



Department of City Development
City Plan Commission
Redevelopment Authority of the City of Milwaukee
Neighborhood Improvement Development Corporation

Lafayette L. Crump
Commissioner

Vanessa L. Koster
Deputy Commissioner

Memorandum

To: Zoning, Neighborhoods, and Development Committee
From: Sam Leichtling, Department of City Development
Re: Pending Arena Master Plan Zoning Items (CC File Nos. 241339 & 241340)
Date: May 5, 2025

A document prepared by the Legislative Reference Bureau titled “*History and Overview of TID No. 84*” dated “*March 2025*” was apparently submitted on or about May 2, 2025 to the legislative files for the pending zoning amendments for Block 3 of the Arena District Master Plan General Planned Development associated with the proposed Moxy Hotel development (Common Council File Nos. 241339 & 241340).

DCD has prepared this memorandum to provide additional background and clarification on a number of the items raised in the LRB memo. This DCD memo supplements the analysis and recommendation in the DCD Planning CPC Staff Report already contained within the files.

TID 84 Project Plan, Development Agreement, and Maps

The LRB memo references Exhibits within the Common Council approved TID 84 Project Plan – “*Exhibit 1 – Map Identifying the Various Blocks by Number*” and “*Map 3 – Proposed Uses and Improvements*.” The “*Exhibit 1 – Map Identifying the Various Blocks by Number*” does contain notations on each of the blocks listing potential types of development that may occur on the future development parcels surrounding the Fiserv Forum; however, there is nothing in the Project Plan, or the corresponding Council-approved Term Sheet and resulting Development Agreement that suggests these notations represent the specific future development concepts planned for these sites, nor is there any language that sets forth requirements for the specific types of development or density of development that would occur on those blocks.

The Term Sheet and Development Agreement do include a provision that “*Detailed Plan Development zoning shall be used for all development within the TID.*”

Arena Master Plan General Planned Development Zoning

On January 19, 2016, the Common Council adopted ordinance #150724 changing the zoning of the blocks within the Arena District to a General Planned Development titled “*Arena Master Plan*.” This Arena Master Plan GPD contained a list of permitted and prohibited uses and design standards for each block in the Arena District. These standards serve as the zoning requirements for all parcels within the Arena District. For each individual proposed development, a Detailed Planned Development must be created and submitted for review by the Common Council through the zoning map amendment process to confirm whether the proposed DPD meets the



zoning standards set forth within the GPD and Milwaukee Code of Ordinances Chapter 295-907-3 which contains standards applicable to Planned Developments.

The permitted use list for Block 3 includes a variety of permitted commercial, residential, and entertainment uses. A hotel is a permitted use on Block 3. The design standards for Block 3 include a minimum height of 4 stories and a maximum height of 20 stories. There are no additional minimum density requirements included within the GPD standards (i.e., no minimum number of housing units/hotel rooms/etc.). The Moxy Hotel development proposed for Block 3 is a permitted use, and meets the design standards included within the General Planned Development for buildings on Block 3.

The LRB memo contains the statement that “[the proposed hotel] is far smaller than the 300-unit hotel shown for Block 3 of the Arena Master Plan.” This is an inaccurate statement. As noted above, the Arena Master Plan GPD permits multiple uses on this site, and does not prescribe that the site will be developed with a hotel, nor does it set a prescribed minimum density of uses on the site, beyond the 4-story minimum height limit and other design standards included within the GPD.

“Highest and Best Use”

The LRB memo suggests that “*The Moxy Hotel, as proposed, clearly is not the highest and best use of the southern portion of Block 3.*” There are a number of additional factors that DCD suggests ZND members should consider in evaluating that subjective conclusion:

- The approved GPD provides initial zoning entitlements and sets standards for Block 3 that must be considered when evaluating the pending Planned Development application. The Moxy Hotel is a permitted use under those standards, and also is larger than the minimum building size required for buildings on Block 3.
- The above notwithstanding, the proposed Moxy Hotel would be constructed on a .47-acre site on the southeastern portion of Block 3. A pending certified survey map would further subdivide the block and create a separate .58-acre future development parcel on the southwestern portion of Block 3. In other words, the Moxy is filling less than half of the vacant land on this portion of Block 3, leaving space for additional development. The owner of the property in question, MKE BLK23, LLC, has a strong incentive to maximize the “highest and best use” of its property. It is not clear what market or economic analysis led to the conclusion that MKE BLK23, LLC would undermine its own interest at the site by advancing a proposed development that is “clearly not the highest and best use.”
- This site could accommodate a wide range of middle- and high density uses and the potential future development that could occur on this site should also be considered when discussing the eventual uses and tax base that will occur on Block 3. Given the wide range of permitted uses and allowable building sizes allowed for Block 3 by the GPD, there is nothing to suggest that a future theoretical single-building development on this site would generate more tax revenue or represent a higher and better use than the construction of the Moxy Hotel on the southeastern portion of Block 3 and the future adjacent development that will occur on the lot to the west.

TIF Financial Analysis

As noted in the LRB memo, TID 84 has been highly successful, with current incremental values significantly exceeding initial projections. The initial TID 84 feasibility analysis relied only on “Phase I” development (Arena, training facility, parking structure with attached apartments, plaza development) to pay back project costs, and did not rely on any of the future ancillary development that would be carried out in future phases. The construction of the Moxy Hotel will not negatively impact the ability of the TID to achieve initial projections. The TID is already successful, and therefore not dependent on the size of future developments in order to continue to be successful.

As noted above, the Development Agreement associated with the TID does not include specific requirements for minimum assessed values or densities on the individual development parcels within the District, nor did the TID feasibility assessment carried out prior to the creation of TID 84 rely on or anticipate the creation of a hotel of a specific size on Block 3 in order to recover its costs.