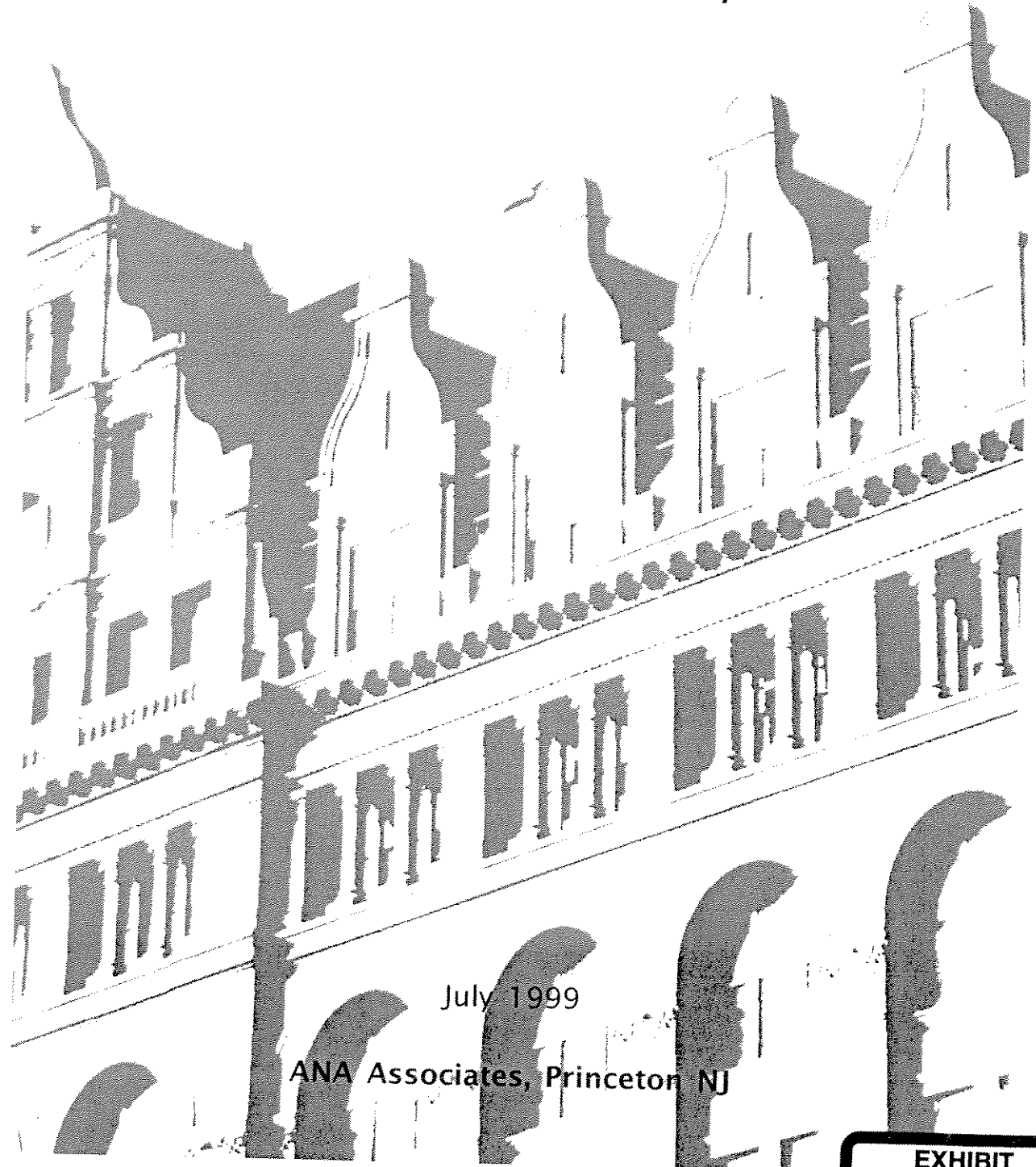
Milwaukee Department of City Development  
809 N Broadway  
Milwaukee, WI 53202  
[Contact DCD](#)





