

LRB – FISCAL REVIEW SECTION ANALYSIS - REVISED

MARCH 8, 2005 AGENDA

ITEM 11, FILE 041510

ZONING, NEIGHBORHOOD & DEVELOPMENT COMMITTEE

Emma J. Stamps

File No. 041510 is a resolution approving the boundaries for the West Capitol and North 35th Street Redevelopment Project Area and authorizing and directing the Redevelopment Authority to prepare a Redevelopment Plan, in the 7th Aldermanic District. (DCD)

Background

1. Industrial operations at the 138 acre Tower Automotive site, bounded by N. 35th St., W. Capitol Dr., N. Hopkins St., and W. Townsend Ave., are nearly shut down due to a corporate decision to move operations to Mexico.
2. The city owns 25 acres of the 138 acre parcel.

Discussion

3. To control redevelopment, the Common Council must approve the project boundary for the entire Tower site and, later, a project plan for future redevelopment initiatives.
4. File 041510 approves the project boundaries for N. 35th St., W. Capitol Dr., N. Hopkins St., and W. Townsend St.

Fiscal Impact

This file imposes no fiscal impact.

Other Information

In addition to plans to relocate some city facilities, Mayor Barrett's press release of January 16, 2005 (see attached) announced plans to lease 10 of Tower site acres to the following companies:

- **West Milwaukee Recycling, LLC:**
 - Recycles scrap metal and concrete aggregate.
- **Pressed Steel:**
 - Manufactures compressed natural gas tanks,
 - plans to invest \$5.3 million into the new construction project and
 - to move 50 existing jobs and create 50 new jobs
- **City of Milwaukee Department of Public Works Facilities Relocation (25 acres)**
 - Relocation of Traser Yard facilities required as part of the Harley Davidson Museum plans
 - DPW Infrastructure-Traser Yards and Water Works Cameron and Lincoln Avenue distribution operation and crews relocate to newly constructed facilities at Tower site
 - Planners anticipate creating approximately 500 construction jobs

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FOR IMMEDIATE RELEASE ON JANUARY 16, 2005
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Mayor Barrett draws jobs to Milwaukee **Announces two companies moving to Tower Site**

Milwaukee Mayor Tom Barrett announced today two companies will move to an underused portion of the Tower Automotive Site, bringing 90 jobs to the area. The announcement marks the beginning of the redevelopment of the Tower Automotive Inc. factory complex, which occupies 140-acres on Milwaukee's north side.

Both West Milwaukee Recycling and Pressed Steel will lease space in the complex on the 3500 block of N. 35th Street. West Milwaukee Recycling recycles scrap metal and concrete aggregate. Pressed Steel makes compressed natural gas tanks. The City of Milwaukee's business lending arm approved this week a \$500,000 loan to assist Pressed Steel with its relocation.

"We welcome both companies to Milwaukee and the jobs they bring to this city are even more welcome," said Mayor Barrett. "This is the beginning of the turnaround of the Tower site and its immediate neighborhood."

Last year, Tower Automotive Inc. announced it was moving its operations to Mexico, further reducing its once large workforce. The auto frame plant's factory complex is situated between N. 27th, Townsend, Hopkins and N. 35th streets and W. Capitol Drive.

Mayor Barrett said the industrial property poses a challenge for redevelopment, but planning is underway. Recently Mayor Barrett and U.S. Senator Herb Kohl were successful in obtaining a \$250,000 federal grant to assist in economic planning efforts for the site.

"We are seeking ways to maximize the opportunities this site offers to include catalytic projects which will spark further development in the neighborhood," Barrett said.

Meanwhile, the city now owns 25-acres of the Tower site and demolition has begun to prepare for the future home of the Department of Public Works Field Headquarters. The Traser Yard facilities and the Milwaukee Water Works' Lincoln Avenue and Cameron Avenue distribution facilities will be combined in a newly constructed facility at the Tower Automotive site in the vicinity of North 35th Street and West Keefe Avenue.

By combining these three facilities, the city will save millions of dollars by eliminating duplication of services in three different locations. This new site will include a modern \$24 million complex between Nash and Melvina Streets on N. 35th St., along with more than 800 city workers.

The first phase of the demolition of buildings in the 25-acre parcel involves asbestos remediation, including the removal of many asbestos-containing panels which form the roof and sides of the former Tower buildings. After removal of the panels, all that remains is a steel structure. Passersby will notice these steel structures from Capitol Drive and 35th Street.

As work continues on this site, foundations will be removed and the concrete will be ground up and re-used on site for fill material for the new DPW facility and adjacent parking areas.

Construction of the new building for DPW is expected to begin in April. The new building will incorporate sustainable design principles to help retain stormwater and prevent additional runoff from entering the sewer system.