
THE BREWERY™

A Joseph J. Zilber Historic Redevelopment

LINDA
Blumer

June 14, 2007

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Brewery Project LLC

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and Owner

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KM Development Corp.
Director of Construction

Kevin Mantz,
Architect
KM Development Corp.
Director of Design

Gary Condon,
Project Superintendent

Alderman Michael S. D'Amato
City Hall, Room 205
200 East Wells Street
Milwaukee, WI 53202

Dear Alderman D'Amato:

At the Tuesday, June 12, 2007 Zoning Neighborhood and Development Committee we were asked to provide each member of the Common Council with an update on our development plans for the former Pabst Brewery. Here is a block by block update:

Block 1 – This block is located in the northeast portion of the complex and is adjacent to the former Park East Freeway. It is a 2.8 acre site. No buildings currently exist on the site. We are actively marketing this new construction opportunity. Housing, retail and/or office uses are appropriate for this site. We need to acquire a ½ acre parcel from the County to complete the site.

Block 2 – We are working on converting Building 42 (former shipping center) into an international trade import/export center. This development concept takes advantage of the recent EB-5 immigration zone designation that Milwaukee (through the MMAC) was recently granted.

Block 3 – Building 29 (Bottling building) is undergoing equipment removal, environmental abatement and interior demolition activities. Redevelopment alternatives include potential conversion of a portion of this space into a corporate and/or workforce training center as well as retail, housing or office use. The building is being actively marketed for sale. The remaining 3 buildings on this block are owned by Brew City Redevelopment Group, LLC which is pursuing their own redevelopment plans.

Block 4 – Building 9 (Keg house) is under contract to Gorman and Co. who have plans to convert this building into approximately 95 apartments. Building 3 (noncontributing tank building) is being completely removed and will be featured on an upcoming episode of the History Channel's Bone Yard Series as an example on how to create a new neighborhood through selective demolition and historic preservation.

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The remainder of the block is comprised of "tank" buildings. These buildings, which housed hundreds of steel fermenting tanks, are not suitable for adaptive reuse. In cooperation with the State of Wisconsin's historic architect we are attempting to gain National Park Service approval for adaptively reusing portions of the historic tank buildings as a parking structure. As you look at our conceptual site plan you can see how we will retain the first structural bay of buildings 1, 2, 4, 5, 6, 7, and 8 and programming the interior of this block with a parking deck. Significant ground floor retail will be placed into the first floor areas of the historic tank buildings. The end result will be a development that retains the historic character and canyon effect of the Juneau Avenue portion of the brewing complex, while providing needed parking and ground floor retail. This innovative concept requires substantial financial assistance which we will seek by qualifying for historic tax credits, new market tax credits and a creative permanent financing package. We have the indication of support from The Wisconsin Historical Society for the historic tax credits, but we must also secure the support of the U.S. Department of Interior's National Park Services. That approval process is proving to be more difficult than expected. We will need the active support from the Common Council, the Mayor's office and the local preservation community to insure that we can retain the historic context of this block.

Block 5 – This 2.5 acre site overlooks Interstate 43 in the northwest corner of the complex. No buildings currently exist on the site. We are actively marketing this new construction opportunity. We believe it represents one of the finest corporate headquarters site in the State.

Block 6 – Demolition of Building 17 (Hops building) and of 2 small additions (20A, 21A) has been completed. We have also received permission to remove Building 22 (Power house). We have requested that Building 11 (Dried grain building) be approved for demolition. Our request appealing an HPC decision was approved by the Council's Zoning, Neighborhood and Development Committee by a 4 to 1 vote and is awaiting action at the next meeting of the Common Council. The remaining 6 historic buildings on this block are undergoing equipment removal, environmental abatement and interior demolition activities. Building 10 is under contract to a local development group which will reuse it as a multi-tenant office building. The developers have already secured commitments for approximately half of this building's space. The remaining buildings are being actively marketed for sale. We have several prospects expressing strong interest in these buildings. We are also marketing a 28,000 s.f. land parcel located in the southwest corner of this block.

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Block 7 – Building 23 (church) is undergoing equipment removal, environmental abatement and interior demolition activities. Building 24 (original grain bins) has been fully abated and Building 25 (Malt House) will undergo asbestos abatement activities during July. We are currently working with a fine arts group on a possible reuse of the church. In addition Buildings 24 and 25 may play a key role in the proposed Graduate School of Public Health and related facilities that are being developed by UWM.

We have also attached our most recent conceptual master plan as well as our July 27, 2006 initial Phase I Demolition and Abatement Plan. As we create Milwaukee's next great neighborhood, built on the themes of historic preservation and sustainability, we are committed to developing this area of our city so that all of us will be proud of what this public-private partnership has accomplished. Please don't hesitate to contact John Kersey, President of Brewery Project LLC at 414-274-2509 or me if you have any questions, comments or concerns regarding this matter.