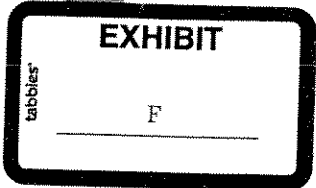
# MILWAUKEE DOWNTOWN PLAN

## Executive Summary



July 1999

ANA Associates, Princeton NJ

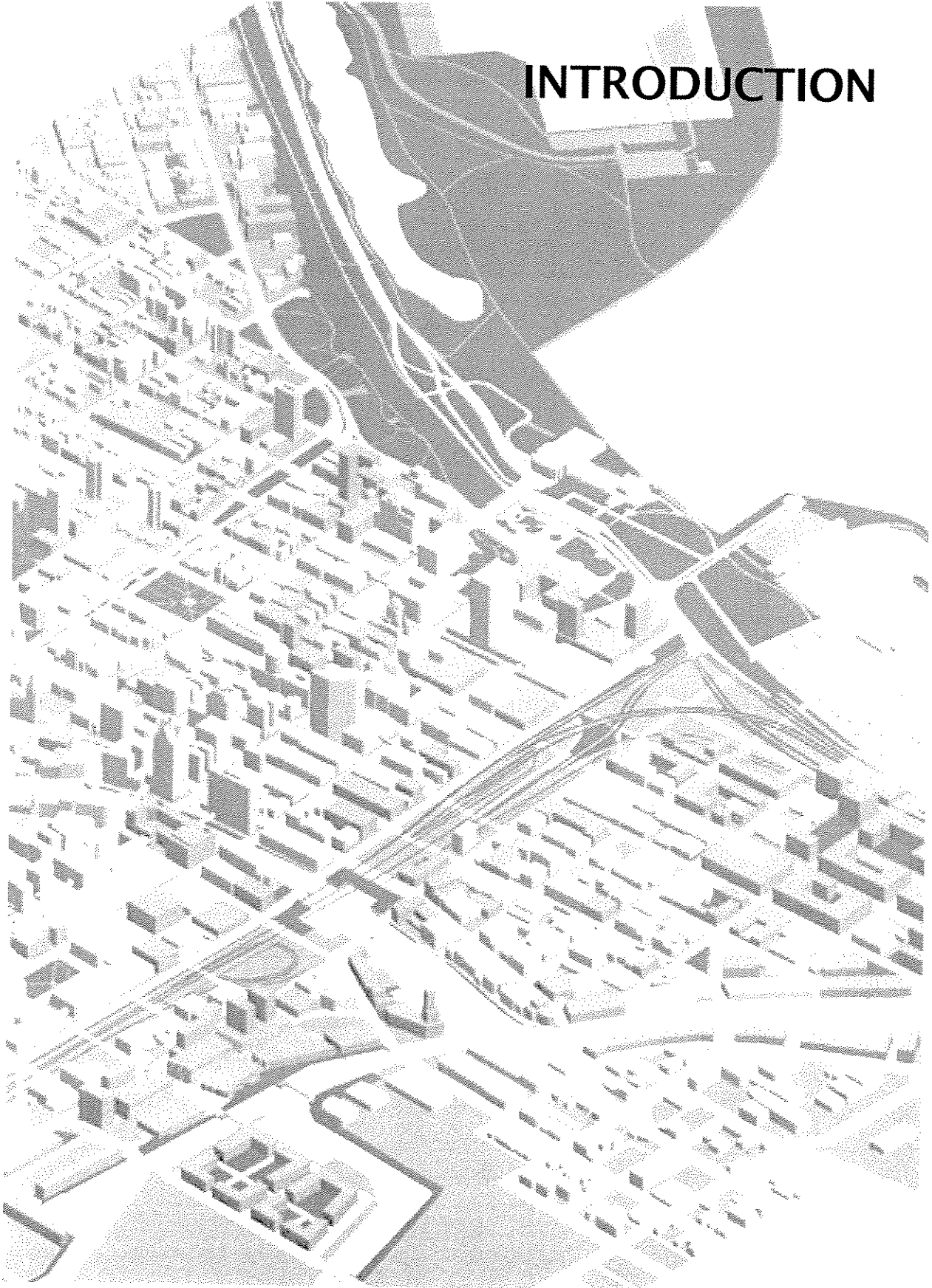


# EXECUTIVE SUMMARY CONTENTS

<b>INTRODUCTION</b>	<b>1</b>
Milwaukee Downtown Plan	
<b>THE PROCESS</b>	<b>2</b>
Introduction	
The Visioning Process	
The Visual Preference Survey	
Community Questionnaire	
Workshop Results	
Susceptability to Change Map	
Vision Translation Workshop	
Workshop Results and Policies	
Professional Synthesis	
<b>GOALS AND OBJECTIVES</b>	<b>8</b>
Plan Goals	
Plan Objectives	
<b>THE PLAN</b>	<b>10</b>
Downtown Districts	
Land Use Plan	
Housing	
Retail and Mixed-Use	
Office	
Parking Plan	
Park Once and Way Finding System	
Landscape Plan	
Street	
Pedestrian Realm	
Transit Plan	
Neighborhood Connections	
<b>CATALYTIC PROJECTS</b>	<b>27</b>
East and West Wisconsin Avenue Corridor	
Historic Third Ward Public Market	
Park East Redevelopment	
The Transit Connector: The Downtown Trolley	
Park Once	
RiverWalk Completion	
Lakefront Connections	
Two Way Streets	
West Kilbourn Avenue Streetscape Improvements	
City Hall Square Intersection	
The Pabst Brewery Adaptive Reuse Complex	
Union Station / Post Office Mixed Use Project	
Mac Arthur Square	
<b>IMPLEMENTATION</b>	<b>35</b>
<b>ACKNOWLEDGMENTS</b>	<b>36</b>



# INTRODUCTION

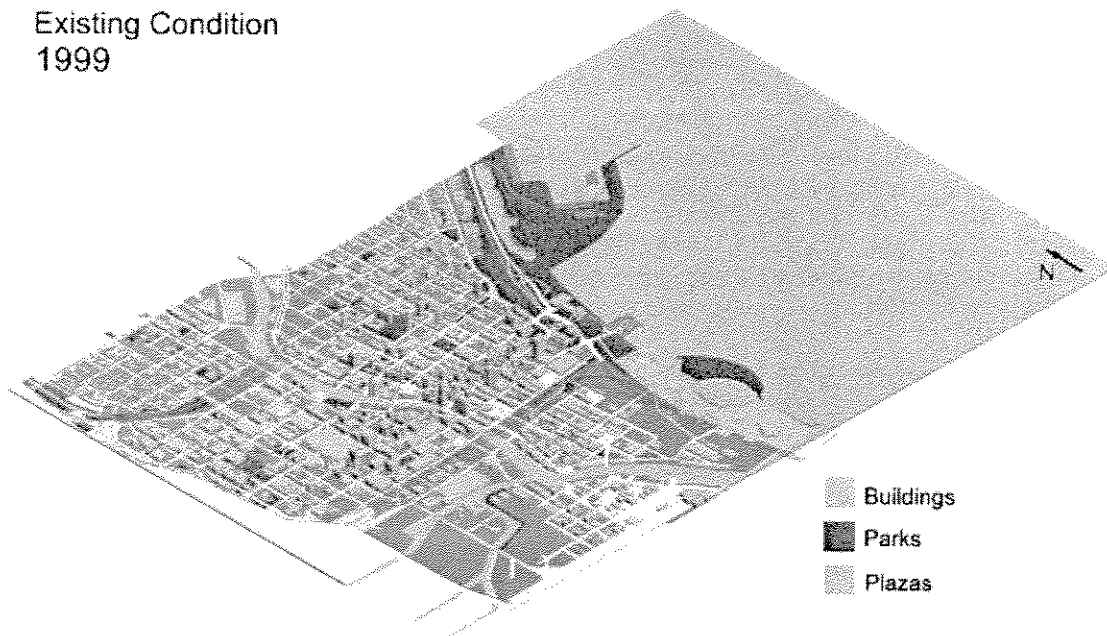


## INTRODUCTION

Early 1996 saw construction begin on several highly visible projects in downtown Milwaukee: the Wisconsin Center, The Humphrey IMAX Theater, the RiverWalk, among others. As construction proceeded, downtown business people, organizations, and elected officials began to ask questions like "How can the spin-off benefits of these projects can be maximized?" and "What should be done next to continue the redevelopment of Downtown?"

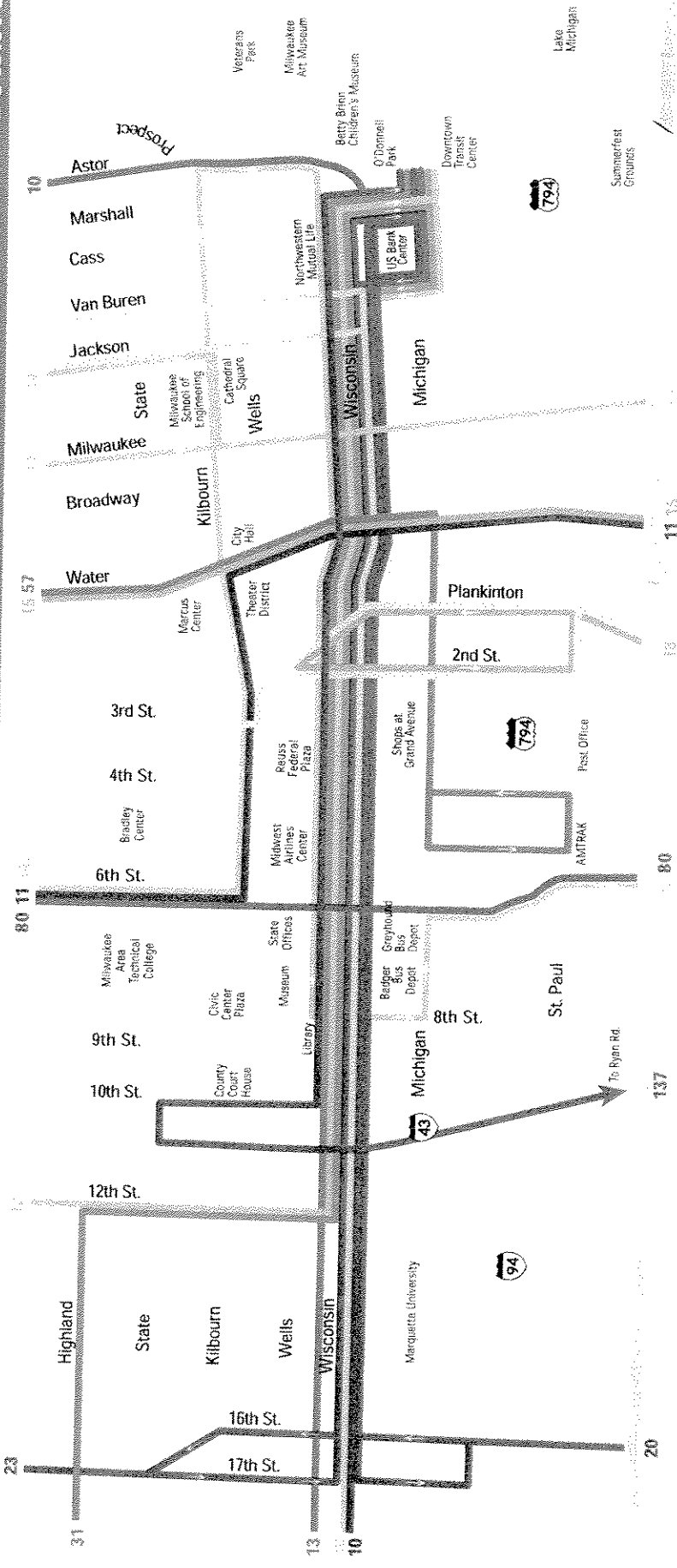
At the same time, public officials were aware that key Downtown planning and policy documents needed to be created or revised to reflect the new projects and the changing conditions in both the local and national markets for retail and office space and downtown housing. A planning partnership composed of the City of Milwaukee, the Wisconsin Center District Board and the Milwaukee Redevelopment Corporation (MRC), the not-for-profit downtown development corporation formed by Milwaukee's business community, concluded that a new plan was needed to provide a blueprint for the further development of Downtown and to identify the specific actions which should be taken to foster that development.

