

From: Aimee Bauman <abauman@keycomre.com>

Sent: Thursday, March 26, 2020 9:59:01 PM

To: Harrington-McKinney, Barbara; Heck, Patrick; Lemmer, Lindsay; Verveer, Michael; Bidar, Shiva; Rummel, Marsha; Moreland, Donna; Rohrer, Sally; Skidmore, Paul; Henak, Zachary; Martin, Arvina; Abbas, Syed; Evers, Tag; Carter, Sheri; Foster, Grant; Tierney, Michael; Baldeh, Samba; Kemble, Rebecca; Furman, Keith; Albouras, Christian

Cc: Stouder, Heather

Subject: 3630-3650 Milwaukee St project

Dear Alders and fellow stakeholders,

We trust you and your families are safe and staying healthy during these extraordinary times. The impacts of this health and economic crisis are stressful and understandably taking your priority time. As such, the most relevant and substantive talking points, along with updated information regarding the opportunity are summarized below (more complete details are in the attachments):

The 3630-3650 Milwaukee St., Amazon warehouse distribution center project is on the agenda for the 3/31 City Council meeting. For several valid reasons, this appeal should have your broad support.

- On technical grounds alone, the project should proceed, **as previously recommended by professional city staff**, due to the current IL zoning rights and the 50+ year historical use of the site as proposed which already has cross easements in place for shared parking.
- In conjunction with the right by zoning, this project is worthy of approval for the many benefits it brings our community and actualize the goals of Madison's Comprehensive Plan:
 - \$8 Million of investment into an urban infill/redevelopment project
 - Job creation through the construction process as well as 170 Amazon jobs all located near transit
 - Environmental sustainability with substantial upgrades to onsite EV readiness, landscaping, water filtration and storm water management
 - Collaboration with the Urban League to ensure barriers to economic opportunities are removed
 - Substantial increase in tax revenue
 - Future affordable housing units to be developed without city, state or federal assistance
 - Serve as a catalyst to the future Voit Farm development and creating complete neighborhoods

The impacts of this difficult time are already severe and will be devastating for some time to come. More now than ever, our City needs an economic, employment and affordable housing success story. We want to deliver this project to our community and ask for your unanimous support of the appeal to accomplish this win-win outcome.

Attached is more detailed information and letters shared with the Alder and Mayor, as well as a letter of support from the Urban League. Our team is available to discuss or to provide any additional information you may need to help with your decision.

Sincerely,
Aimee Bauman
Jenny Lisak
Representatives for Leo Ritter & Co/Property Owner

Aimee Bauman, CPA, CCIM | Principal

KEY COMMERCIAL REAL ESTATE LLC

211 S Paterson St. Suite 320, Madison, WI 53703

abauman@keycomre.com

Office 608-729-1800

Direct 608-729-1801

Mobile 608-698-0105

Jenny Lisak, CCIM | Principal

KEY COMMERCIAL REAL ESTATE LLC

211 S Paterson St. Suite 320, Madison, WI 53703

jlisak@keycomre.com

Direct (608)729-1808

Mobile (608)513-5447

3618 – 3630 – 3650 Milwaukee Street, Madison, WI

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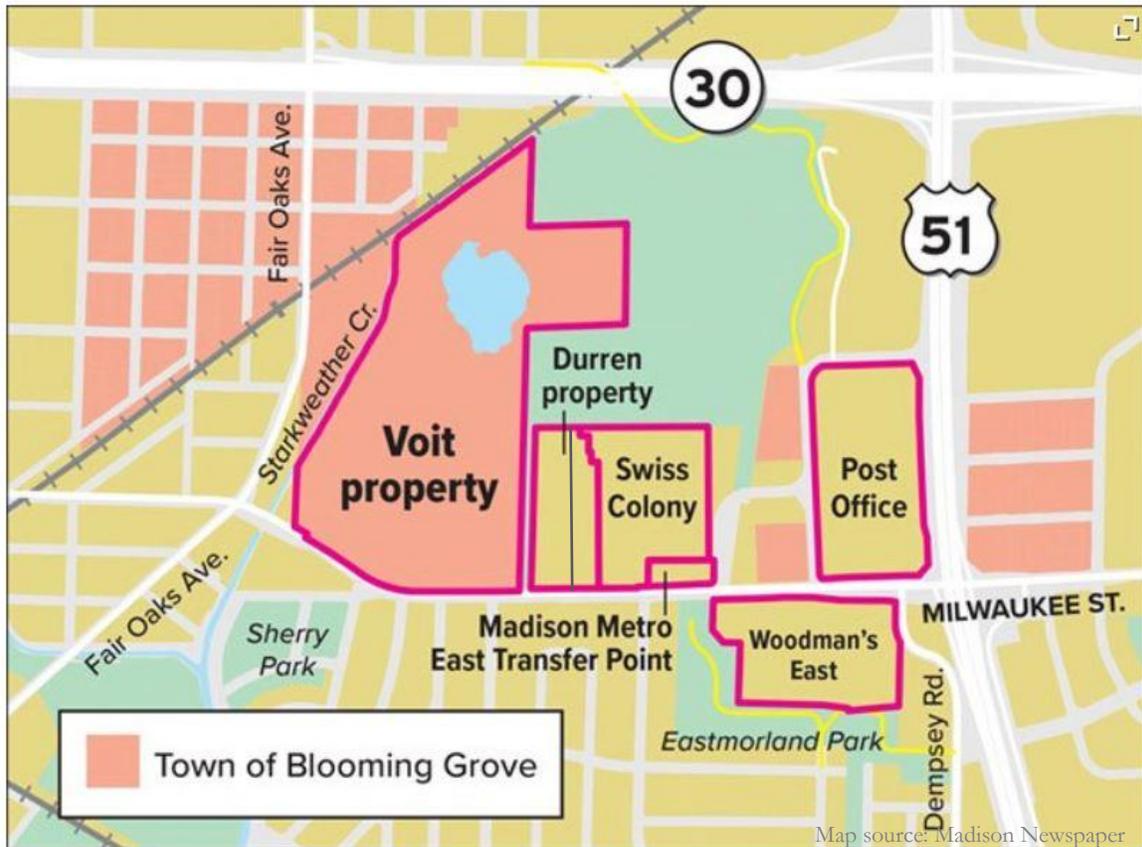
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Compiled By:
Key Commercial Real Estate, LLC
211 S Paterson Street, Suite 320
Madison, WI 53703
www.keycomre.com
608-729-1800