Sincerely,
The Brewery

A handwritten signature in cursive script that reads "Joseph J. Zilber".

Joseph J. Zilber

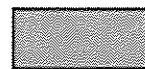
Attachments:
Conceptual Master Plan
July 27, 2006 Phase I Demolition and Abatement Plan

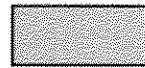
Brewery Project LLC


Demolition & Abatement Plan—Phase I

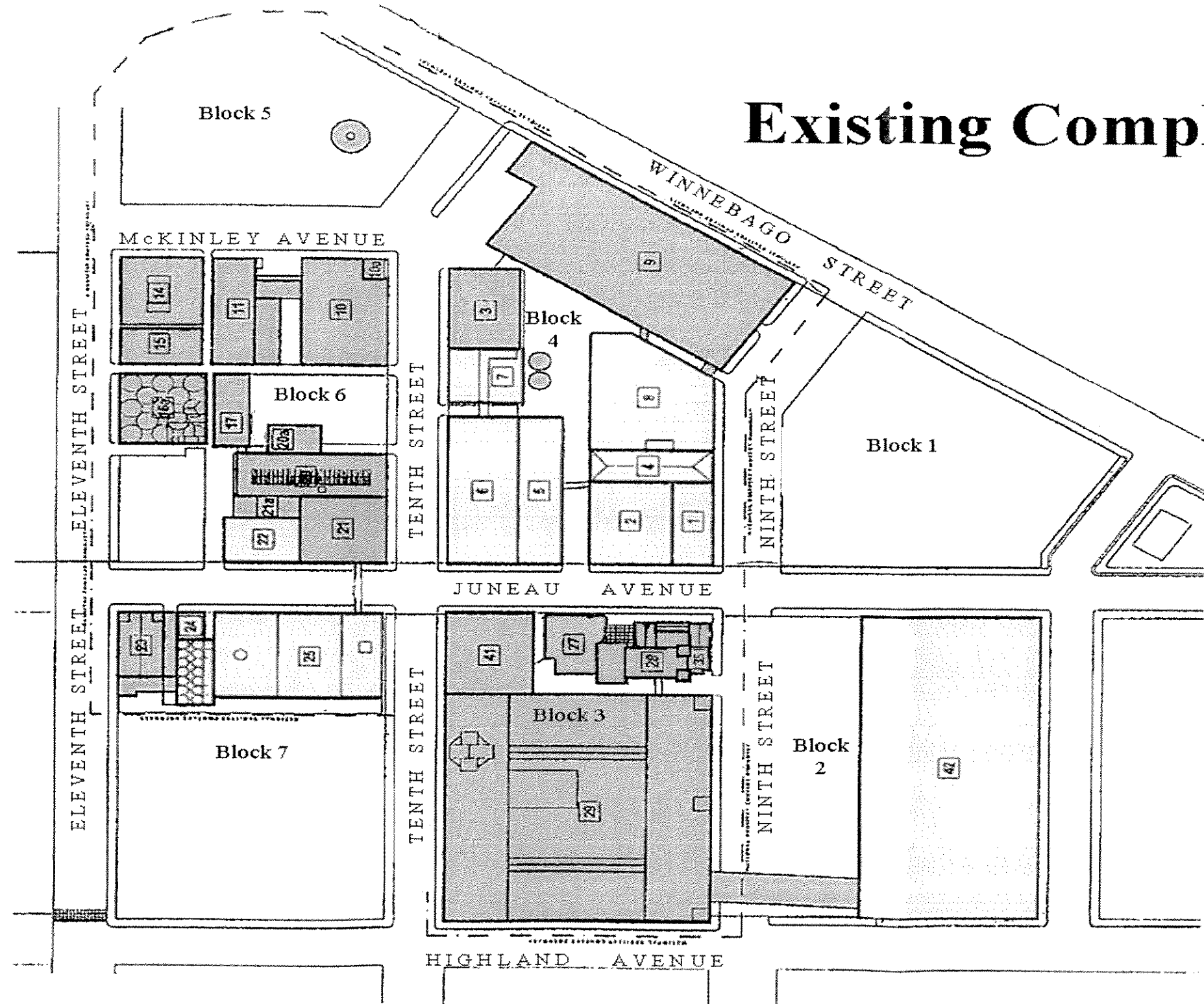
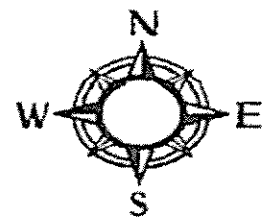
7-27-06

KEY:

-  - Buildings/Structures to be demolished — A Certificate of Appropriateness for Demolition is required.