In the spring of 1997, the partnership retained a consultant team led by A. Neessen Associates of Princeton, New Jersey, to assist the community in preparing the plan. The other members of the consultant team are identified in the Acknowledgments section in the back of this document. This document is an overview and summary of the Downtown Plan that resulted from the efforts of the consultants, technical staff from the city and MRC, and the people who live, work, learn, and visit of Downtown Milwaukee. Readers should refer to the full plan and supporting documentation for detailed information regarding the plan.





**DOWNTOWN**



**EXHIBIT**

tabbles®

G





## PLAN OBJECTIVES

1. **Residential Development:** *To increase the amount and variety of downtown housing.*  
The development of a variety of housing types (townhouse, multi-unit apartments, live/work, owner/renter, etc.) can achieve an expanded and diverse downtown population. Residential development also increases downtown's appeal by extending activity beyond office hours.
2. **Destination Entertainment:** *To expand the number and variety of destination entertainment venues in the downtown.*  
Downtown should be the first choice location for one-of-a-kind cultural and entertainment venues. Venues such as the Humphrey IMAX Theater, the Milwaukee Art Museum Calatrava addition, and the Harley Davidson museum, bring visitors who increase weekday and weekend activity throughout downtown. Other venues contribute the vibrancy of nightlife and should also be encouraged.
3. **Balanced Transportation:** *To provide attractive options for travel within downtown.*  
Downtown should be a place where it is easy to move around and where major destinations are accessible. Parking should be easy to find and close to major destinations, transit should connect destinations, and information on the availability of parking, availability of transit, and where major destinations are located should be plentiful.
4. **Office Prominence:** *To maintain downtown as the metropolitan area's single largest concentration of office development.*  
Downtown should promote a wide variety of types of offices, including buildings that provide both offices and other uses.
5. **Quality of the Pedestrian Realm:** *To make walking attractive, easier, and convenient.*  
The pedestrian environment in downtown should be welcoming, by offering well maintained landscaping, adequate lighting, safe and clearly defined crosswalks, and plentiful, easy to understand directional signs.
6. **Downtown's Unique Assets:** *To take maximum advantage of the special features found downtown.*  
The river has special appeal for a wide range of activities; new public and private development should work to amplify that appeal. Downtown's rich architectural legacy should be maintained and enhanced with new high-quality development. Downtown has a wider range of activities than other places; the range should be further broadened with new activities that complement existing ones.
7. **Catalytic Projects:** *To achieve maximum benefit from major private and public investments.*  
Some projects have the potential to encourage additional investment or provide downtown with a marketing advantage. These projects should receive special recognition and support.



Existing Kilbourn Avenue



Proposed Kilbourn Avenue





# Financial Operations: Revenues and Expenses

In most cases, the income statement for a public-assembly facility will reveal whether it is generating an operating surplus or a deficit. Many professional sports venues, and nearly all convention centers and performing arts theaters, require operating subsidies. In North America, only two or three convention centers in major markets consistently generate enough operating income to pay operating expenses, and approximately the same number of recently built venues for major-league sports pay all operating expenses and most debt service from their operating revenues.

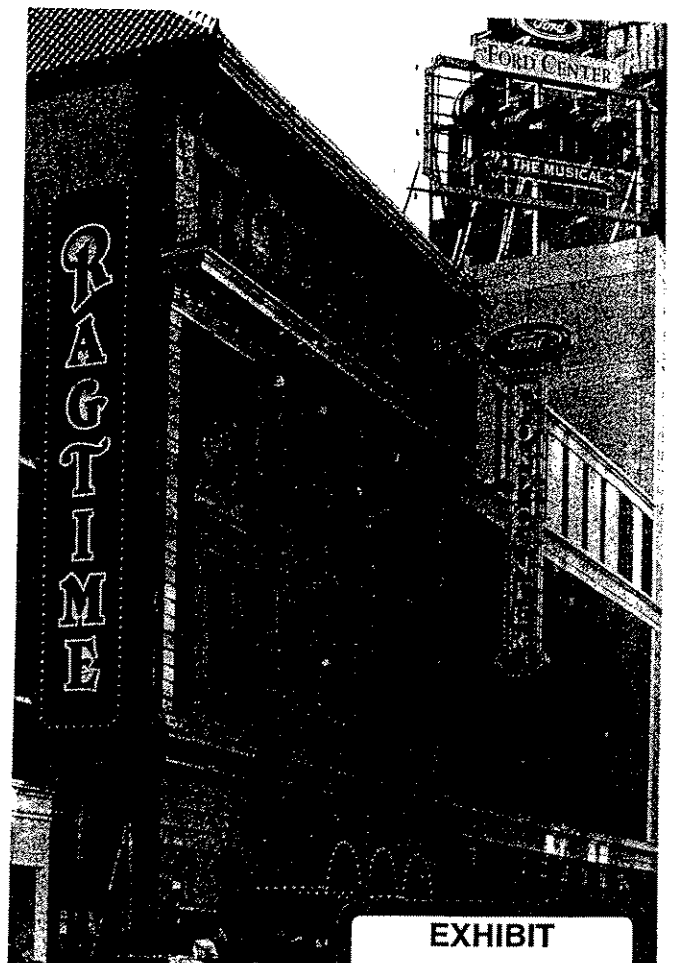
A careful analysis of a project's financial operations—as revealed in its income statement—will disclose the underlying objectives of the primary tenants (usually the team; the resident performing arts company; or, in the case of a convention center, the trade-show or convention manager) and the building owner (usually the local or state government).

Because the objectives of both landlords and tenants have changed over the past five to 15 years, the facility's financial operating characteristics will reflect the age of the lease agreement. Many features of centers built between 1985 and 1995—such as premium seats and suites—produce significant revenues, but were not provided in buildings constructed in the 1960s or 1970s. For example, only a few arenas and stadiums built 30 years ago offered private “membership” restaurants, enclosed luxury box suites, an extensive variety of food services, and large seating capacities (more than 20,000 and more than 70,000, for arenas and stadiums, respectively). Similarly, most convention centers developed in the 1960s and 1970s did not include ballrooms or banquet halls, contiguous exhibit space exceeding 150,000 square feet (13,900 square meters), or a wide variety of food-service options. And only since the

second half of the 1980s have major-league teams received revenues from the sale of naming rights or from shares of parking or concession revenues in publicly owned stadiums.

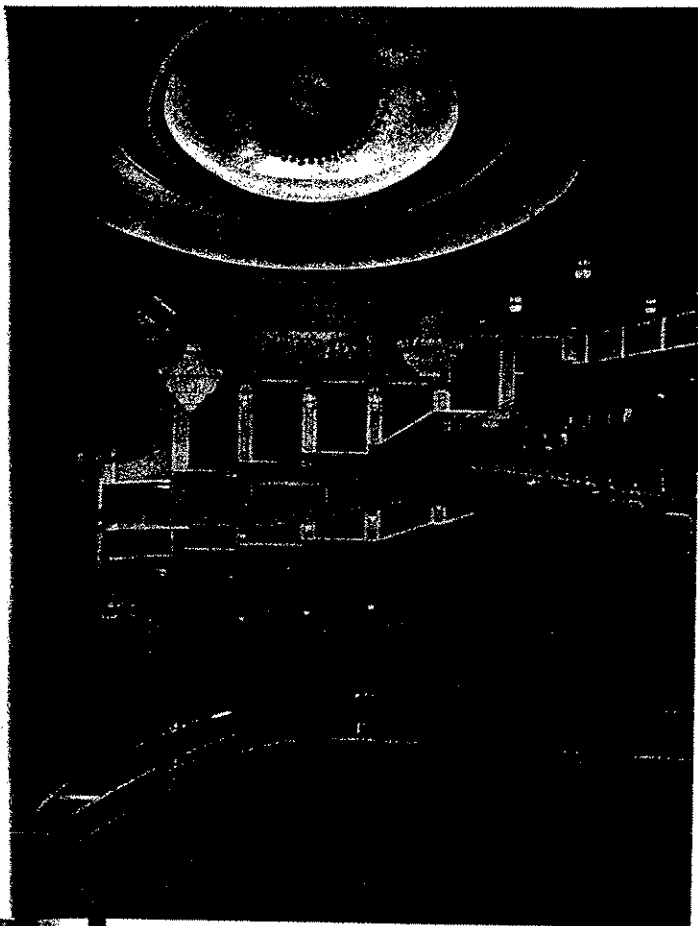
Public-assembly facilities, like other hospitality enterprises such as hotels and theme parks, are management-intensive. And, although high-quality services and cost-effective management can enhance the quality of events and increase occupancy, such factors are rarely able to influence a facility's need for subsidy, which is determined primarily by the terms of its leases with primary tenants. Moreover, the lease terms that specify the distribution of day-of-event revenues and responsibility for event-related expenses are normally negotiated by the building owner, not by management. Thus, management cannot determine whether the bottom line will be written in red or black ink until lease terms and operating policies and procedures have been set by others.