LEO RITTER & CO., LLC

**Information provided by
Property Owner**

Project Summary:



Leo Ritter & Co, LLC seeks City Council approval for the proposed use at 3630 Milwaukee St via appeal of Plan Commission decision 1/27/20. The city of Madison professional planning and zoning staff recommended this project for approval by the council prior to the 1/27/2020 meeting. The proposal is a permitted use under the zoning code. There is a very nuanced reason why the project was before plan commission in the first place and is worthy of further discussion and reconsideration. The adaptive reuse of this site provides significant economic, sustainability, community enhancement and redevelopment benefits. No TIF or other city funding assistance is requested.

3650 Milwaukee St – 13 acre site with existing IL zoning will undergo an adaptive reuse and repurposing into an Amazon “last mile” delivery station. The site will be updated to function as a modernized distribution center with a new appearance, efficiencies, storm water management system, landscaping, site work brought up to modern code, and will include installation of Electric Vehicle conduit in anticipation of a future “all electric” delivery fleet.

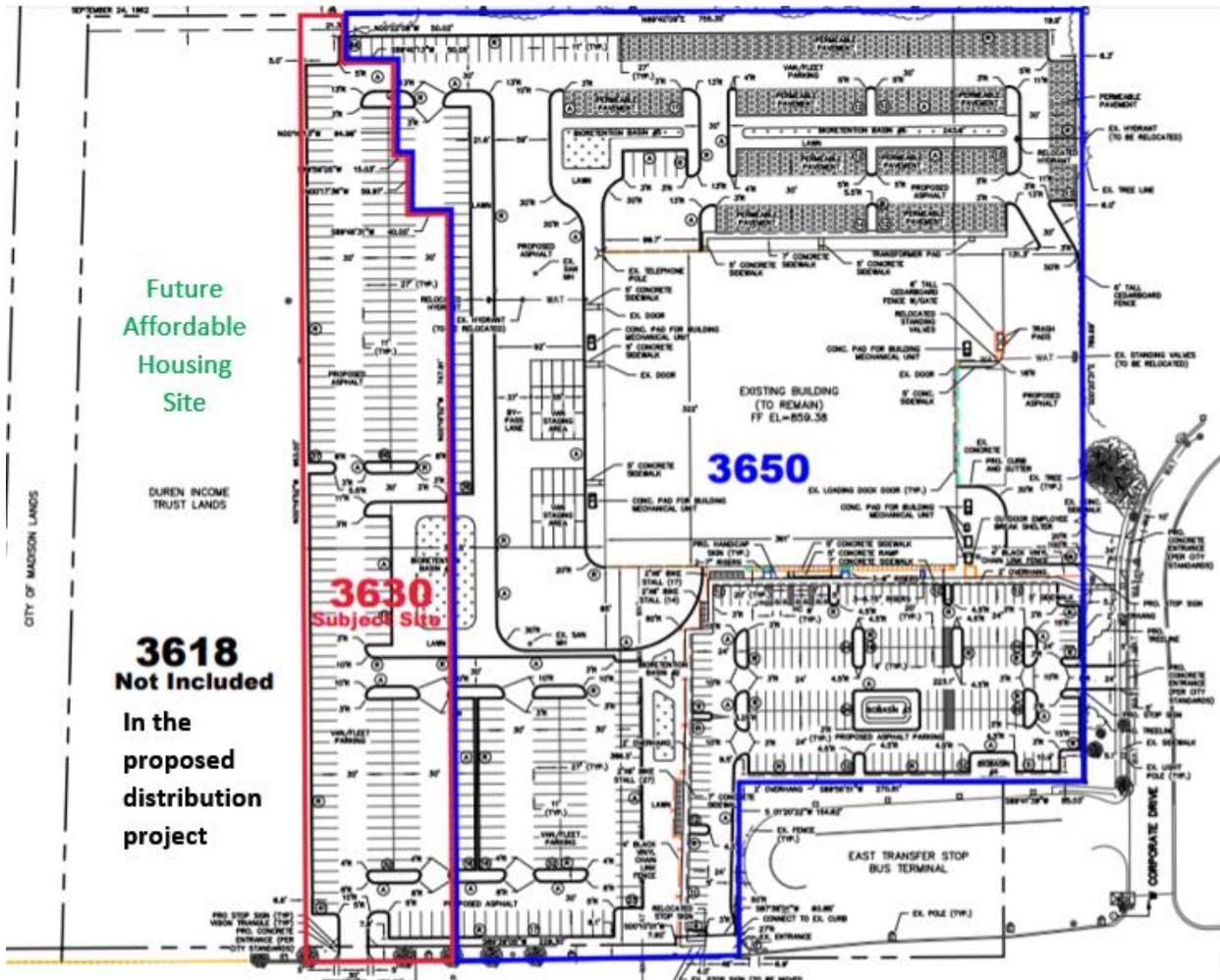
3630 Milwaukee St – 3 acre site with IL zoning will continue to be used as parking to support the distribution center use at the adjoining 3650 site. A driveway, storm water management and surface parking lot improvements are planned for the site and will meet current development codes.

