

March 17, 2020

Zoning, Neighborhoods & Development Committee

Item #4. File Number 191796

Statements from Corey Zetts, Executive Director Menomonee Valley Partners and Dan Adams, Planning Director, Harbor District, Inc.:

From Corey Zetts:

The Menomonee Valley has used the previous industrial study by SB Friedman extensively in the early years of determining when to hold land for industrial and when it was appropriate to rezone. Having a document that thoughtfully considered the market for industrial land, how sites fit within the surrounding community, and what their best use was helped tremendously in giving predictability and keeping property values from inflating. However, much has changed in the more than 15 years since the last analysis was done; the needs of many types of manufacturing have changed, and the analysis tool we had previously used does not always provide clear guidance in some scenarios we are now facing. Having an updated industrial analysis is important to determining the future of some areas of the city that are facing pressures to rezone historically industrial property and bring in new uses. This would give both the real estate community and property owners within our districts a common understanding and predictability as to the future of development in our districts.

From Dan Adams:

- The prior Industrial Market Analysis was completed more than 10 years prior to the founding of Harbor District, Inc. and BID 51. Its findings and recommendations, while proving very useful and insightful over the years, exist in a different framework and context than where we find ourselves now. Trends and events such as the Great Recession, globalization, sweeping changes in the logistics industries, automation, and small-scale manufacturing are only a few items that have changed the industrial landscape of Milwaukee and the world since the prior study. Updated information that incorporates all of these factors will prove very useful for industrial BIDs, city planners, local businesses, workforce development organizations, and more.
- The Harbor District is experiencing incredible development pressure on its industrial properties from all sides (Third Ward from the north, Walker's Point from the west, and Bay View from the south). While the Harbor District Water and Land Use Plan (WaLUP) provides some guidance and vision on where to preserve industrial space, additional research and insight would be extremely useful. In addition to further guidance on where to preserve industrial land, the analysis could help us determine what industries would be most appropriate in the Harbor District. What industries might benefit from or be attracted to locating near an international shipping port, class I railroads, and near a large labor pool? What industries have higher job densities to best use valuable land in the middle of the city?
- When the prior study was completed, there was little discussion of small-scale makers, manufacturers, and producers. In recent years, this group of small-scale industrial users has

occupied a growing amount of space in our city and the Harbor District. A deeper exploration of this segment of the industrial landscape would prove very valuable for industrial BIDs, city planners, local businesses, and developers. Small-scale producers have the potential to provide significant employment opportunities to city residents, bring manufacturing processes back into the City (and in some cases the country), and contribute to our innovation ecosystem.

- The real estate dynamic in our region has changed drastically in the 15 years since our prior analysis, with much greater interest in investing in and developing the city of Milwaukee in recent years. Understanding industrial land and businesses role in that changed real estate landscape is important for making future decisions about land use priorities in our communities. What is offered by urban industrial sites that differs from suburban and green field sites? What advantages and disadvantages do we have in the industrial real estate market?

Respectfully submitted by Department of City Development, Planning Division