

File No. 260029

5825 W. Hope Av. (former Walmart)

Midtown Center DIZ Overlay

Deviation Narrative – Self-Storage & Data Processing/Computer Services/Computer Research facility

Use w/in Existing Building

4.13.2026 (REVISED 5.4.2026)

AFS Milwaukee, LLC acquired the approx. 15-acre site at 5825 W. Hope Av. in June of 2022, which includes a currently vacant 160,000 sf building that was previously occupied by Walmart and a surface parking lot. The site is zoned Regional Business (RB2) and within the Midtown Center Development Incentive Zone (DIZ) overlay. The DIZ overlay was established in 2000 and entails performance standards including a permitted and prohibited use list as well as design standards. Projects within the DIZ overlay are subject to the DIZ performance standards.

The overall proposed development provides a positive solution to a large critical site within Midtown Center which has sat vacant since Walmart left in January 2016. The large building size and zoning has been a challenge to find a replacement tenant, but the team of Gorman & Company, the City of Milwaukee, and AFS Milwaukee, LLC has created vibrant development which will help energize the Midtown Center neighborhood.

AFS Milwaukee, LLC has partnered with Gorman & Company and the City of Milwaukee to propose a dynamic development for the entire parcel that entails affordable housing on the existing surface parking lot north of the vacant building, and community-serving spaces including an approximately 17,000 sf Milwaukee Public Library, approximately 34,000 sf suite for City of Milwaukee use, and approximately 108,000 sf self-service storage & Data Processing /Computer Services/Computer Research facility within the existing building. See the two Project Narratives that describe the plans for the affordable housing development (File No. 252155) and the former Walmart building (File No. 260029). While the residential and community-serving uses proposed as part of this development are allowed, the self-service storage use is prohibited by the DIZ overlay and is the subject of this Deviation Request. Also included in this deviation request is to allow a Data Processing/Computer Services/Computer Research facility that would occupy up to 19,000 sf within the self-storage portion of the building.

Site Context and Overall Proposed Redevelopment

This proposal focuses on repurposing the former Walmart property, which has remained vacant and underutilized since Walmart's departure in 2016. The proposed redevelopment includes three key components:

1. Affordable housing in the existing parking lot north of the building,
2. Community engagement spaces in the building's frontage, and
3. Climate-controlled self-service storage & Data Processing/Computer Services/Computer Research facility in the rear of the building.

The 3 components of the development plan are critical to the overall redevelopment of the site, but AFS Milwaukee, LLC acknowledges that the self-storage use is secondary to the housing and community-serving uses, which are allowable uses and align with the goals of the DIZ overlay and Comprehensive Plan. The multi-family housing component and community-serving spaces are allowable uses aligned with the DIZ Overlay and Comprehensive Plan. The self-service storage facility is secondary to the other two functions. The housing component of the proposal was submitted as a separate file and approved by the City Plan Commission on 4/27/26. Below is an overview of all three components that collectively constitute the redevelopment of the subject site.

Affordable Housing

The proposed Midtown Commons development will reshape the Midtown Center, positively influencing the neighborhood while providing critical access to affordable housing in the city of Milwaukee. The phase 1 & 2 developments are designed to meet the Midtown Center Overlay Zone requirements and seamlessly integrate into the development. The building's placement, scale, and use are complementary assets to the redesign of the Midtown Center's open space remaining from the closing of Walmart store. The housing developer "Gorman" who has a history in successful projects in Milwaukee has already been awarded Wisconsin Housing & Economic Development Authority (WHEDA) Low Income Housing Tax Credits (LIHTC) for the project.

Occupying the closed Walmart parking lot, Phase 1 will include a 4-story, 100-unit affordable housing apartment building. Phase 2 will include a mirrored design of phase 1 (4-story, 100-unit affordable housing). Both will have on-street shared guest parking and off-street residential parking.

The building's exterior design and façade materials were developed to compliment and meet the requirements of the district. Brick and cast stone facades provide architecturally significant monumental corners along N 60th St, W. Hope Ave., and N. 56th St. Rhythm in windows and variation of exterior materials provide articulated facades of the 100-unit anchor buildings required within the district. Storefront windows and a cast stone datum at 12'-4" along the first floor primary and secondary elevations correspond with the other retail businesses within the Midtown Center. Architectural bump-outs/bays provide additional interest and articulation along N. 60th St. & N. 56th St.

