



Schmidt Presentation
November 19, 2013

Agenda

1. History
2. Redevelopment Overview
3. Construction Photos
4. Leasing Status





Schmidt Brewery

St. Paul, MN



History of Schmidt Site

- **1860's** – First brewery was developed at the site. It was known as The Cave Brewery due to caves carved out under the site and used for storage.
- **Late 1870's** – The Cave Brewery quickly became a major beer producer, second only to the other major Saint Paul brewery, the Hamms Brewery located on the city's East Side.
- **1901** – Jacob Schmidt bought the Cave Brewery which was operating at the time as the St. Paul Brewing Company. He re-named the business and the main building to the Jacob Schmidt Brewing Company.

History of Schmidt Site (cont'd)

- **1951** – Schmidt continued to expand and modernized the brewery and soon it became one of the Midwest's largest beer manufacturer. At this time it was producing over 750,000 barrels annually and employed several hundred local residents, many of whom lived in the West 7th /Fort Road neighborhood.
- **1972** – The Schmidt Brewery was sold to the G. Heileman Brewing Company of LaCrosse, WI. Heileman continued to operate and expand the business until 1991.
- **1991** – Heileman sold the business to the Minnesota Brewing Company (MBC). MBC promptly downsized the beer operations to a microbrewery and started to consider other uses at the site.

History of Schmidt Site (cont'd)

- **2002** – MBC split the property with Gopher State Ethanol which turned part of the site into ethanol production. Eventually that same year MBC filed for bankruptcy and ceased all productions ending 142 years of brewing beer at that location.
- **2004** – Ethanol production ceases on entire site.
- **2005** –In anticipation of redevelopment the City approved rezoning the site from I-1 Industrial to TN3 mixed use transit oriented development.



SITE DATA + PARKING							
PARCEL	PARCEL SIZE SF	PARCEL SIZE ACRE	BUILDING UNITS	BUILDING USE	PARKING REQ	DOMINILAN DESIRED	PARCEL B PARKING
B	388,383	1.77000	2,38000	RES	308 OR 348 with 13 Zoning -20% Reduction	248 UNITS ±1.5 DWS ±372	298 Total (inc. 52 Compacts + 50 townhouse)

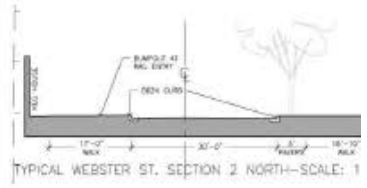
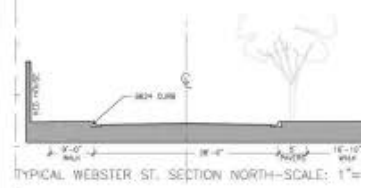
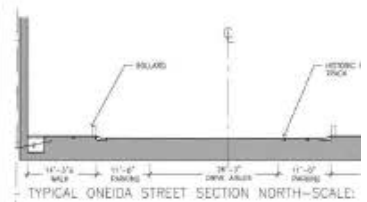
*Townhouse parking includes 26 interior spots (2 spots/garage), and 24 exterior spots in driveways.

ADDITIONAL PARKING							
PARCEL	PARCEL SIZE SF	PARCEL SIZE ACRE	BUILDING UNITS	BUILDING USE	PARKING REQ	PARKING PROVIDED	
SOUTH LOT	23,753	.54	NA	PARKING	NA	50	
ON STREET JAMES & WEBSTER	NA	NA	NA	PARKING	NA	30 One Side 60 Both Sides	
TOTAL ADDITIONAL STALLS						50, 60 OR 112	



CONNECTION TO REGIONAL BIKE TRAILS PLAN
100' MIN

- A** FORT ROAD FEDERATION
- B** DOMINILAN DEVELOPMENT
- C** BHGDN, LLC.