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3618 Milwaukee St – Not part of the current proposal in front of City Council. The concept plan is to pursue a new workforce affordable rental housing program.



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History of Sites - The parcels located at 3630 and 3650 Milwaukee Street have a long history of operating together. The 3650 property was originally developed as an Arlan’s Department store in the early 1960s. A few years later, a small addition was added to Arlan’s to serve as ancillary retail/grocery on what is now the 3630 parcel. Both building and parking uses were compliant with zoning which continues to exist to this day. These existing structures remained in-tact until 2018 when the small addition on the 3630 parcel, which had been abandoned and was in terrible condition, was demolished by the owners, the Duren Family. **Throughout the last 50+ years these two properties have shared a driveway and parking with cross access easements and cross parking agreements which are still in place today.**

The owners of the 3650 parcel, Leo Ritter & Co, have owned the site since the 1960s. Upon receiving a notice to vacate from the tenant Swiss Colony in 2018, ownership quickly took steps, including hiring local commercial real estate firm Key Commercial Real Estate, to begin the process of securing a new tenant. The ownership group was not interested in selling and made all interested parties aware of this. As such, significant marketing efforts were undertaken with the goal to secure a new industrial tenant to occupy the existing building in accordance with existing IL permitted uses.

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The Marketing Effort - Over the 2 year marketing period, Key Commercial toured several interested parties through the facility. Most sought cheap rent with little or no desire to improve the site. The Amazon distribution facility is without question the highest caliber user with the most significant improvements and sustainability goals that can be procured for an adaptive re-use of this site. The proposed use for the site as a distribution center is **permitted by zoning** so no approvals by the City council were initially required. The new plans include extensive upgrades to transform the site into a modern facility. After completing multiple preliminary site plan revisions, the tenant determined that they could not fit on the existing 3650 site, as it did not provide the number of parking stalls they require for their last mile distribution centers being developed across the country. The ownership entity, in concert with the tenant, investigated the idea of structured parking onsite to achieve more stalls. However, that concept was determined to not only be cost prohibitive, but most importantly, did not work from a logistical standpoint. The operation of this type of facility is dependent upon well-orchestrated traffic flow which simply is not conducive to structured parking. As a result, and at the request of the tenant, the ownership entity for 3650 put the two adjacent parcels of land (3618 & 3630) under contract to purchase. The adjacent parcel at 3630 consists of approximately 3 acres, is zoned IL and therefore, is a permitted use. The 3630 parcel provides the land area needed to achieve the logistics and number of parking stalls required for the tenant's operation. The ownership and tenant team worked with city of Madison staff and attended DAT (development assistance team) meetings and followed those recommendations. After plans were submitted, **the professional city staff recommended approval and originally placed the project on the consent agenda for Plan Commission to approve as it was a permitted use allowed by zoning.** Due to the prior demolition permit needing to be closed out the project required Plan Commission approval per the city's demolition deed restriction for future buildings on the 3630 parcel. **Note: nothing new is being built here only improvements to the existing parking lot are being made.**

From the initial expression of interest by the tenant, Leo Ritter & Co and their representatives were required to sign a non-disclosure agreement. The tenant is in the process of developing hundreds of last mile distribution sites across the country, they consider a significant number of properties as potential locations and need to keep that discreet. As consideration of the site continued, the tenant engaged directly in meetings with the City of Madison to discuss the proposed use and site plan utilizing the 3630 and 3650 parcels. Staff acknowledged that the use was not necessarily consistent with the newly adopted Special Area Plan (as new development "should be" consistent with SAP), but that the adaptive reuse did meet permitted use under current zoning (as the reuse of the sites "must be" consistent with zoning) and therefore recommended approval. The site plan also went through a rigorous site plan review process with the City of Madison to ensure the site was brought up to current code compliance.

The Nuance of the Deed Restriction - The only subjective review for the project was determined to be a deed restriction on the 3630 parcel from a previously approved demolition permit secured by the current owner of the 3630 parcel (Duren) a year prior. Duren was not represented by council throughout this process which undoubtedly would have provided him with a better understanding of the consequence of such a deed restriction. This restrictive covenant requires the Plan Commission to approve future building uses. As a result of this technicality, the City

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requested the project go before Plan Commission for approval to close out the demolition permit initiated by Duren, despite the fact that the proposed project meets existing permitted uses by the zoning code.

The ownership entity and their representatives were still under a non-disclosure agreement so proactive outreach to Alders and stakeholders was not able to occur prior to the Plan Commission Meeting. This restriction unfortunately caused some stakeholders to be surprised about the project and did not allow ample discussion about the entire project nor the proper application of nuanced technicalities in advance of the Plan Commission meeting. **Still, the use met current zoning and the City Staff recommended approval by Plan Commission.** Approval subsequently was not granted in large part due to Plan Commission's determination that the use of 3630 is inconsistent with the Special Area Plan and did not comply with normal and orderly development. The ownership entity disagrees with this conclusion and has appealed for reconsideration, both on legal grounds given the zoning rights but particularly in light of the facts and circumstances that can now be openly shared.