The extension of W. Hope Ave. provides the primary entrance to the proposed phase 1 & 2 developments and maintains access to the remainder of the Midtown Center development. Curb cuts along W. Hope Ave. have been reduced (previous parking lot entries) to only 2 driveways into residential parking. The north side of W. Hope Ave. was redesigned to provide shared angled street guest parking and loading zones for pick-up/drop-off and deliveries. An additional loading zone within the parking lot provides an off-street location for move-in vehicles. A large play space will be located along W. Hope Ave adjacent to the parking lot.

The placement of these affordable housing units is greatly enhanced by the numerous bus lines accessing Midtown Center as well as close access to shopping and grocery stores within the development.

Community Engagement/Center Space

The northern approx. 51,000 sf of the existing building facing W Hope Ave is proposed to support a new (approx. 17,000 sf) Milwaukee Public Library and (approx. 34,000 sf) space for the City of Milwaukee. The space previously occupied by the Walmart garden center is proposed to be reimagined as a reading garden and terrace space to enhance the proposed library.

These components will serve as a hub for community activities, designed to foster engagement and connection. This element of the redevelopment will align with the DIZ's original intent to create vibrant, multi-use spaces that benefit the local community.

- **Partnership Opportunities:** The center will collaborate with various City of Milwaukee agencies, community organizations, and local stakeholders to determine the optimal use of the space.
- **Flexible Functions:** Potential uses include a city-run library, a community center, voting and polling location, police substation, and event spaces.
- **Accessible Design:** Renovated storefront windows and entrances will create a welcoming and transparent facade. Flexible interior layouts will cater to diverse programming needs, including educational workshops, public meetings, and cultural events.
- **Enhanced Services:** The center will serve as a centralized location for vital community resources, bridging gaps in accessibility and promoting civic engagement.

The goal is to bridge the gap between the Midtown Shopping Center and surrounding neighborhoods by providing a central location for interaction, education, and shared experiences.

The community-serving spaces are intentionally located along W Hope Ave to support and enhance the new multi-family housing development placed directly across the street. These components will work together to create a strong community within Midtown Center. The exterior of the existing structure will be altered to open up the façade the street and provide a new identity to these new community assets. The reimagined façade hopes to create an interactive and dynamic experience for residents, patrons, and staff. These exterior modifications will be subject to a future file before the City Plan Commission once tenants are known and needs are identified.

Climate-Controlled Self-Service Storage & Data Processing/Computer Services/Computer Research facility (subject of this deviation request)

The proposal includes a modern self-service, climate-controlled storage & Data Processing/Computer Services/Computer Research facility located in the remaining approx. 108,000 sf of the existing Walmart building. The Data Processing/Computer Services/Computer Research facility will occupy up to 19,000 of the 108,000 sf. It is often difficult to reimagine a use for a large retail space, but by dividing the northern space into smaller manageable square footage and providing street-facing spaces to community-serving uses allows the remaining rear-facing spaces to be reinvented into other uses not requiring pedestrian traffic. The existing open structure, vehicle bays with overhead doors, loading docks and secure building provides a tucked-away facility ideal for self-service storage, a great use of a remaining rear-facing space.

This reimagined use for the existing vacant, former Walmart space is a sustainable choice for the development rather than tearing down a structurally sound building and constructing new structures in its place.

The Data Processing/Computer Services/Computer research facility will be for High Performance Computing, inclusive of on-site research activity. The space will consist of a mix of office/work areas along with a dedicated equipment room supporting the research functions. This use will consist of offices for engineers and technicians and then a lab that will house equipment that will run various research models.

Equipment:

The equipment would be consistent with a computer service and research environment, including:

- Workstations for engineers and analysts
- Networking infrastructure (switches, routers, etc.)
- Server racks and high-performance computing equipment used to support data analysis and research applications
- Data storage systems supporting research datasets
- Supporting electrical and cooling systems typical of a commercial office or laboratory environment

The computing equipment is utilized as a tool to perform computational research and modeling, similar to how specialized equipment is used in a traditional laboratory setting. All equipment is contained within the building and does not involve industrial machinery, manufacturing processes.

As part of this use, there will be additional air handling equipment associated with the cooling systems. These will operate at noise levels comparable to standard commercial HVAC units. All equipment will be located at the rear of the property, facing other commercial retail, and will be properly screened and secured. As a result, there should be little to no impact from a noise or visibility standpoint. The Milwaukee Code of Ordinances regulations with respect allowable noise levels will apply.

