

DELAFIELD STREET REDEVELOPMENT

COMMON COUNCIL – PROJECT NARRATIVE



Developer, Owner, and Manager: Sherman Associates

Current Owner: City of Waukesha

Address: 200 – 318 Delafield Street, Waukesha

Site: 3.38 acre site adjacent at the intersection of Delafield St. and Buena Vista Ave.

Proposed Project: Redevelopment of the existing vacant lot into approx. 105-unit active senior multifamily project.

Dear Staff, Alderpersons, and Community Stakeholders,

Sherman Associates is pleased to present this application for the redevelopment of the underutilized vacant land across from the City Hall into a 55+ active senior luxury multifamily residential community.

Project Summary: The existing 3.38 acre site consists of a vacant parking lot and land. The currently underutilized site will be transformed into a 105-unit luxury senior residential community that will promote walking, biking, and local connections.



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Building Info: The building will provide approximately 105 units of 1 bedroom, 1 bedroom + den, and 2 bedroom units with underground parking plus additional surface parking.

In order to make the most efficient use of the site, and to achieve an appropriate density while being sensitive to surrounding uses, the proposed building has been located along the Delafield Street side of the site in order to establish an urban edge. The building properly addresses the street with minimized setbacks from sidewalks. The main entrance facing the interior of the site connects the building to the provided green space and amenities. The steep grade and heavily wooded area along the west of the site will help provide a buffer and transition to the neighboring homes. The corner of the building facing the Delafield and Buena Vista intersection is intended to serve as a design anchor that establishes a sense of place, while the other portions of building incorporate a consistent materials palette utilized in different ways to provide visual interest, while also providing a sense of character. The design of the building will be complementary to the surrounding neighborhood and be respectful of the historic nature of many of the homes nearby, and we plan to engage the local neighbors and community stakeholders early in the design process.

Amenities: The development will provide modern amenities, including balconies on every unit, in-unit washer and dryers, full kitchens with solid surface countertops and backsplashes, and stainless-steel appliances. Building amenities include a community room, game room, private family room, outdoor patio and grill area, fitness center, pool, golf simulator, and coffee bar. The property will also feature an outdoor pickleball court, dog area, and community gardens.

On-Site Management: We pride ourselves in managing our communities in-house and have an extensive team of individuals who work to achieve the highest levels of satisfaction for our residents. At our 55+ senior communities we focus a great deal of attention to fostering a sense of community among the residents through frequent events and activities. We cater events through local restaurants, feature local breweries, host food truck events, and sponsor many activities for our residents to get out and enjoy the surrounding community.

We are excited to bring this transformative project to the Waukesha community that will achieve the city's goals of improving the downtown area, activating the community, and supporting local business. We appreciate your consideration and hope to have your support on this project.

Sincerely,



Carole Mette
Developer, Sherman Associates



Letter of Intent

This Letter of Intent is executed as of this ____ day of _____, 2021 by and between Developer and the City of Waukesha (the "City") and is intended to set forth the possible terms upon which the parties hereto may be willing to enter into a Development Agreement for the Property. This Letter of Intent shall not be deemed to be a binding contract or to create any binding obligations upon either party, and neither party shall have any obligations regarding the property defined below unless and until a definitive Development Agreement is negotiated, approved by the parties' respective legal counsel, approved by the City Common Council, and executed by both parties.

1. Developer: Sherman Associates Development LLC and/or its permitted successors and assigns.
2. Property: Approximately 3.38 acres of land near the intersection of Delafield Street and Buena Vista Avenue at 318 Delafield Street, 200-310 Delafield Street, and Randal Street (PID#s WAKC1305461, WAKC1305460, and WAKC1306990) in Waukesha, WI.
3. Minimum Improvements: The project will include the construction of approximately 100 - ~~110~~ senior (55+) market rate apartments, indoor and outdoor parking, and related site improvements. A concept plan is attached as Exhibit A.
4. Developer Conditions:
 - a. Land use approvals.
 - b. Standard due diligence contingency.
 - c. Acquisition of property currently owned by the City of Waukesha.
 - d. Execution of the Development Agreement.
 - e. Provide estimate target for assessed value at completion.
 - f. Payment of \$68,750 in earnest money by August 31, 2021
5. City Conditions:
 - a. City creation and approval of a new Planned Unit Development (PUD) zoning overlay district.
 - b. City approval of Construction Plans.
 - c. Execution of the Development Agreement.
6. Development and Construction Schedule: The City and Developer shall work toward executing the Development Agreement by ~~August~~ September 2021. Depending on the TIF assistance requested, this may need to be delayed an additional 30 days if the TID 29 Project Plan needs to be amended. Closing on the project is anticipated to occur on or about April 2022. Construction shall commence by May 2022 and is expected to be completed by September 2023. For the purpose hereof, "Commence" shall mean beginning of physical improvement to the Property, including grading, excavation, or other physical site preparation work; and "Completed" shall mean that the Minimum Improvements are sufficiently complete for the issuance of a Certificate of Occupancy. The project schedule is estimated to be as follows:

<i>Preliminary Design & City Developer Selection</i>	<u>Jul 2021</u>	Deleted: May
<i>City/Sherman Kickoff Meeting</i>	<u>Jul 2021</u>	Deleted: Jun
<i>Sign Development Agreement</i>	<u>Aug to Sep 2021</u>	Deleted: Jul-

Deleted: 120

Deleted: July-

Deleted: May

Deleted: Jun

Deleted: Jul-

<u>Neighborhood Engagement</u>	<u>Aug to Sep 2021</u>
<u>Due Diligence (title, environmental, assessment) & SD Drawings</u>	<u>Sep to Oct 2021</u>
<u>Earnest Money Paid</u>	<u>Oct 2021</u>
<u>Design Development & City Approvals (120 days)</u>	<u>Oct to Feb 2022</u>
<u>CDs & Secure Financing (90 days)</u>	<u>Feb to Apr 2022</u>
<u>Permitting</u>	<u>Apr to May 2022</u>
<u>Transfer Land & Start Construction</u>	<u>May to Jun 2022</u>
<u>Project Opening</u>	<u>Sep 2023</u>

- Deleted: Jul to Aug
- Deleted: Aug
- Deleted: Aug
- Deleted: to Dec 2021
- Deleted: Dec to Mar
- Deleted: Mar to Apr
- Deleted: Apr

7. Purchase Price: No greater than \$1,375,000. City acknowledges that reducing the Purchase Price may be a potential source of Project Assistance. The City and Developer will establish a mutually agreeable final Purchase Price in the Development Agreement.
8. Project Assistance:
 - a. Subject to all terms and conditions of the Development Agreement, Phase II may receive up to 95 percent of available tax increment for a period of not more than 20 years, provided a financing gap is demonstrated through a proforma review by the City's third party consultant.
 - b. It is expected that there may be an additional financing gap. Developer will investigate additional sources of project funds and cost saving measures in order to minimize or close the project gap. The City will work with Developer in identifying and supporting applications to other potential funding sources.
 - c. The project budget does not currently include costs for environmental remediation. Developer will investigate additional sources of project funds and cost saving measures in order to minimize or close the project gap. The City will work with the Developer in identifying and supporting applications to other potential funding sources.
9. Miscellaneous:
 - a. No transfer of Property or Development Agreement without City consent, which consent rights will be subject to investor and lender requirements and will not be unreasonably withheld.
 - b. Developer covenants to maintain customary insurance.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

SHERMAN ASSOCIATES DEVELOPMENT LLC

By: _____
Its: _____

CITY OF WAUKESHA

By: _____
Its: Mayor