Schmidt Artist Lofts

- 260 Live/work artist apartments
 - 121 in Bottle House
 - 126 in Brew House
 - 13 New Townhomes
- Rents from \$725 to \$1,230
 - average of \$.89/sq. ft.—well below market rate rents
 - HUD FMR, 50% & 60% AMI
- Recent occupancy of TH's

Redevelopment Costs

- Total Development Costs: \$122,009,158
- Notable Development Costs:
 - Acquisition Costs: \$6,204,767
 - Construction Costs: \$78,600,000
 - Professional Services: \$2,981,424
 - Bond & Financing Costs: \$3,856,590

Sources of Funds

- Total Sources of Funds: \$122,009,158
- Notable Sources of Funds:
 - 1st Mortgage: \$21,900,000
 - TIF Mortgage: \$2,950,000
 - Seller Note: \$2,500,000
 - LIHTC & Fed. HTC Equity: \$50,049,590
 - Environmental Grants: \$2,716,006
 - LCDA Acquisition Grant: \$1,250,000
 - Saint Paul CDBG: \$1,500,000
 - GP Loan (MN HTC): \$20,182,599

Historic Tax Credit

- Minnesota Historic Tax Credits: \$21,685,460
- Federal Historic Tax Credits: \$21,685,460
- *Believed to be largest in State of Minnesota*

Timeline of Events

- **April 2007** – Initial site visit and introduction to brewery
- **February 2008** – Initial Purchase Agreement was signed with master developer (Bottle House Only)
- **November 2008** – Initial Purchase Agreement was terminated
- **April 2010** – Minnesota Historic Tax Credit signed in to law
- **November 2010** – New Purchase Agreement entered with Owner (amended 14 times through close)
- **March 2011** – Fourth Circuit U.S. Court of Appeals decide Virginia Historic Tax Credit Case
- **April 2011** – Letter of Intent signed up with tax credit syndicator
- **June 2011** – Local Historic District approved by St. Paul City Council
- **December 2011** – Initial drafts of the TIF Development Agreement

Timeline of Events (cont'd)

- **March 2012** – City Council approves Bond Financing
- **May 2012** – Letter of Intent signed up with Bridge Lender (U.S. Bank)
- **May 2012** – Letter of Intent finalized with Permanent Lender (Cornerstone Real Estate Advisors)
- **August 2012** – Letter of Intent signed up with State Tax Credit Buyer (Enhanced & US Bank)
- **August 2012** – Third Circuit U.S. Court of Appeals decides Historic Boardwalk Case
- **September 2012** – HUD denies Difficult to Develop Area (DDA) Designation
- **October 2012** – Hurricane Sandy hits East Coast
- **November 16, 2012** – Deal Closes

Development Team

- Developer: Dominion
- Architect: BKV
- Structural/MEP: BKV
- Civil/Survey: Loucks Associates
- Environmental: Peer Engineering
- Contractor: Weis Builders
- Exterior Restoration: MacDonald & Mack
- Historic: MacRostie Historic Advisors
- Energy Analysis: Weidt Group
- Consulting Architect: Pfister
- Artist Consultant: Nordyke
- Envelope: Wiss, Janney Elstner
- Archaeology: Christina Harrison
- Title: Commercial Partners
- Legal: Winthrop & Weinstine

Construction Progress

- Approximately 66% Complete
 - Demolition 100% complete
 - Environmental remediation complete
 - Bottling Plant & Townhomes nearly complete
 - Finishes beginning in both buildings
- Completion Dates
 - Townhomes: November 8, 2013
 - Bottle House:
 - Phase I: November 22, 2013
 - Phase II: December 20, 2013
 - Brew House:
 - Phase I: March 2014
 - Phase II: June 2014

Exterior Progress



Exterior Progress



Bottle House



Bottle House



Bottle House



Bottle House



Bottle House



Bottle House



Bottle House



Town Homes



Town Homes



Brew House



Brew House



Exterior Progression - Brew House Building - October 2014 - Photo 87

Brew House



Remington - Schmidt Brothers
Exterior Paint Project - Brew House Building - October 11, 2012 - Photo 54

Brew House



Site Work



Bottle House (Interior)



Bottle House (Interior)



Bottle House (Interior)



Bottle House (Interior)



Bottle House (Interior)



Bottle House (Interior)



Bottle House (Interior)



Bottle House (Interior)



Brew House (Interior)



Brew House (Interior)



Brew House (Interior)



Brew House (Interior)



Brew House (Interior)



Brew House (Interior)



Townhome (Interior)



Leasing Progress

- Overall: 53% Leased
 - Townhomes: 100% Leased
 - Bottling Plant: 50% Leased
 - Brew House: 31% Leased



www.SchmidtArtistLofts.com