Backup generators, which would only be utilized in the event of a power outage, will be positioned in the same rear location and behind the same screening.

Features of the modern climate-controlled self-service storage facility located in the rear portion of the building will house include:

- Secure, indoor storage accessible via keypad
- 60+ security cameras monitored on-site
- Drive-in loading bays (utilizing existing automotive bays)
- Management staff available 7 days a week

Storage access will be limited to 6 AM–10 PM, with no outdoor storage permitted. This use provides a practical solution for repurposing the large, functionally obsolete space while generating revenue to support the broader redevelopment.

Community and Economic Benefits

The overall proposed redevelopment delivers significant community and economic benefits:

- **Job Creation:** Construction activities and ongoing operations for the multi-family housing, self-service storage, proposed City of Milwaukee library and City of Milwaukee space will create employment opportunities for local residents and expand the economic growth of the Midtown Center.
- **Blight Reduction:** Transforming the vacant Walmart building into a mixed-use facility will revitalize a key portion of the Midtown Center, reducing crime and enhancing neighborhood appeal.
- **Increased Accessibility:** The addition of affordable housing and community spaces will provide essential resources for local residents, addressing critical gaps in the area's infrastructure.
- **Enhanced Aesthetics:** Upgraded facades, green spaces, and improved lighting will enhance the site's visual appeal, aligning with DIZ design standards.
- **Increased Population:** The increase of (200) 1, 2 and 3-bedroom units provides an beneficial density of users to the existing Midtown Center businesses and proposed community-serving businesses proposed in this project.
- **Community Engagement:** The addition of the Milwaukee Public Library and City of Milwaukee business space will provide civic and community resources to strengthen the Midtown Center and proposed multi-family housing.
- **Public Transportation:** The development can benefit from the existing public transportation infrastructure and access to multiple public lines.
- **Walkable Community:** The Midtown Center provides a safe, walkable neighborhood for residents living in the proposed multi-family housing; quick access to grocery stores, retail and restaurants.

Financial Feasibility

The inclusion of climate-controlled storage and Data Processing/Computer Services/Computer research facility is critical for the project's financial viability. The building's size and layout have precluded its reuse for retail or single-tenant purposes, with no viable offers since its vacancy. The storage facility ensures sustainable revenue generation, enabling the development of affordable housing and community spaces. The proposed solution provides a sustainable approach to utilizing the building instead of removing and reinventing the site, providing demolition and construction waste.

Within the 108,000 sf space the owner would like the ability of providing an up to 19,000 sf Data Processing / Computer Services / Computer Research facility, specifically focused on High Performance Computing (HPC). In addition to the detail above regarding this use, functioning similarly to a traditional office or business service use, with the primary difference being the presence of specialized computing equipment housed within the building. There is minimal on-site staffing, no regular customer traffic,

and no outdoor activity associated with the use. Much of the operation occurs internally within secured areas of the building, with activity levels comparable to or quieter than a standard commercial office environment. The mechanical systems are designed to be efficient and non-intrusive. The computing equipment is cooled a closed-loop glycol cooling system, which continuously circulates coolant to regulate temperatures. This system is fully contained and does not involve any discharge or external process beyond standard mechanical operation. To support this system, air handling units will be installed at the rear of the building, oriented away from public-facing areas and adjacent properties. These units operate at sound levels comparable to traditional commercial HVAC equipment and will be screened and secured in accordance with site design standards.

The owner has partnered with a leading affordable housing developer and has secured LIHTC funding and other financing sources to offset housing development costs.

Deviation Criteria

As the current owner of this facility, having purchased it over two years ago, we are fully prepared to invest in its redevelopment. Our plans meet the four criteria outlined in 295-311-9 of the Milwaukee Zoning Code:

1. **The purpose of the overlay is met:** The addition of the multi-family housing and community-facing storefronts at the northern part of the project embrace the requirements of the overlay district and are supplemented by the modern self-storage facility and Data Processing/Computer Services/Computer research facility. All of the main street frontage will be animated with allowable uses permitted in the district. The requested deviation only occurs at the rear-facing portion of the building. The operations of the indoor drive-in, climate-controlled self-service storage facility at the site will be internal, and no storage will be allowed on the exterior of the site. All functions of the Data Processing/Computer Services/Computer research facility are indoors as well with minimal noise impact that will comply with the Milwaukee Code of Ordinances.