Benefits to the Community and Compatibility with City Goals - This project will bring an economically viable and stable corporate citizen to our community. This project will create 170 new jobs including management positions, plus ancillary jobs for construction. This project will generate an incredible increase in the city tax revenues upon reassessment. This project is an exceptional adaptive reuse to remedy the long-time dysfunctionality of the site including improved storm water system, improved efficiencies, and installation of electric vehicle conduit in preparation for an EV fleet. Furthermore, this project is a catalyst to the future addition of a workforce affordable rental housing project, **ALL** without taxpayer funds. This project meets the priorities and goals of the City of Madison.

Compliance with the Goals outlined in the City of Madison Comprehensive Plan –



- ✓ **Increase housing choices and affordability**
 - Madison’s first self-imposed self-funded affordable housing development will be proposed for the 5 acre site 3618 to accommodate workforce affordable housing
- ✓ **Remove barriers to economic opportunity**
 - 170 new jobs
 - Entrepreneur program for delivery service partners with training programs and start up assistance
 - Urban League of Greater Madison involvement in multiple aspects of the project including both the employment and affordable housing project
 - On a bus line
- ✓ **Increase family supporting jobs**
 - 25 full time jobs
 - Many opportunities for flexible part time employment to work around families schedules such as school, care taking etc.
 - Millions to be spent on construction work for current facility improvements and future housing project
- ✓ **Make transit improvements**
 - Warehouse site will install EV conduit in preparation of transition to an all electric delivery vehicle fleet. Could serve as a model in the Midwest.
 - Employer will encourage use of the existing metro bus transfer point adjacent to the property
 - Consideration of future bike path connecting behind the site to existing Marsh View bike path
- ✓ **Create complete neighborhoods with access to schools, parks, shops, and services needed in daily life**
 - Approving this project adds jobs and affordable housing to a neighborhood with single family homes, grocery, post office, schools and parks including the Starkweather Creek.
 - Environmentally conscious land-owner and company with great sustainability goals will be good neighbors to the Friends of Starkweather Creek (FOS).
- ✓ **Accommodate the majority of new growth as infill/redevelopment, rather than new development on the edges of the city**
 - \$8M adaptive reuse of a long time deteriorating warehouse site into a modern facility complete with EV readiness, hazardous material abated, new storm water management to improve filtration and runoff, energy efficiency upgrades, new landscaping with native plants, bike racks, better sidewalk connections and a vastly improved aesthetic.

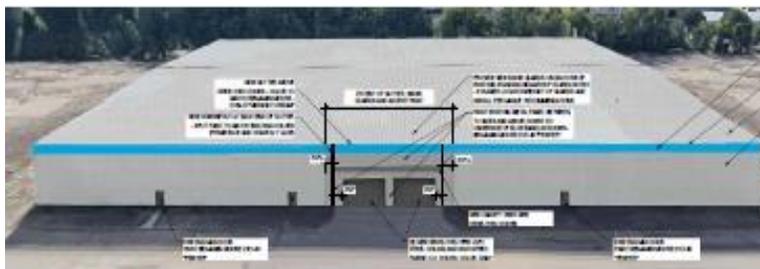
3630:



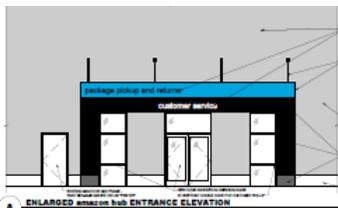
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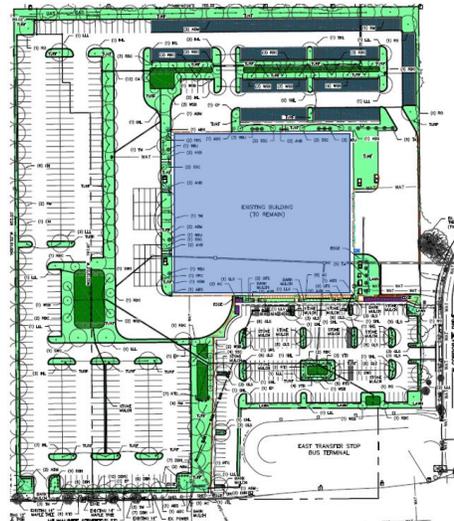
Future:



WEST ELEVATION



ENLARGED Amazon hub ENTRANCE ELEVATION



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Compatibility and benefits aligning with Special Area Plan - The proposed use for the 3630 and 3650 sites does achieve many of the goals outlined in the Special Area Plan as itemized below:

- Job creation accessible by foot or public transportation
- Improved pedestrian facilities, including adding sidewalk connections where they are currently missing.
- Enhanced environmental sustainability with the site being brought up to current code compliance including LED fixtures, asbestos abatement and storm water management with 6 bio-retention ponds and 40,000 sq ft permeable pavement.
- Significantly improved landscaping including street trees being added to the site
- **An alternative concept presented in the plan for the subject sites shows a large commercial user and parking stretching across the parcels 3618-3630-3650.** This is very similar to the proposed site plan for the distribution center.
- **The Special Area Plan also states the ability of the subject sites to remain light industrial uses as permitted by existing IL zoning.**



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Affordable Housing Concept Plan - The 3650 ownership entity currently has a contract to purchase both the 3630 and 3618 parcels. The 3618 parcel is zoned residential and therefore was never to be included in the distribution center site. Although it is still in the concept phase and not included in the official submittal plans for this approval before council, the ownership group desires to develop a workforce affordable rental housing project on the 5 acre parcel. The proximity to a metro transfer point, grocery, new jobs and Starkweather Creek in an area targeting multifamily redevelopment makes this an ideal use for the site. This property has been a vacant eyesore and for sale for decades. Development of this type of project would be a significant catalyst and natural transition to the future redevelopment of the Voit Farm immediately to the west.