This chapter explains how a facility's physical characteristics and level of use can affect the size of the operating surplus or loss; however, it is important to keep in



EXHIBIT

I



The new Ford Center for the Performing Arts, in New York City (shown at left and above), combines preservation with new construction. Erected on the site of the famous Lyric and Apollo Theaters (constructed in 1903 and 1920, respectively), it incorporates many elements from the theaters, including the Lyric's facades. Ceiling domes, the proscenium arch, sail vaults, and side boxes from the Apollo were restored and installed in the new theater. Frederick Charles. Courtesy of Beyer Blinder Belle.

mind that the need for operating subsidies is ultimately determined by the major "deal points" of the lease agreement. In the case of major-league sports venues, the deal points that determine net operating surplus (or loss) define how the team and the facility will share revenue from naming rights, food and beverage sales, premium seating, and parking. In the case of convention centers, financial operating performance depends on the mix of business (trade versus professional associations, or associations versus consumer or public shows) and on whether or not the center can operate its own exclusive event and food services.

## Operating Revenues

### Rentals

**Arenas and Stadiums.** In older sports venues, the rental revenue that a facility received from an event presented by the tenant or lessor was usually a single fixed rate—for example, 10 percent of gross ticket sales.

Family shows normally paid less rent than concert promoters. Over the past two decades, however, a wider array of rental arrangements have been developed that typically reduce the rent paid, as well as the financial risks assumed by concert promoters and team owners alike.

During that same period, professional sports leagues have opted to limit the number of new franchises, driving up the prices paid for expansion teams and increasing competition among communities (and now states) for resident teams, to the benefit of the team owners. This heightened demand has also enabled team owners to secure single-purpose venues (for example, baseball-only versus baseball/football venues) and to obtain more of the cash flow from operations (as an inducement to team owners, facility owners have increased the proportion of "building revenues" that go to the teams).

Also during the past several decades, more venues have been built that serve two or more market areas. And while the supply of stadiums and arenas has increased, the supply of performers seeking such venues has declined because there are fewer touring acts, and those that remain are making shorter tours. At the same time, outdoor amphitheaters accommodating 10,000 to 30,000 attendees have been built in 20 of the top 25 markets.

In sum, these changes in the supply and demand factors affecting stadiums and arenas have resulted in (1) lower rents for venue owners; (2) more single-purpose venues for major-league sports; and (3) the transfer of profit centers and significant portions of cash flow, which had previously been retained by the facility, to professional sports teams and touring acts. Facility owners and concert promoters are being forced to survive on lower margins and to absorb some or all of the financial risks of poorly attended games or concerts. Previously, team owners, promoters, or performers absorbed a greater share (or all) of these risks.

Between 1988 and 2000, more than 80 percent of NBA and NHL teams moved to a new arena, had one under construction, or obtained a commitment from a government entity to develop a new arena for them. The relocation of teams and expansions in major leagues have likewise resulted in a wave of new stadium construction. Faced with players' escalating salary demands and the instability of broadcast revenues, team

**FIGURE 8-1****Operating Statement for a New NBA/NHL Arena (in Millions): Illustrative Example****Operating revenues**

Net rental	\$6.0
Net from suite leases	11.0
Net for premium club seats	3.0
Net food and beverage	4.0
Net merchandise	0.3
Net event services	0.7
Net parking	2.3
Advertising and naming	2.7

**Gross operating revenues \$30.0****Operating expenses**

Salaries, wages, and benefits	\$4.5
Utilities	1.7
Insurance	0.5
Maintenance, materials, and supplies	0.9
Nonreimbursed event costs	2.4

**Gross operating expenses \$10.0****Net operating revenues \$20.0**

owners in disparate markets have been compelled to seek parity with their competitors' increased financial strength; thus, actions that may have been initially attributed to a team owner's greed must now be acknowledged as essential to attaining a "level playing field"—financial parity with competing franchises. Often, the only way to obtain such parity is to take advantage of the new revenue sources that only a new building can provide:

- Premium seating, such as box suites and club seats
- Event parking that is controlled by the facility
- Revenues from other arena (e.g., non-sports) events
- Naming rights and other sponsorship opportunities
- Increased food and beverage services, facilities, and sales

- Income guarantees, in the form of payments or rent reductions, when attendance declines below a specified level
- In a single-purpose venue, rights to all the revenues that would have been shared with a second team in a dual- or multipurpose center.

Although new agreements occasionally provide rental rates that seem comparable to those in previous agreements, new agreements usually include provisions that (1) entitle the team owner to additional income from new revenue sources or (2) require the facility owner to provide, free of charge, event-related services (such as day-of-event staffing and setup, use of practice facilities and office space) that had been charged separately to the tenant under the terms of the older lease.

New arenas typically provide \$5 million to \$15 million more in net operating income than pre-1980 venues. (Figure 8-1 is an illustrative operating statement for a sports venue.) Older facilities normally do not offer suites, club seats, or naming rights. Added revenues are also realized for additional seats (10 to 20 percent), more profitable concession facilities, parking, and so on. The amount depends on the extent to which debt service on the new facility is funded from net operating revenues or subsidized by revenue pledged from other sources. An analysis of arena leases negotiated between 1985 and 2000 reveals that revenues pledged to pay debt service from non-center-related sources ranged from 10 to 80 percent, with most leases being in the 20 to 40 percent range.

Rental formulas reflect the increased complexity of team and building financing. Many agreements set a minimum rent, then provide for additional rent calculated as a percentage of the added revenue generated by increases in attendance levels. Such arrangements vary with the strength of the tenant's and landlord's desire to trade off financial risks—for example, to forgo the potential for extraordinary financial gains from an unusually successful season in return for the security of breaking even despite low attendance.

Similar agreements are structured with concert promoters, who guarantee large fees—95 percent of the box-office receipts—to superstars and hope that a sellout performance will enable them to obtain their maximum fee of 5 percent. In exchange for the higher revenues generated by the superstar from food concessions, parking, event-service fees, and a percentage of merchandise sales (posters, recordings, T-shirts), the

...ding owner accepts a "free rent" deal. (For some ... or acts, merchandise sales per attendee exceed the ... age ticket price.)

In the largest markets in the United States it is possible for teams to absorb all operating and debt-service costs (e.g., MCI Center, Washington, D.C.; United Center, Chicago; Staples Center, Los Angeles; and Madison Square Garden, New York City), but it is not required. If the team owner is unable or unwilling to be exposed to future operating losses (even though such losses may be offset by future sale of the franchise), it is not unusual to find some of the most generous public subsidies in these same metro markets.

**Convention Centers.** Only rarely is it possible to compare rate schedules for two different convention centers. The rent paid by a convention or trade show is determined by a number of factors, including the following:

- The number of days required to move in, convene the delegates, present the event, and move out
- The amount of exhibit space and meeting-room or ballroom space required
- The amount of exhibit space rented to exhibitors
- The specific dates or seasons (e.g., holiday periods) in which events are held, and the number of hotel rooms occupied
- How far in advance of an event the agreement is signed or the deposit is paid
- Which furnishings, equipment, or services are included in the rental
- The number, type, and cost of food-service functions, cocktail receptions, and the like.

