

Downtown Milwaukee hotel market unlikely to support larger hotel at Deer District site, industry analyst says

By [Hunter Turpin](#) | May 9, 2025 1:46 pm

Some city of Milwaukee officials say they want a bigger hotel than what's been proposed at the former Bradley Center site in downtown's Deer District, but a hotel industry analyst says that's unlikely to come forward due to ongoing struggles in Milwaukee's hotel market. Middleton-based North Central Group Hospitality (NCG) wants to build a seven-story, 156-room Moxy Hotel, a stylish youth-oriented Marriott brand known for its social atmosphere. The hotel would sit at 430 W. State St., just south of the Fiserv Forum and the FPC Live music venue under construction.

City officials this week put the project on hold, however, arguing that the proposed size falls short of the site's long-term potential, despite the lot already being zoned for a hotel of this scale.

Greg Hanis, president of Fort Myers, Florida-based Hospitality Marketers International Inc., which was previously based in New Berlin, sees the Moxy as a strategic fit for Milwaukee's current hotel landscape, but doesn't think downtown Milwaukee could support a hotel that is much larger than NCG's proposal. "The Moxy is a very neat brand, it's a very trendy brand," Hanis said. "It definitely would add aesthetics to the Milwaukee hotel inventory. Milwaukee is still in recovery mode, particularly for business travelers, so it would be tough to double the Moxy's size."

The hotel would be popular among tourists, but could also attract "trendier" business travelers and pull from some people in town for conventions. The latter two markets are still recovering from the pandemic years and make it difficult to justify building a bigger hotel, according to Hanis. "Some hotels are underwater and are not covering their expenses," Hanis said. "Expenses have gone up significantly over the last few years, and room rate increases are not offsetting that."

City officials delayed a decision on NCG and property owner Milwaukee Bucks' rezoning request at the Zoning, Neighborhoods and Development (ZND) Committee meeting on Tuesday, criticizing the hotel plans not for zoning issues, but for the proposed hotel's size, and its lack of amenities like a full-service restaurant or bar. They cited the city's 2015 Deer District plan, which contemplated a hotel with 300 rooms at that site, and current zoning which allows for a building of between four and 20 stories, which ZND chair Ald. Bob Bauman said would be a better use of the prime downtown parcel. "Clearly, the general plan development contemplated the potential of a much larger structure, which then allows us, I would think, to decide, well, how much potential do we want to hold out for?"

Bauman said. “How much potential do we want to look forward to as an aspiration, maybe not this cycle, maybe not tomorrow or the next year, but down the road?”

It’s worth noting that the Moxy has been met with significant opposition from the Milwaukee Area Service and Hospitality Workers Organization (MASH) and its allies because, last year, workers at The Trade hotel, located north of Fiserv Forum and also developed and operated by NCG, sought to unionize with MASH, but allege that NCG engaged in unfair labor practices and interfered with the election. City officials were careful, though, not to tie the Moxy zoning deliberations to the labor dispute, as zoning decisions cannot legally be influenced by unrelated labor issues.

Speaking at the ZND meeting, NCG chief development officer Andy Inman said the Moxy would fill an underrepresented niche in Milwaukee’s hotel offerings: a mid-sized hotel with more amenities than a limited-service property, but not the extensive features of a luxury or convention headquarters hotel. Inman went on to argue that Milwaukee’s hotel market can’t support a larger hotel development, citing occupancy levels that haven’t recovered to 2019 levels, a series of downtown hotels in foreclosure or bankruptcy and Marcus Corp.’s recent decision to close 175 rooms at the Hilton Milwaukee hotel. “You don’t do that in the hospitality industry if there’s strong, robust demand for more convention center hotels,” Inman said.

Peggy Williams-Smith, president and CEO of the city’s convention and tourism bureau Visit Milwaukee, submitted a letter of support for the Moxy proposal saying it would contribute to the city’s diverse mix of accommodation options. “In addition to this, (NCG has) agreed to hold a certain percentage of rooms for convention business that is at least 18 months away, which will help my team continue to secure conventions and events that create a ripple effect of economic benefits in Milwaukee far beyond the accommodation sector,” her letter says.

Although financing for the project is not yet in place, Inman said the company has had conversations with lenders but needs zoning approvals before securing financing.

Hanis said that financing hotels is challenging in the current environment and said that high-rise construction comes with significantly more costs than the mid-rise building NCG has proposed. “They’re a very well-established company,” Hanis said. “If they thought the market could support a 200- or 250-room property, they would have proposed one.”