The 3618 Milwaukee site can lend itself to a project consisting of 120 to 180 units that would be designed to provide up to 51% of its units at rental rates structured to be affordable to those at 80% of Madison's Area Median Income. Assuming 2.5 residents per unit, the new WFAH project might serve between 300 – 450 residents and under the plan add 60 to 90 rent restricted units serving 150 – 225 working residents. These units would be delivered in 2 phases and would potentially seek in implementation of a new access road on the west side of the site which would provide 3 ingress/egress points to the new project.

The concept would require **no city funds** and would be accomplished without the use of LIHTC, Land use restrictions on project based housing vouchers. Sponsorship would create a **self-imposed affordability rider** which would be a part of the long-term permanent financing. Additional resident services, such as childcare or youth tutoring uses would be proposed as a replacement for ground floor retail that would front Milwaukee St.

This is a novel structure being supported by both Freddie Mac and Fannie Mae via their Impact Investment Strategies. The owners of the 3650 property work with a Subject Matter Expert (SME), Louis Weisman, Managing Director with Berkadia Commercial Mortgage in Seattle, Washington. Although this is still in the concept phase, the potential development of this exciting new multifamily program would further enhance the project's overall compatibility with the Special Area Plan.

Illustrative Architectural Concepts





The Conclusion - The distribution center project was **recommended for approval by the city staff professionals as it meets current zoning** which take precedent over other area plans and covenants. The property owners have protected property rights to continue operating the site with permitted uses allowed within IL zoning. Covenants and special area plans are guides for redevelopment but do not remove existing zoning rights, as referenced in the actual Milwaukee St SAP. The 3630 parcel is very narrow making it infeasible to develop separately. The 3630 and 3650 sites have a **long history of cross easement and shared parking**. The continued use of this parcel for that purpose as permitted by current zoning is **normal and orderly development**. This project meets the goals outlined in the City Comprehensive Plan including infill redevelopment, encouraging use of public transportation, creating affordable housing, providing complete neighborhoods with a mix of housing-jobs-grocery-transit-parks, and by removing barriers to provide economic opportunity and working with local groups such as the Urban League to realize those great outcomes.

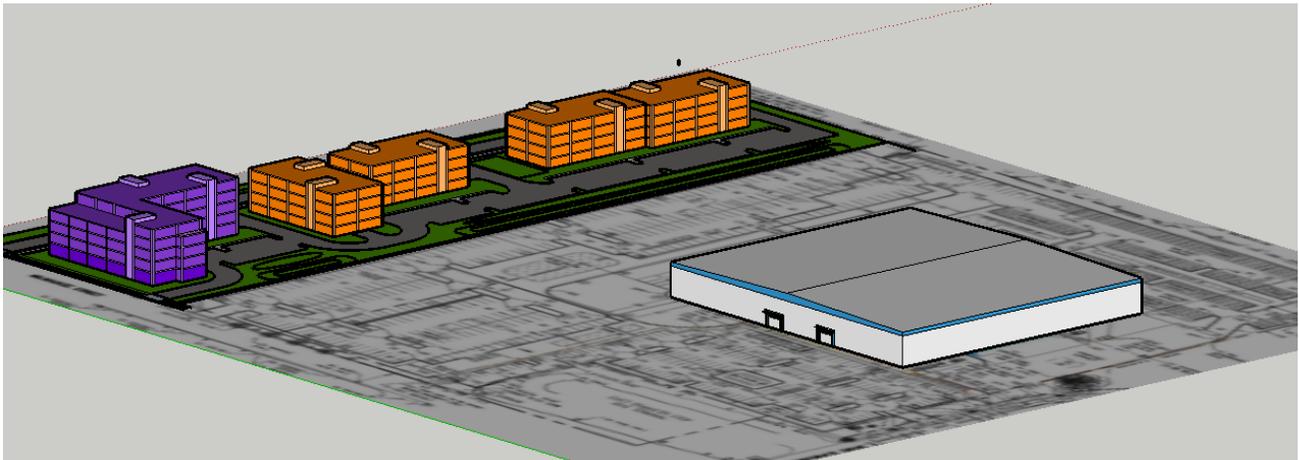
Furthermore, we feel that welcoming the tenant to our community and to this site will bring forth immeasurable benefits.

- This is the highest caliber industrial use tenant that could likely ever be achieved with their commitment to site improvements, environmental sustainability, community and economic enhancement, and education opportunities. The numerous benefits of the economic stability of this tenant will be an asset to our city.
- The **aesthetic appearance** of the site will be significantly improved and help transform an area of the City that has languished for too long. **Over \$8 million dollars will be invested into new site and building improvements.**
- This project will bring the blighted site up to current code compliance. Much better efficiencies and **environmental improvements** including the storm water management system.
- Proactive sustainability features including the installation of **EV** conduit will help propel this site to accommodate an electric vehicle fleet serving as a **model for future sustainable development.**
- The distribution center will bring **170 new jobs to the city.**
- The site improvement work will support **local construction related jobs.**
- Working with the **Urban League of Greater Madison** to remove barriers to the economic opportunities and encourage diversity.
- The project will provide a meaningful increase to the **tax base** and revenue to the City. The real estate tax revenue increase could be **six to eight times the current tax revenue.**
- The surplus 5 acre parcel can provide the **first affordable housing project to be developed in the City without the use of taxpayer money.**
- The distribution center and affordable housing projects will serve as a **catalyst for development of the adjacent land** to help achieve goals outlined in the Special Area Plan.
- **Environmentally conscious** company and landowner will be good neighbors to FOS (Friends of Starkweather) and share common goals for winning outcomes, including protecting our environment.