An effective rental rate per attendee or per occupied square foot of exhibit space can be calculated in the same way that a hotel calculates the ADR (average daily rate) earned per occupied room. Today's effective rental rates range from 4 cents to 10 cents per gross square foot of exhibit space per day. (These rates do not reflect complimentary services or equipment, nor do they reflect rebate arrangements with hotels, under which the center reduces its standard rental rates as an inducement to an association to hold its event there, and hotels pay the center a rebate to help offset the reduction in rental rates.)

Unlike spectator venues, convention centers cannot increase rent to offset inflation by linking rent to a percentage of gross box-office revenues. In fact, in terms of

constant dollars, effective rents at convention centers have declined in response to tenant resistance to increases in rental charges. Centers in the most attractive markets and destinations have used a number of means to protect their operating margins (ratios of operating revenues to expenses):

- Increasing parking rates (if they have parking facilities)
- Marketing (exclusive or nonexclusive) event services such as electrical (connection) services, booth security, and Internet service
- Offering a wider variety and a higher quality of food and beverage services
- Competing more aggressively for local banquets, receptions, and other assemblies
- Charging extra fees for services or equipment that were previously provided as part of the rental fee.

Convention center rental agreements and terms are wider and more diverse than they were 30 years ago—shifting, for example, from "four walls, broom-clean," in 1970 to fully decorated halls and meeting rooms, including a microphone and speaker's podium, in 2000. In the early 1990s, one center in Australia offered the use of its fully equipped and furnished center for a fixed price per attendee that included, in addition to the use of the center, lodging, meals, local transportation, and round-trip air fare from North America.

Until the mid-1980s, many major convention centers did not have a banquet hall or catering kitchen. Neither lobbies, prefunction areas, or corridors were designed to accommodate food-service operations, and eating and drinking in carpeted areas were often discouraged. It was assumed, or even required, that any major receptions or food functions would be held in a hotel ballroom. Although exhibit halls offered built-in spaces in perimeter walls for stadium-type food concessions, the trade-show manager could accommodate more booths by closing off these wall openings; moreover, locating buffet lines and food stands elsewhere within the exhibit area—or in the hallways outside the exhibit area—created an opportunity to strategically influence visitor flow. Because the show producer did not share in the revenues from food sales, however, offering valuable space for such services was regarded as a necessary inconvenience to prevent attendees from leaving the exhibit.



The new, 530,000-square-foot (49,200-square-meter) Puerto Rico Convention Center, in San Juan, will be located in the all-new Americas World Trade District, which is the site of the former military installation on Isla Grande. Parcels to the east and west of the convention center will be left open for future expansion. A covered pedestrian connection to a proposed 800-room hotel, as well as water-level walkways, will link the district to the center. *Courtesy of TVS.*

Today, however, modern convention centers in attractive destinations and large markets may earn as much as 50 percent of their net operating revenues from their share of food and beverage sales. For conventions with and without trade shows and for consumer shows, food and beverage sales per capita can range from less than \$1 per person to over \$20, depending on the type of event and the length of stay. Products are offered from pushcarts; portable stands; sidewalk cafés; themed food courts; cafeterias; “branded” food outlets; formal, white-tablecloth banquets offering five-course, restaurant-quality meals; and banquets featuring tableside, or “Escoffier” service. Over the past two decades, many convention centers have made the transition from concession stands to haute cuisine; nevertheless, it remains a challenge to decorate an exhibit hall to look like a ballroom and to serve tasty meals that are prepared off site and that arrive fully assembled in the back of a truck.

**Performing Arts Theaters.** In spite of claims to the contrary, public-assembly facilities do not, as an industry, conform to uniform standards of accounting. For a team that owns its own arena or stadium, revealing the details of the venue’s financial operating performance is

entirely discretionary—as discretionary as the amount of revenue the owner chooses to attribute to rent, to the sharing of naming rights, and so forth.

Nowhere is this more confusing than in the case of theaters. Like a sports team or the owner of a spectator venue, the opera company or symphony that owns the theater in which it performs may show, or is free to not show, income and expenses for the theater as separate from those for the orchestra or opera company—or to show a consolidated financial operating statement (combining income and revenue for the building and the performance group). And, like sports venues and convention centers, a performing arts facility may commingle income from government contributions, endowments, fund drives, and its share of a dedicated tax with other income from building operations. Similarly, if the anchor tenant owns the theater, the amount of rent or share of parking revenues it decides to show as earned income is purely arbitrary. Consequently, although nearly all theaters incur operating losses (ranging from a few hundred thousand to several million dollars a year), many adamantly claim that they have break-even operations—or even operating surpluses—after including income from endowment funds, pledged tax revenues, or economic rents paid by outside organizations that depend on non-operating sources for 90 percent of their income.

In 1999, one opera house claimed to have reduced the operating costs of its building by reducing the number of musicians, chorus members, and other full-time employees on its payroll from 430 to 275. Because the opera house viewed the financial operations of its building as encompassing the opera company, the chorus, and the orchestra, it viewed the reduction in the number of employees on its permanent payroll as a savings in building operating costs! Another theater claimed break-even operations after receiving rental income from its resident companies, who share in the distribution of \$27 million per year in local tax revenues and the income pledged from a \$110 million endowment.

Although orchestras and ballet and opera companies in the United States do not enjoy the level of government support provided to their counterparts in Europe, these cultural resources would not exist on either continent without 30 to 90 percent of their operating costs being contributed by private or government donors.

### **Parking**

For a public facility located downtown, the higher land costs are usually offset by the reduced number of on-site parking spaces required and by higher income from the use of parking facilities. Although land costs may be lower in an exurban setting, a 70,000-seat football stadium could require 200 acres (101 hectares) of surface parking that might be occupied for only 12 to 15 days per year. By contrast, parking decks in downtown Atlanta, which serve the Omni Arena and the Georgia Dome, are available on weekends and evenings for game attendees and are filled every weekday by downtown employees. Of course, if a venue located in the center city only needs to supplement existing parking with 2,000 to 5,000 reserved spaces for VIP parking, it is not essential to acquire the 200 acres (101 hectares) that would be needed for parking in an exurban setting. Similarly, estimates of parking revenue must be adjusted if a large share of attendees are expected to arrive by public transit.

On a peak day, a crowd of several thousand may attend a large trade show at a major convention center. Thus, parking requirements may be calculated on the same basis as for spectator venues. Unlike ball games and concerts, however, major trade shows are more likely to be held on weekdays, and attendees' arrivals and departures will be spread over the entire day. Because trade shows may attract 30 to 40 percent of

their attendees from among residents of surrounding metropolitan areas traveling by private automobile, unless a park-and-ride rail system is available, the center should be prepared to offer 5,000 or more unoccupied parking spaces for attendees or risk losing events to centers or markets that can provide such facilities.

Parking rates are determined by the importance of an event and by local customs. Some fans are elated to find a parking space near Madison Square Garden even though the four-hour charge is \$50. However, potential visitors to a boat show in a suburban market may refuse to attend the event if asked to pay even a nominal \$2 parking fee. Compared with poor food-service facilities, inadequate parking facilities can have an even more adverse effect on gross revenues. If parking is perceived to be insufficient or too expensive, or if attendees believe that parking facilities are unsafe or anticipate long delays when they leave a multilevel garage after an event, a facility's marketability—as measured by attendance at events—will be compromised. Even when the potential risk of assault or an auto break-in is statistically lower than at suburban shopping malls (which are unjustifiably perceived as more secure), downtown venues must make extra provisions to overcome any public perception of safety or security problems.

