



Department of City Development

Housing Authority  
Redevelopment Authority  
City Plan Commission  
Historic Preservation Commission  
NIDC

**Rocky Marcoux**  
Commissioner

**Martha L. Brown**  
Deputy Commissioner

January 28, 2005

To the Honorable Members of the  
Community and Economic Development Committee  
City of Milwaukee  
City Hall – Room 205

Dear Committee Members:

Thank you for the opportunity to address the Community and Economic Development Committee this week. I appreciated the chance to share with you key accomplishments from the year just completed, and to highlight major 2005 initiatives.

At the close of the meeting, you requested a written summary of the topics I discussed. I'm happy to provide it to you.

We are grateful for the ongoing support of the Committee, and look forward to working together throughout the year.

Sincerely,

Rocky Marcoux  
Commissioner

Attachment

## Department of City Development 2004 accomplishments

### Employment retention/expansion/attraction

- City assistance facilitated the expansion of Capital Returns, a rapidly-growing business that employs a central city workforce; the expansion of Brady Corporation through the addition of a distribution center; and the attraction of ZyStor, a start-up biotech company, to Milwaukee from St. Louis.
- About \$50 to \$60 million of the federal New Markets Tax Credit allocation were garnered for Milwaukee in 2004. Milwaukee's own Milwaukee Economic Development Corporation, in partnership with M&I Bank, has applied for an additional \$50 million NMTC allocation for Milwaukee in 2005. The NMTC provides a powerful new tool that can be used to help our local companies grow. The City is facilitating negotiations with several major manufacturing employers to structure deals that would use the tax credits to reduce the cost of expansion.
- In partnership with the Metropolitan Milwaukee Association of Commerce, Mayor Barrett and DCD launched a new business contact program. Thus far, the program has reached out to more than 1000 small employers. In early 2005, we'll launch a cooperative call program to make personal visits to employers with between 20 and 250 employees. Our objective is to identify how City government can better meet employer needs, so they'll stay and grow here in Milwaukee.
- Two projects completed in 2004 grew downtown employment substantially. Bank One relocated its consumer lending center to its facility at 111 E. Wisconsin Ave. The bank invested about \$14 million in office renovation and equipment to accommodate 750 new employees. Also, Roundy's moved its corporate headquarters from outside Milwaukee to a new building at 875 W. Wisconsin Ave. The company employs more than 500 people at the new location.
- Milwaukee allocated about \$12 million in federal renewal community revitalization tax credits in 2004 to help central city businesses grow. Milwaukee will be expanding the boundaries of its renewal community during 2005. Businesses located within the renewal community qualify for a broad range of tax credits to encourage hiring.
- Milwaukee continues to be aggressive in its efforts to clean up contaminated land so it can be redeveloped for industrial use. In summer 2004, ground was broken for the Stadium Business Park, on property that formerly belonged to Ampco Metal at 38<sup>th</sup> and Orchard. The City received a variety of grants and established a tax incremental district to clean up that property, and the private development firm, Real Estate Recycling, anticipates there will be 200 jobs at the site within the next few years. Two tenants signed leases in 2004. Also, in November, clean-up was completed in the former Milwaukee Road Shops property in the Menomonee Valley. We're developing a brand-new business park on that land, and we expect to start selling property later this year for construction starting in 2006. Eventually, we anticipate 750 to 1000 jobs will be located in businesses in that new business park.
- We're jump-starting the redevelopment of the Tower Automotive site, by relocating and consolidating some department of public works and waterworks facilities on 25 acres on that property. The new DPW field headquarters at Tower will be constructed under a turnkey agreement with a private developer that was negotiated by DCD in 2004. Work on the \$23 million facility will continue throughout 2005, and we hope to open the doors in mid-2006. We're beginning to see that the City's investment at Tower is leading to

confidence about that location in the private market. Two private industrial companies signed leases for space at Tower in late 2004, and will move in early in 2005. We received a \$250,000 federal grant to plan for the redevelopment of the Tower property, and that's going to be a major planning effort within our Department of City Development in 2005.

- We worked very closely with Harley-Davidson to make it possible for the \$94 million Harley museum complex to be located at a riverfront site just south of downtown, at 6<sup>th</sup> and Canal. Construction for the museum will start in 2006, after the DPW facilities now at the site are moved over to new quarters at Tower Automotive. A new tax incremental district was created to fund \$7 million of extraordinary site development costs including environmental remediation and dockwall construction.
- The Milwaukee Economic Development Corporation made 40 loans totaling \$16.3 million to help local businesses grow. These firms, which currently employ more than 13,000 workers, anticipate investing more than \$65 million in plant and equipment, and expect to create nearly 700 new jobs as they expand.

#### **Downtown development/redevelopment**

- The Common Council adopted the Park East urban renewal plan, after protracted delays. Now that the plan is in place, the surveying work is underway to divide the vacant land into parcels that can be sold and redeveloped. While the County is sorting out its plan to sell vacant land in the Park East corridor, we've been talking with developers regarding projects on several privately-owned parcels.
- We've continued to see the development of new housing downtown. Some notable projects this year: Kilbourn Tower and University Club Tower -- both are high-rise luxury condominium towers overlooking Lake Michigan. Majestic Lofts, on West Wisconsin Avenue, in the heart of The Shops at Grand Avenue.
- 2004 saw significant improvement in the health of The Shops at Grand Avenue -- the addition of TJ Maxx, Linens and Things, and Old Navy brought a new identity and lots of new shoppers to the mall. The year-end announcement that Office Max will be moving into the Shops at Grand Avenue in 2005 is a good sign that the positive momentum is continuing.