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Approval of this project will create great benefits for the community and City of Madison. We must face the reality of the alternative.....a dated vacant facility remaining that way for years or decades: the lost opportunity for jobs, lost tax revenue, lost affordable housing and the possibility the City will face losing a legal battle with significant financial damages for violating rights by zoning. This would be the worst possible outcome with absolutely no benefits to Madison and no winning outcomes in a period of great economic challenges which is undoubtedly headed our way.

We strongly urge the local stakeholders and City Council, at this time more than ever, to vigorously support the approval of this project and by doing so creating winning outcomes for all parties. Although this project is not an exact replica of type of development some stakeholders desired for the subject parcels, it brings tremendous benefit to the city and will undoubtedly help spur additional development in this area to further align with that future vision.





**Information Provided By
Tenant**

AMAZON LOGISTICS OPERATIONAL NARRATIVE

Amazon Logistics (“AMZL”) is a service that fulfills customer orders. AMZL specializes in “last mile” delivery of customer orders from delivery stations. Packages are shipped to AMZL delivery stations from Amazon fulfillment and sortation centers. Packages arrive from line haul trucks, are sorted based on zip codes and loaded into delivery vans operated by delivery service partners (“DSP”) or personal vehicles operated by individuals (“Amazon FLEX”).

Delivery stations operate 24/7, with most of the sortation activity done early in the morning when the line haul trucks arrive with customer packages. At our proposed Madison, WI facility, AMZL anticipates approximately 10 line haul trucks delivering packages to the Delivery Station each day, primarily between the hours of 10:00 PM to 8:00 AM. Associates sort the packages by routes, place the packages onto movable racks and load the packages into the delivery vans primarily between 12:30 AM and 11:00 AM with approximately 120 Amazon associates entering and departing between those times. Additionally, there will be approximately 25 managers supervising the DSP operations, arriving between 8:00 AM and 11:00 AM and departing between 7:00 PM and 10:00 PM.

The first “wave” of 30 DSP drivers arrive at a delivery station at approximately 10:00 AM. Depending on the design and layout of the delivery station, DSP drivers either park their personal vehicles onsite and pick up their delivery vans or park their personal vehicles offsite, pick up their delivery vans and drive to the delivery station. Once at the delivery station with their delivery van, DSP drivers load their delivery van and depart to deliver packages directly to customers. Each delivery wave takes about 20 minutes to load and depart. As a wave of DSP drivers prepare to depart, a new wave of DSP drivers queue and prepare to load their delivery van. The last wave of DSP drivers departs the delivery station around 12:30 PM. Approximately 160 delivery vans will depart the Delivery Station between 10:00 AM and 12:30 PM and return between 7:30 PM and 9:30 PM.

After DSP drivers complete their routes, they return to the delivery station with any packages that may have been non-deliverable. After proper checkout and release, the DSP drivers park the delivery van either onsite or at the offsite location and leave using a personal vehicle or public transport.

AMZL also uses Amazon FLEX to deliver packages. Amazon FLEX is a new innovation from Amazon that allows individuals to use their own vehicles to deliver packages to customers. Amazon FLEX works in concert with an advanced logistics systems and technology that Amazon has been building since day one.

AMZL anticipates approximately 90 traditional passenger vehicles entering the facility staggered between 4:00 PM and 6:00 PM. FLEX loading waves similarly take 20 minutes to complete.

After departure of the last wave of delivery vehicles, delivery station associates prepare the delivery station for the next day’s packages.

Amazon Privileged and Confidential



March 13, 2020

City of Madison
201 Martin Luther King Jr Blvd Room 403
Madison, WI 53703

Dear Mayor Satya Rhodes-Conway:

Amazon is thrilled to be working with the City of Madison to support our plans for an Amazon Logistics (AMZL) delivery station in your community. Amazon's transportation network is built on a foundation of 20 years of operations and logistics experience, an unwavering commitment to safety, technological innovation, sustainability and talented teams who are obsessed with delivering for our customers. These teams delivered nearly 3.5 billion packages worldwide in 2019.

We have ambitious goals in 2020 to build out this network in the United States and our proposed facility at 3650 Milwaukee St. is vital to our success. We've designed our sites and trained our teams to operate these facilities in a way that allows us to seamlessly integrate into the communities that we do business. Through the use of data and input from our customers, we've established innovative operating processes and procedures to reduce our traffic impact, minimize noise, and create a wide range of desirable employment opportunities for residents. We're eager to build on the strong relationships we've established across Wisconsin to support our mutual priorities in the following areas:

JOB CREATION:

We now have more than 150 delivery stations in the United States that employ more than 90,000 Amazon Logistics associates who earn an industry-leading wage of at least \$15 an hour as well as a variety of benefits packages. Our employment estimates at this location in Madison include 120 Amazon associates and 25 managers to supervise our operations. These delivery stations have also enabled us to launch our innovative Delivery Service Partner (DSP) program, which enables entrepreneurs to build and grow their own delivery business. Today, there are more than 800 Amazon Delivery Service Partners in our last-mile network, employing 75,000 drivers in the United States who earn at least \$15 per hour but can be significantly more in some regions and delivery stations. Amazon Delivery Stations also enable individuals to deliver Amazon packages to area customers; on average, Amazon Flex delivery partners across the country earn more than \$22 per hour.