### **Premium Seating**

From the days of the Roman Coliseum, when the emperor enjoyed a reserved ringside seat, to more recent offerings, such as the restored box seats at the Ford's Theatre, in Washington, D.C., spectator venues have had a long history of accommodating VIPs in preferred seating areas. During the last quarter of the 20th century, stadium, arena, and franchise owners discovered that premium seating, in the form of luxury box suites and club seating areas, has the revenue-generating potential to finance an entire facility. Texas Stadium, in the 1970s, and, to a greater extent, Joe Robbie Stadium (now known as Pro Player Stadium), in the 1980s, are perfect examples of the successful use of this strategy. Companies that rank among the largest employers in their communities have proved to be prime candidates for luxury box suites, while upper-income individuals have been the major target market for club seats.



For the right to reserve a private box suite or a club seat in a preferred location, with extra leg room, access to a members-only club concourse, preferred parking, and upscale food service, spectator venues for major-league sports typically generate a premium of \$500 to over \$1,000 per seat per season, in addition to higher prices for tickets. In 1995, premium seats attained their highest level of stratification to date at the United Center in Chicago, which has six concourses: three serving the public, and three accessible to holders of box suites and club seats only.

Long-term revenue potential from premium seating is determined primarily by four factors: (1) the number of large corporate employers in the market; (2) the number of high-income households in the market; (3) the number of local, competing, major-league venues with premium seating; and (4) the relative popularity of the team. The sales of premium seats can also be temporarily influenced by civic boosterism, as in Albany, New York, or by special events like the Rose Bowl, but such conditions cannot be relied on once the first lease term has expired.

Revenue streams from premium seats are produced at major college football stadiums, choice venues for minor-league baseball, amphitheaters, and major soccer stadiums throughout Europe. One university in the southeastern United States has had great success in leasing long-term parking spaces near its football stadium for "premium tailgating" privileges.

The revenue generated from seat locations is perhaps most segmented in theaters for the performing arts. The auditorium, first balcony, and box seats are often divided into sections reserved for annual donors to the theater or to its prime tenant. Depending on the level of annual contributions (from a few hundred to tens of thousands of dollars), individual or corporate patrons will be offered tickets in locations for "Friends," "Associates," "Headliners," "Directors," "Producers," "Fellows," "VIPs," "Angels," the "Chairman Council," or the "Gold Circle."

### **Permanent Seat Licenses**

NFL venues in St. Louis and in Charlotte, North Carolina, have succeeded in obtaining \$50 million and \$140 million, respectively, from the sale of permanent seat licenses (PSLs). Charlotte's NFL stadium offers the

only truly permanent seat license in professional sports; the America's Center, in St. Louis, sells what it calls a "personal" seat license, which, although it lasts only 30 years (the length of the stadium's bond-financing term) is tantamount to a permanent seat license, since the life of the stadium (or the residency of the team) may not exceed this term.

In August 1995, Oakland, California, attempted to sell ten-year seat licenses with a five-year renewal option, but the effort was not completely successful because many observers believed that, given its limited term, the seat license was not marketable as an asset that could increase in value and would not be viewed as having the same value as a lifetime license.

To date, no arenas in the NBA or NHL have sold PSLs. The closest thing to a PSL can be found at the Charlotte Coliseum, which granted "charter seat rights" to purchasers of charter season tickets. Before Charlotte gained its NBA franchise, a "wannabe" fan who paid a deposit of \$300 to \$500 for season tickets was guaranteed the right to buy season tickets for that specific seat location for a lifetime, and the deposit was applied to the season-ticket purchase. Approximately 15,000 deposits were collected on a total of 23,000 seats. Once the city was awarded the NBA franchise, however, the ultimate cost of the right to the seat was zero, because the money was applied to the purchase price of the season ticket. Thus, the arrangement is not a true PSL. On the other hand, the original purchaser's right to buy season tickets (or charters) for specific seat locations was and is transferable, and rights have changed hands for between \$2,500 and \$25,000.

### **Naming Rights**

The value of naming rights as a revenue source is determined by factors similar to those that affect the value of premium seating: the number of pro teams based at the facility, and the prestige of the teams or of the city in which the venue is located. For a given event, values are further enhanced to the extent that the sponsor's name and corporate logo are repeated in key locations to increase their exposure to TV audiences.

### **Event Services**

Revenues from event services such as concessions, catering, audiovisual, security, cleaning, and telephone service are very important to convention centers. As mentioned earlier, event services are one of the limited means by which centers have been able to increase operating income and offset real-dollar declines in rental

revenues. The local political climate, however, often prevents centers from competing with local businesses offering these services.

### **Advertising and Promotions**

Revenues from advertising and promotions apply almost exclusively to spectator venues. By combining advertising (display panels, hockey dasher boards, scoreboards) with special-event sponsorships, broadcast advertising, new-product introductions (rollouts), program advertisements, and pouring rights (for beverage distributors), spectator facilities have learned to create custom packages involving various types of trade-outs, such as flexible payment schedules and the use of luxury boxes. Similarly, it is becoming customary for theaters to obtain corporate sponsorship for many of their more prestigious events.

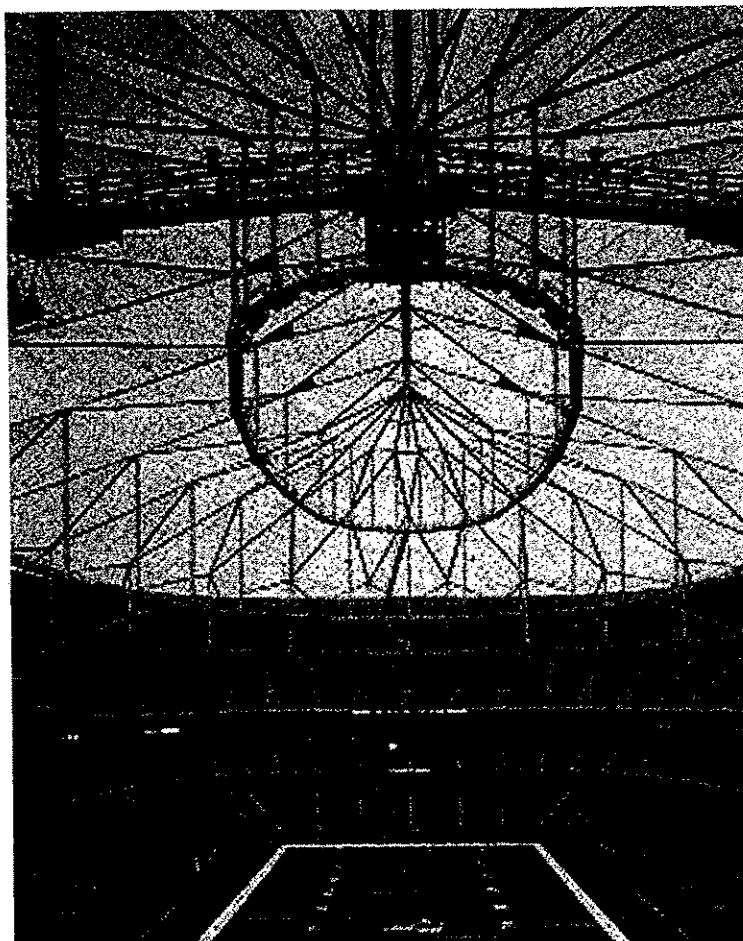
### **Operating Expenses**

Management opportunities to influence operating expenses are extremely limited. Control over payroll costs is largely restricted by the level of use and by local labor conditions. Venues with 100 or fewer events per year, for example, generally maintain a small staff of permanent, full-time employees and have to "staff up" for events; venues with 250 events per year, in contrast, can afford to retain regular, full-time employees to staff key day-of-event services; facilities that offer more events thus have a financial advantage, because they can charge event producers less than they might otherwise have to pay for less skilled and less reliable temporary event-day employees. Facilities that hold events more frequently can make similar decisions about contracts for functions such as event security and janitorial service.

If a team is managing a center, the venue owner can save money by relying on the team's marketing staff or accounting department and paying the team for a pro rata share of such expenses; this arrangement avoids duplication of staff, office space, and so on. Because there are so many approaches to staffing a public-assembly facility, it is rare to find two facilities with similar staffing plans, payroll costs, expenses for contract services, or numbers of employees; thus, it is rarely appropriate to compare different facilities' bottom lines.