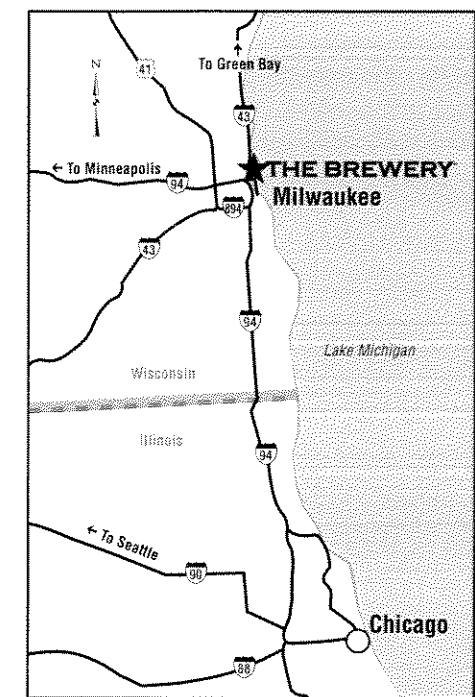
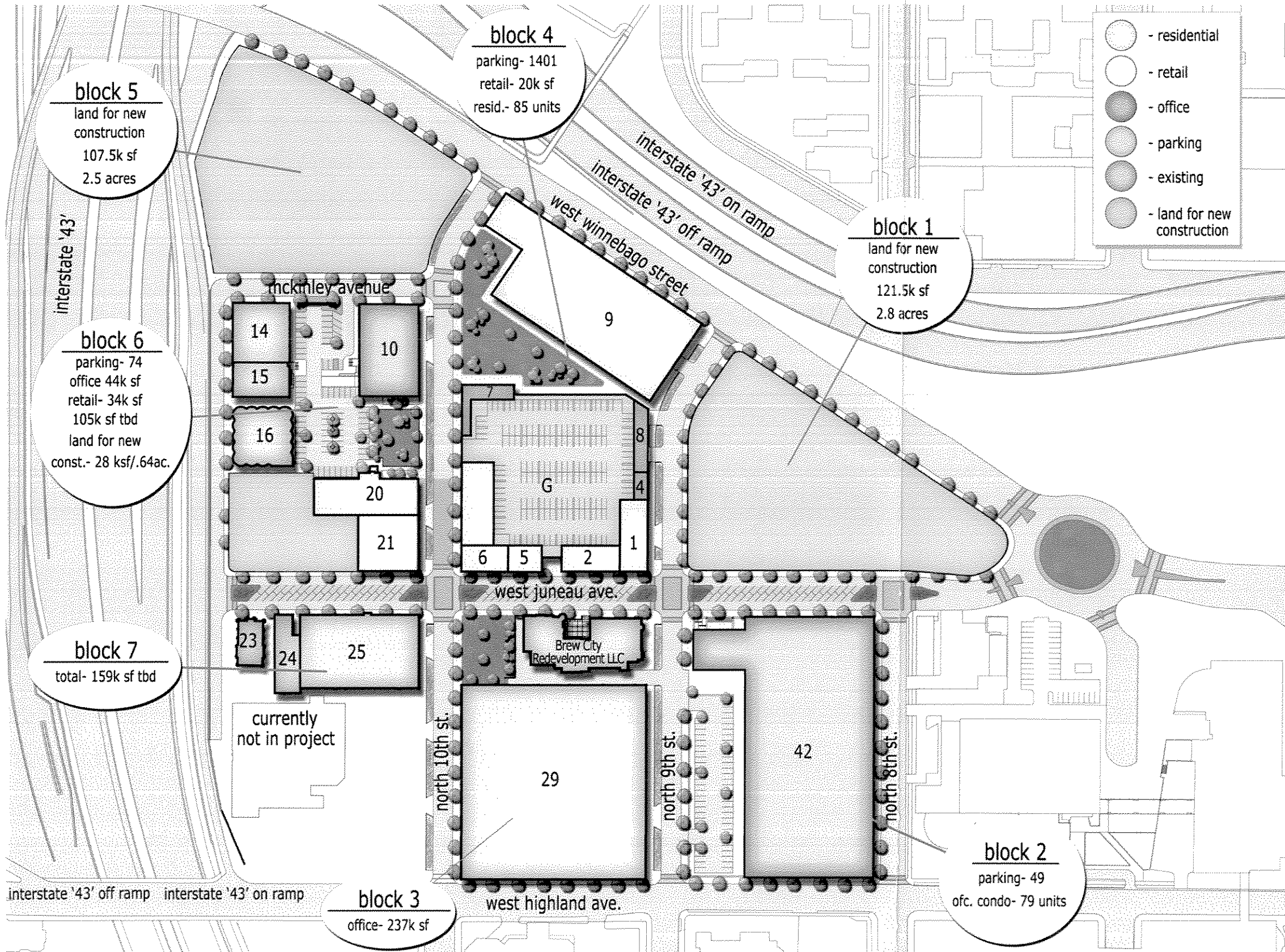
-  - Buildings to be reused — Selective interior demolition required.

-  - Building use undecided.



Existing Complex

Conceptual Site Plan



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