Existing traffic pattern at the Midtown Center will not be hindered by the two uses that are the subject of this deviation and there will be sufficient space in the rear of the building for unloading zones so that no vehicles will extend onto the public roadways.

2. **The deviation improves the aesthetics of the site:** All the alterations to the facility will meet the requirements of the DIZ overlay and are subject to the DIZ performance standards. The exterior will be enhanced to suit the need of the new community-serving tenants while meeting all requirements of the district.

The utilization of the existing Walmart site and structure provides the opportunity to reimagine the experience along W Hope Ave and creates a vibrant community within its vacant parking lot. The former Walmart garden center is being proposed to become a welcoming reading garden and library terrace. The enhanced landscaping and additional green space provide a sustainable solution to a currently paved environment.

The plan to include an indoor climate-controlled self-service storage facility and Data Processing/Computer Services/Computer research facility is a practical use of the remaining space facing the rear of the site and provides a solution to a community need given the lack of secure, indoor self- service storage in the area. This location was highlighted as an opportunity for the Data Processing/Computer Services/Computer research facility due to the access to space, power and technicians to operate the facility.

- 3. If applicable, the deviation addresses one or more unique site factors that make the application of the standard impractical:** The building has been vacant and for sale since 2016. The owner has made significant effort to secure a tenant for the building and has had no prospects in over 2 years. This building is approx. 160,000 sq ft and the sheer size of the building makes leasing this as a single tenant space difficult.

The mixed-use Residential/Community Center/Storage + Data Processing/Computer Services/Computer research facility approach allows for uses which will greatly improve the success of the project. Using the rear area of the former Walmart building for climate-controlled self-service storage & Data Processing/Computer Services/Computer Research facility allows the space to maximize potential, preserves the W Hope Ave. frontage for a new community engagement area, and allows for the construction of affordable housing. These new components will greatly invigorate the Midtown Center and activate W Hope Ave.

The remaining rear-facing space provides safe access for vehicles to enter the proposed indoor self-storage facility. The remaining parking lot space and potential future parking lot space appropriately serves the needs of the proposed community-serving facilities.

- 4. The deviation is consistent with the comprehensive plan:** To advance the goals of the Comprehensive Plan to activate the Midtown Center and overall surrounding community, the additions of the affordable housing and community center will instantly bring vibrancy to the area and establish uses that do not currently exist, we are requesting the indoor self-service storage be listed as a permitted use within former Walmart building. The only deviation required for this project is for the indoor self-service storage to be an allowable use.

Conclusion

AFS Milwaukee, LLC is dedicated to transforming this underutilized site into a vibrant mixed-use development providing multi-family housing, community-serving business and self-storage & Data Processing/Computer Services/Computer Research facility solutions. The deviation only acts to provide use to a large vacant retail space while maintaining the goals for the surrounding district.

AFS Milwaukee, LLC acknowledges that the operation of the proposed self-storage use that is the subject of this deviation is only being approved as a secondary use to the other uses and improvements proposed within this overall redevelopment project. As a standalone self-storage use would not meet the performance standards of the DIZ or be consistent with the Comprehensive Plan, **any approved occupancy and operation of the self-storage use is contingent on the implementation of the 2 other project components outlined in this application. As such, commercial alteration and occupancy permits for the self-service storage use will not be issued by the Dept. of Neighborhood Services until the following items occur:**

1.) The portion of the site where the housing development is proposed has been conveyed to the ownership group that will construct the CPC-approved housing development and construction permits have been applied for by Gorman & Company to the City of Milwaukee for residential construction; and

2.) There is a binding lease or lease option for the approximately 51,000 sf of leasable space facing W. Hope Ave. for community serving uses with the City of Milwaukee or other community serving entities that will activate the front-facing portion of the property or, in the event that community-serving entities are no longer interested in leasing the space, with retail functions that align with the Midtown Center performance standards.

The approval of the deviation for the self-storage use and resulting occupancy approvals shall be null and void, and require re-approval by the Plan Commission if the applicant does not implement the project as described in this application or proposes a substantial change to the plan of operation, uses, or building designs approved with this application.

Upon approval of the deviation request, construction will commence promptly, bringing new opportunities and resources to the Midtown Center while addressing critical community needs. The multi-family housing project phase 1 plans to begin construction Summer of 2026 and Phase 2 estimated by spring 2027.

We believe the deviation request supports the Midtown Center overlay district, local residents, and the City of Milwaukee.