### **Insurance**

Insurance costs for public-assembly facilities typically consist of premiums for property and liability insurance. The cost for each type of coverage is based on the value of the building, the types of events hosted, and



The Georgia Dome, in Atlanta, home to the NFL Atlanta Falcons, is also an integral part of the Georgia World Congress Center. When the artificial turf is removed and stored, an exhibit-hall floor is revealed—complete with utilities similar to those of the exhibit halls next door. The Dome, however, has no columns, and offers virtually unlimited ceiling height. Copyright Brian Gassel. Courtesy of TVS.

the number of attendees. Insurance companies specializing in coverage of public-assembly facilities are reliable sources for estimates of these costs.

### **Utilities**

Utility costs for a public-assembly facility depend on local costs for electrical and other utilities, the facility's level of use, building size and efficiency, and the number of degree-days (days requiring use of air-conditioning or heating). Even when the temperature outside is below freezing, it may not be difficult to supply enough electricity to heat an arena filled with more than 20,000

spectators, each of whom is radiating heat. But at the same outside temperatures, ensuring enough heat for attendees' comfort in a half-filled facility will require considerable energy.

Computer-based energy-conservation systems have proven to be cost-effective investments if costs are amortized over the life of the equipment. These systems adjust the lighting for full occupancy, partial occupancy, cleaning crews, or TV broadcast requirements and turn the lights off when rooms are not occupied. Given any combination of outside temperature and humidity,

although the costs for marketing activities may be included in broad line items such as salaries, travel, and supplies.

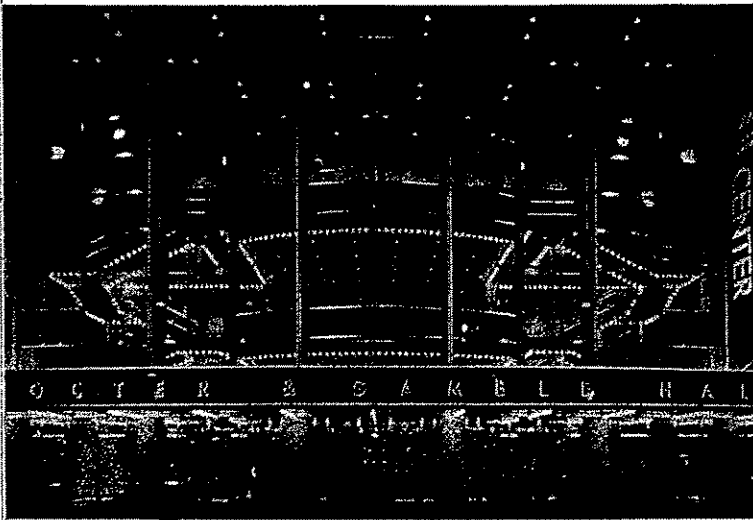
Public-assembly facilities that enjoy high occupancy rates recognize the value of promoting themselves as the region's "entertainment center," and they encourage market-area residents to review their event schedules as routinely as they might scan the current offerings at a local multiscreen cinema or performing arts center. With the increasing competition among the growing number of sports and entertainment venues, sales and marketing staffs must often secure a sought-after touring act by promoting their venue as "the place to be" and offering event promoters a range of cost-effective advertising programs. Discounted advertising rates, trade-outs, and promotions with local deejays or other celebrities are examples of established strategies from which an event promoter may benefit—and which many promoters have come to expect.

It is not unusual to find a convention center that is marketed by a team of professionals from four or five separate organizations: building sales staff, the local CVB, hotel sales staff, food-service contractors, and event producers. Each organization benefits from a well-attended event. When a professional marketing staff aggressively solicits events for dates within the 12- to 18-month advance booking period (during which additional major trade shows or conventions are unlikely to schedule), convention centers have fewer dark days.

Typically, the CVB is primarily responsible for securing events that attract out-of-town attendees and require multiple hotels; professional and trade-association events are examples. The facility's sales staff focus on corporate meetings, consumer shows, social and civic events, merchandise sales and shows, and a wide range of other activities requiring the use of meeting rooms, ballrooms, exhibit space, and related services. These users' requirements are too large to be accommodated in local hotels or restaurants, and demand for the facility may arise when private local facilities are fully booked—for example, during the holidays.

### **Reserves for Major Repairs and Renovations**

Public-assembly facilities serve big-business users and routinely host events that attract massive crowds. When 50,000 teenagers have jammed into a stadium for a concert, or when 20,000 enthusiastic fans have paid \$50 per ticket for an arena seat to view a highly publicized, closed-circuit-TV boxing match, a lighting



The Aronoff Center for the Arts, in Cincinnati, has given new life to the downtown arts district. Copyright Jeff Goldberg/Esto. Courtesy of Cesar Pelli & Associates.

building occupancy, and events or activities taking place inside the building, such systems also regulate the use of heat, air-conditioning, ventilation, and the recirculation of internal air so as to minimize energy costs.

### **Marketing and Sales**

Like depreciation and reserves for repairs and renovation, marketing and sales expenses are often not included in the operating statement for a public-assembly facility. Arenas, theaters, and stadiums usually depend on their primary tenants or on event producers to market or promote each event. Although convention centers often rely entirely on the sales staff and budget provided by the local CVB, such arrangements are inadequate for centers that wish to maximize their event-related income. Most successful centers provide their own in-house sales staff,

or sound-system failure would be disastrous. Similarly, a trade-show promoter or convention organizer may have hundreds of thousands of dollars committed to a successful exhibition, and a building that detracts from the guests' experience and appreciation of the major investments in exhibits is not likely to be selected again.

Nevertheless, budgeting and financial planning for public-assembly facilities do not always provide adequate reserves for the replacement or repair of capital equipment and for the periodic renovations or updating that are required to retain marketability. Such oversights can result in costly unanticipated shutdowns, violations of lease agreements with anchor tenants, damage to public relations, and erosion of market share. Most major capital expenses are predictable, and adequate reserves to cover both periodic updating and unforeseen breakdowns can be budgeted. Private entrepreneurs do not want to wait for a town council's budget to be resolved before they are assured of a successful event. With proper business planning, promises can be kept and the public's confidence in the facility sustained. (It is worth noting, along these lines, that an appraisal of the net value of a facility—its value after depreciation—should consider the remaining useful life of chairs, carpets, mechanical systems, and other furniture, fixtures, and equipment, in much the same way as it would consider the cost of deferred maintenance as a reduction in the building's current value.)

### **Nonreimbursed Event Costs**

Accurate cost accounting is essential for making effective management decisions. Many managers of public-assembly facilities maintain a separate bank account into which they deposit funds paid by event producers for reimbursement of day-of-event costs, such as those for ushers, ticket takers, security, and postevent cleanup. Funds from this account are disbursed to pay the tem-

porary workers and service contractors who make up the day-of-event labor pool.

The decision not to commingle operating revenues—which are dedicated to paying annually budgeted, fixed operating costs—with revenues received to pay day-of-event expenses is a means of preventing the misapplication of the revenues that are dedicated to event costs. Although many facilities offer fixed-price or package deals that include rent, event staffing, and so forth, it is still important for management to keep track of fixed costs versus variable, event-related costs. Event-related labor costs for which the facility is not reimbursed by the tenant should be deducted from the rental income for the events involved. In this way, the manager can compare the profitability of these events with that of other events in the facility and with similar events in comparable facilities.

### **Operating-Subsidy Requirements**

A variety of taxes may be used to finance the operations of public-assembly facilities. Most important to financial stability is the pledge of a dedicated source of income, such as taxes levied on tickets for events at the facility or special taxes derived from a stable revenue stream outside the facility, such as hotel-room rentals. If the facility's net operating cost becomes a line item in the local government's annual budget, the facility is doomed to compete for funds each year with municipal or county departments providing vital community services such as public housing, police, and fire protection. Furthermore, annual fund allocations will be heavily influenced by the all-too-frequent budgetary setbacks suffered by governments: declines in certain tax revenues, increases in labor contracts, across-the-board cuts, and the like. A facility that needs funding to pay net operating expenses would be well advised to delay development until a dedicated revenue stream or tax can be obtained.