SUSTAINABILITY:

Amazon looks forward to being a part of a community that also prioritizes sustainability and makes tangible efforts to preserve the environment. Amazon has a history of commitment to sustainability, through innovative programs such as Frustration Free Packaging, Ship in Own Container, our network of solar and wind farms, solar on our fulfillment center rooftops, investments in the circular economy with the Closed Loop Fund, and numerous other initiatives happening every day by teams across Amazon. On September 19, 2019, Amazon and Global Optimism announced The Climate Pledge,



a commitment to meet the Paris Agreement 10 years early. Amazon is the first signatory of this pledge. The Climate Pledge calls on signatories to be net zero carbon across their businesses by 2040—a decade ahead of the Paris Agreement’s goal of 2050.

Transportation is a key component of our vision to make all Amazon shipments net zero carbon as part of Shipment Zero. We are committed to optimizing and transforming this critical part of our carbon footprint using several strategies. Amazon operates hundreds of electric vehicles across the globe and has invested \$440 million in Rivian to accelerate the production of electric vehicles, which are critical to reducing emissions from transportation. As part of our commitment to The Climate Pledge, Amazon recently ordered 100,000 new electric delivery vehicles from Rivian, the largest order ever of electric delivery vehicles. Amazon plans to start using these new electric vehicles to deliver packages to customers by 2021, with 10,000 new vehicles on the road as early as 2021 and all 100,000 vehicles on the road by 2030, saving 4 million metric tons of carbon per year by 2030. Delivery stations also assist in reducing Amazon’s carbon emissions and are helping us achieve our goal of being carbon neutral by 2040. They do this by consolidating as many shipments as possible onto one vehicle and by boosting efficiencies across our network in order to minimize the number of vehicles that are put into service.

We are taking a broad, science-based approach to measuring and reducing carbon emissions in our operations. Our proposed site in Madison embodies those values and includes a number of sustainable features (EV charging conduit, permeable pavement, energy efficient HVAC, and LED lighting) in support of our climate pledge. The site itself is also has excellent public transit access, which will allow our associates the opportunity to reduce their own carbon footprint.

EDUCATION:

At Amazon, we are committed to ensuring all children and young adults, especially those from underrepresented and underserved communities who reside in areas where we have a physical presence, have the resources and skills they need to build their best and brightest futures. We focus on building long-term and innovative programs that will have a lasting, positive impact in communities around the world.

As part of this focus, we work to both inspire and increase access to computer science and Science, Technology, Engineering and Math (STEM) education. Our primary computer science focused initiative is Amazon Future Engineer – a four-part, childhood-to-career program aimed at inspiring and educating 10 million students from underprivileged and underrepresented communities each year to try computer science and coding.

We greatly appreciate the support we’ve received from your office and the Department of Planning & Community & Economic Development throughout this process. Please feel free to reach out to me if you have any further questions or would like to schedule a meeting to move the priorities discussed in this letter forward.

Sincerely,

Kyle DeGiulio, Economic Development Policy Manager

**Leo Ritter and Co., LLC
Property Owner
3650 Milwaukee St
Madison, WI 53714**

March 21, 2020

Alder Grant Foster
3930 Anchor Drive
Madison, WI 53714

Dear Alder Foster,

Thank you for meeting with me and my team at Key Commercial Real Estate and for your continued consideration of the 3630-3650 Milwaukee Street - Amazon Distribution Facility project. This proposal is more relevant than ever in light of the Corona Virus Pandemic and the impacts it will have upon the City of Madison. Now, more than ever, we are asking for your full support, so Madison does not lose this opportunity.

The adaptive reuse of the former Swiss Colony site into a revitalized Amazon "last mile" distribution facility brings multiple benefits to the City of Madison and her citizens.

- Amazon – one of the largest, financially stable, innovative and environmentally focused company in America will establish an important presence in your community bringing nearly 150 working wage jobs and management positions.
- The improvements lead to a meaningful increase in the real estate tax basis for the city and future increases for the proposed development of a workforce affordable rental housing on the adjacent parcel delivering much needed tax dollars to Madison.
- Bring supplies closer to the people of Madison, while reducing the delivery time and carbon footprint to get them.
- Over \$8 million dollars will be invested to transform the site into a modern facility including upgrading systems to reduce utility consumption; improving storm water management with slowed run off and increased filtration with bio-retention ponds; enhanced landscaping; and installation of Electric Vehicle conduit for a future electric vehicle fleet enabling this facility to become one of the first of its kind in the Midwest.
- Immediate creation of construction jobs associated with the construction of the adaptive reuse project.
- Future opportunity for 120 to 180 units of Workforce affordable rental housing which will serve anywhere from 300 to 450 residents and provide 60 to 90 units of rent restricted units. This proposal is not asking for any city, state or federal financial assistance and will be done solely through a private capital solution.

- The revitalized facility significantly enhances the overall aesthetics of the blighted Swiss Colony site and creates a catalyst for future residential development which is consistent with the vision for the neighborhood special area plan.
- **These are all wins for Madison and for the constituents the 15th district and at no financial cost.**

We appreciate the thoughtful efforts and aspirations of the neighborhood special area plan. We need to recognize several realities.