#### **Neighborhood development milestones**

- The first two elements of Milwaukee's citywide comprehensive plan were adopted by the Common Council; they'll serve as the foundation of a state-mandated comprehensive planning process that will conclude in 2009. In addition, two area plans were adopted, covering the near west side and the neighborhood near Fond du Lac and North Avenues. These plans represent a collaborative vision for neighborhood development forged by residents, business owners, property owners, and policy makers. The Common Council directed the department to begin three new area plans, covering the northeast side, northwest side, and southeast side, in 2005.
- The City of Milwaukee continues to support the Milwaukee Public Schools neighborhood schools initiative. Our Redevelopment Authority has provided about \$100 million in bond financing to build new schools, and the City real estate office has assisted in the acquisition of sites for new neighborhood schools. A good example: the Mary McCloud Bethune School, now under construction at 35<sup>th</sup> and Galena. It will replace the current 37<sup>th</sup> Street School. City assembled the site for the new school, provided bond financing for construction, helped MPS to develop new housing units to replace those torn down to build the new school, and is now marketing the old 37<sup>th</sup> Street School for redevelopment.

- The Housing Authority of the City of Milwaukee is a strong partner in neighborhood revitalization. During 2004, HACM completed construction of the “green” Highland Gardens apartment building for the elderly. HACM also won its 5<sup>th</sup> federal HOPE VI grant for the redevelopment of public housing facilities. This latest grant is being used to build scattered site public housing in Milwaukee neighborhoods. Milwaukee has captured about \$135 million in federal HOPE VI funds to re-invent its public housing.
- The Common Council adopted the Main Street Milwaukee program this fall. Main Street Milwaukee will re-energize the City’s investment in neighborhood commercial districts, by focusing an array of services and resources to improve the quality of four districts in the central city. Main Street Milwaukee is a public-private partnership that also involves the Local Initiatives Support Corporation and local companies and foundations that are providing financial support for the program.
- DCD’s real estate division sold more than 200 vacant land parcels in 2004; proposals presented at the time land was sold project investment of more than \$30 million to redevelop these properties. Sales ranged from the transfer of property for \$1 to community-based housing developers such as Habitat for Humanity and West End Development Corp., to the sale of property at 2121 S. Kinnickinnic Ave. to Big Bend Development LLC for the construction of a \$6 million mixed use development.
- The Development Center served more than 15,000 walk-in customers, issued more than 36,000 building and occupancy permits, and took in \$9.2 million in revenue. Permits issued in 2004 will support nearly \$300 million in private investment.
- The façade grant program, administered by DCD, awarded nearly 100 grants totaling \$775,000 to businesses and property owners planning to renovate the exteriors of their buildings. The grants are expected to generate total investment of \$2.7 million.
- The Neighborhood Improvement Development Corporation provided loans and grants totaling \$2.8 million for the renovation or construction of 332 housing units in 2004. These funds leveraged the investment of an additional \$7 million of neighborhood investment.
- A new tax incremental district was created to support the development of a new major retail development at W. Holt Ave. and S. Chase Ave. The \$24 million project includes a Pick ‘n Save and Home Depot.
- Redevelopment continued at Granville Station (the former Northridge shopping center) and Midtown Center (the former Capitol Court shopping center).

## **2005 initiatives**

- We’ll move ahead with the redevelopment of Bronzeville, with the objective of creating an African American Entertainment and Cultural District along West North Avenue between I-43 and Martin Luther King Jr. Drive. The department will work to revive the health of an older commercial district and the surrounding neighborhood to foster new investment in the area and create opportunities for the community. In 2005, the city of Milwaukee will be assembling and selling development parcels for entertainment and hospitality businesses to support growth of Bronzeville.
- We will begin to market land in the Menomonee Valley for industrial development.

- DCD will coordinate the creation of a summer youth internship program, placing between 200 and 250 local high school juniors and seniors in jobs within City government departments. The youth internship program is designed to provide meaningful work experience and an opportunity to earn money for participants. The planning team for the internship program includes representatives of the Milwaukee Public Library, Department of Employee Relations, Housing Authority of the City of Milwaukee, Community Block Grant Agency, and Milwaukee Public Schools.
- We will expand public/private economic development initiatives with partners including MMAC, the Milwaukee Development Corporation, the Initiative for a Competitive Milwaukee, TechStar, and local industrial development corporations.
- We'll be creating a "Milwaukee Standard" for low-impact, sustainable development that reduces air and water pollution, conserves resources, and contributes to the health and prosperity of Milwaukee citizens and employers. We've established a task force that is identifying best practices and practical methods that will allow the city of Milwaukee to become a leader in the sustainable development movement. We anticipate seeking a developer to design a "green" multi-tenant building within the Menomonee Valley during 2005.
- We'll be developing guidelines for the appropriate location and design of "big box" retail development in Milwaukee.
- We'll work with private partners to develop central city subdivisions in the Josey Heights neighborhood (around 14<sup>th</sup> and Lloyd, near Lloyd Street School) and on property that was formerly occupied by a Johnson Controls plant in the Riverwest neighborhood. We received a \$300,000 federal grant to clean-up pollution at that property in 2004.
- We will initiate three new neighborhood plans, in the northwest side, southeast side, and northeast side neighborhoods.
- We'll celebrate continued development downtown through streetscaping along East Wisconsin Avenue, opening of the Public Market in the Historic Third Ward, completion of several riverfront housing developments, a revised plan for the Historic Third Ward, additional riverwalk segments, and the development of the Park East Corridor and Pabst City. As a community, we'll also be making some decisions about improved downtown public transit through implementation of the Milwaukee Connector or some other transit improvements.
- The Department's Development Center will introduce ePermits, a web-based system that allows contractors to take out certain types of building permits over the internet.

1/14/05