648 North Plankinton Ave., Suite 425, Milwaukee, WI 53203

February 25, 2005

Craig H. Zetley, Esq.  
Chairman  
Board of Zoning Appeals  
City of Milwaukee  
809 N. Broadway  
Milwaukee, WI 53202

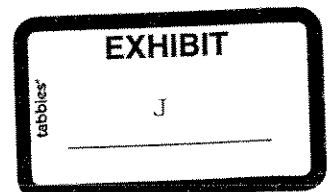
Dear Mr. Zetley,

This letter is written in support of the application of the Wisconsin Center District for a use permit for the continued use and expansion of its Wells Street parking lot. In order to be able to attract conventions and other visitor activities to our City, and especially to the three venues operated by the Wisconsin Center District, it is important to have close, convenient parking. On behalf of the VISIT Milwaukee (formerly Greater Milwaukee Visitors and Convention Bureau) we respectfully urge approval of the District's application. Thank you for your consideration.

Sincerely yours,

A handwritten signature in black ink, appearing to read "D. Neilson", with a stylized flourish at the end.

Doug Neilson  
President & CEO





**Goal**  
 To coordinate parking facilities with information signs indicating vacancies, and with the transit system connecting to all activity generators

**Objectives**

- Provide a system that allows people to park their car once and circulate throughout downtown on transit or by walking.
- Enhance visibility of parking decks.
- Provide information on space availability, capacity of parking decks and costs.
- Locate transit stops in close proximity to parking garage entrances.

**Benefits**

- Enhanced utilization of existing parking structures.
- Enhanced pedestrian mobility improves business viability.

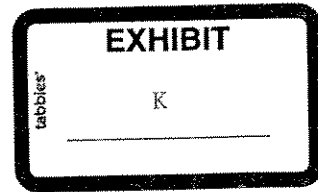
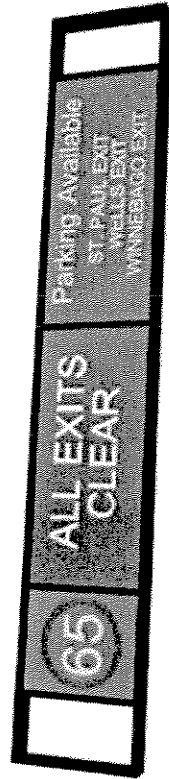
**Responsible Parties**

- Parking Facility Owners and Operators
- The Downtown Management District
- The City of Milwaukee
- Department of Public Works
- Milwaukee County
- Milwaukee County Transit System

**Rationale**

A managed system of street signage, parking deck signage and the transit system, the Park Once concept will allow visitors, residents and employees to park and not have to use their car again to travel within Downtown.

# Park Once



Those who park Downtown on a regular basis know where parking spaces exist. Infrequent visitors, however, are unfamiliar with the locations.

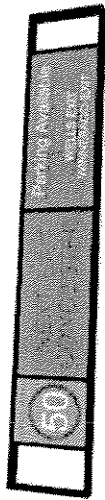
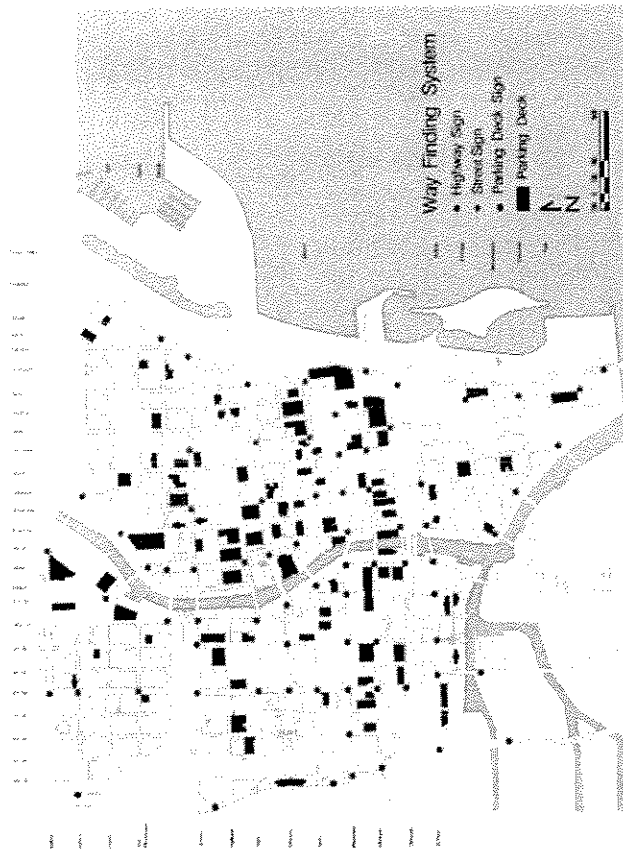
**Recommendations**

Returning downtown to a pedestrian-friendly environment where one is not dependent upon a car requires a multi-faceted approach to insure that the "Park Once" concept functions smoothly. The distance between activity generators, though destined to infill with development, will not be decreased. Parking decks must be linked to transit stops and activity generators through a complementary pedestrian way-finding system.

The Plan recommends freeway signs to direct drivers to available parking decks and deck signs to indicate space availability. If decks are full, the signs will indicate locations with parking available. Street signs identify transit stops; trolleys lines are located adjacent to all parking facilities. The Plan recommends that directional signage be designed in a distinctive shape and color combination to maximize visibility.







ABOVE: Highway sign directing drivers to parking facilities



RIGHT: Sign indicating where a parking deck is located



LEFT: Sign indicating the availability of parking



LEFT: Sign indicating location of major pedestrian destinations





# West Kilbourn Avenue Streetscape Improvements



Photostimulation illustrating West Kilbourn streetscape improvements



**EXHIBIT**

L

### Goal

*To improve streetscape elements along West Kilbourn Avenue in order to strengthen the linkage between Downtown's two prominent civic structures, the County Court House and City Hall*

### Objective

- Frame the view of the County Court House Complex.
- Spatially define the streetscape with buildings, lights, banners and trees of a scale appropriate for the symbolic procession.

### Benefits

- Enhance pedestrian connections between civic complexes.
- Encourages definition of Civic Precinct.
- Enhances the overall Downtown image.

### Responsible Parties

- City of Milwaukee
- Department of Public Works
- Abutting Property Owners
- Wisconsin Center District Board

### Rationale

Kilbourn Avenue performs an important civic function linking City Hall to the County Court House complex. The elevated County Court House creates a dramatic visual termination for Kilbourn Avenue. Significant streetscape enhancements would transform Kilbourn into a street that proclaimed this important civic function.

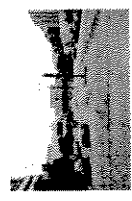
### Recommendations

This critical symbolic connection between City Hall and the County Court House Complex requires appropriate physical streetscape. The Plan recommends that the pedestrian experience along this street be commensurate with the surrounding civic functions. The pedestrian crosswalks must be clearly defined with high quality materials that bespeak the importance of the street.

Pedestrian linkages between Kilbourn Avenue and the cross streets should clearly announce the proximity of this important street.

The Plan recommends the following to create the transformation:

1. Construct a low stone edged planted median. The low wall has a reinforced concrete curved edge faced with granite. The plantings in the median must be colorful, seasonal and low enhancing, not obscuring, the view of these important civic structures.
2. Plant edge street trees of large caliper (4 to 6 inches) sixteen to twenty feet high in a regularly spaced pattern. Trees that grow high and broad should be selected. Tree grades of appropriate scale are required.
3. Install both civic-scaled lights with lower pedestrian-level lighting.
4. Install large colorful banners on the poles.
5. Install other street furniture like benches, trash receptacles, bollards, etc.
6. Re-name the street to Kilbourn Boulevard.
7. Revise zoning to intensify the building wall on West Kilbourn to between 6 and 9 stories.
8. Design a monumental staircase to MacArthur Square.
9. Discuss with the county the possibility of designing and placing a monumental sculpture on top of the main facade.



Existing condition, Winter 1998