- The plan is a guide and future vision, but it does not overrule existing zoning rights. The plan itself acknowledges that the properties zoned IL can continue to be used for those permitted uses. It is unfortunate that as a major property owner inside the plan area, we were not invited nor sought out during the planning process. We would have gladly shared our long-term plan for the site. Specifically, that we hold property for the long term and that we have no desire to sell nor change the use of the existing site. Our intention is to utilize the existing building as an industrial use which is permitted under the current zoning. Despite this and in concert with the plan, we adapted our thinking so it can serve as a catalyst to the future development concepts outlined in the special area plan. This opportunity brings a new and revitalized use to the property and be consistent with the desire for residential affordability in the area.
- After approval and completion of the Amazon facility, we plan to start the planning and strategy for on the 5 acres at 3618 Milwaukee Street which is zoned residential. To abide by current zoning and to align with the goals outlined in the special area plan, we intend to pursue construction of a workforce affordable rental housing development of 120 to 180 units to be delivered in 2 phases. Our concept will feature a self-imposed affordable covenant that would allow financing and development and would not require the use of any taxpayer funds. This privately funded project will save valuable City and State resources that can be implemented elsewhere. Workforce housing is needed in the community and will work well in this location with proximity to public transportation, jobs, and grocery. Additional community services such as on site tutoring, childcare or other community services will be explored
- We look forward to working with the Friends of Starkweather Creek to help with their goals for this area. The conservancy land is a critically important feature of this neighborhood. We will be good neighbors by supporting the mission of FOS. Our commitment to this will be demonstrated through sustainable practices and we are willing participants in fundraising efforts to enable further cleanup, maintenance and improvements of the land.
- **If defeated, the proposal will represent an unnecessary and unfortunate loss for the City of Madison on multiple fronts. Let's not let that happen!**

Tragically, our nation finds itself in a time like none other we have encountered. Economic disruption on a large scale is inevitable. The forecasts for rising unemployment are staggering. There is no doubt that the impacts, already severe, will last into the future. Seeking ways to mitigate these impacts is imperative and must be a primary focus of our elected officials. Work with us to be a champion for your district, city and the neighborhood. Help bring new jobs, increased tax base, affordable workforce rental housing, adaptive reuse with significant site improvements, immediate access to vital supplies, sustainability initiatives, and a stable corporate citizen in Amazon and land owners, desiring to be a good neighbors to your district. These are the compelling reasons for you to vigorously support this project. **It's a win-win proposal, let's not lose it but adopt and approve it!**

Not approving the proposal brings the a bleak possibilities of an alternative outcome:

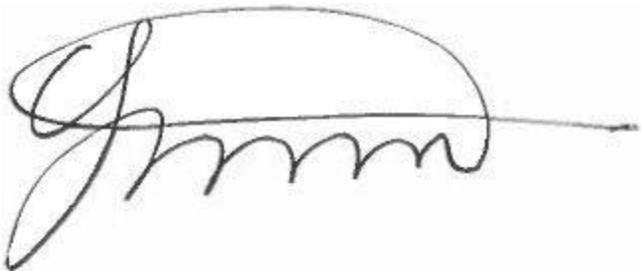
- Many years of continued vacancy of a blighted site
- No development activity along Milwaukee Street for year to come
- No privately funded affordable housing
- Missed opportunity for new and badly needed jobs
- No increase in the tax basis for the foreseeable future and certainly not of this potential magnitude.
- The unfortunate and unwanted probability of an expensive and time-consuming legal battle based upon the property rights that exist under current zoning laws.

Bottom line: No one wins, nothing is gained, by anyone, if this scenario becomes the reality.

We have strived to make this a win-win proposal for all. We are asking for your vigorous support at the upcoming council meeting on March 31. We invite you and your constituents to work with us to allow this worthy and timely project to proceed and be approved on March 31.

By working together, we can move the neighborhood forward and help the City in the ways outlined at this most critical time.

Respectfully yours,

A handwritten signature in black ink, appearing to read 'Louis Weisman', with a long horizontal line extending to the right.

Louis Weisman, Managing Director
Berkadia Commercial Mortgage
On behalf of the members of Leo Ritter & Co.



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Dr Ruben L Anthony Jr., Ph.D.

Dear Madison Common Council Members,

I am writing to encourage your support of the development proposed by Leo Ritter and Co. and Amazon for their proposed distribution center and affordable housing development at 3618-3630-3650 Milwaukee Street.

I understand that there may be some concerns regarding certain zoning issues and more broadly regarding future desires to re-purpose the site for housing. However, having reviewed their plans I believe that the benefits outweigh these concerns. This includes:

- The opportunity to bring nearly 170 jobs to the area, including managerial, driving, and other full-time, part-time, contract, and entrepreneurial opportunities. These positions all pay a minimum of \$15 per hour, with managerial positions having starting salaries of \$48,000 annually.
- An organizational commitment to career growth among their employees.
- Development of up to 180 units of workforce affordable rental housing using a financing structure that would not require local funding for subsidy and which could be a model replicated for future developments to create more affordable housing in the City of Madison.

We are pleased to see Amazon's transparency with their workforce diversity [statistics](#) (26% Black overall, 8% Black managers), and their commitment to further improving those figures ([link](#)). We were also impressed by the robust entrepreneurial development program they are developing around the transportation logistics and delivery needs ([link](#)).

If the proposed project moves forward, we are committed to working with Amazon to further our mutually shared goals in the areas referenced above. This includes:

- Assisting with the construction workforce and subcontractors needed to complete the project.
- Developing customized training programs to prepare under-served job seekers in the Madison area for the various jobs that will be created.
- Hosting hiring events to ensure Amazon's workforce recruitment efforts reach a diverse pool of candidates.
- Referring ULGM clients in need of housing to the proposed affordable workforce housing development.

Sincerely,
Ruben L. Anthony, Jr., PhD
President & CEO