
CITY OF MILWAUKEE INDUSTRIAL LAND ANALYSIS

Building a shared understanding of Milwaukee's current industrial sector and provide a roadmap for future decision-making.



SUMMARY REPORT
AUGUST 2021

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ACKNOWLEDGEMENTS

THANK YOU! to everyone who contributed to this plan by participating in an interview or who shared their thoughts and insights online or at a public meeting. Many local voices helped shape this plan; BID neighbors, employees, businesses, artists, community organizations, institutions, visitors, City staff and leadership—your words and ideas populate the pages that follow.

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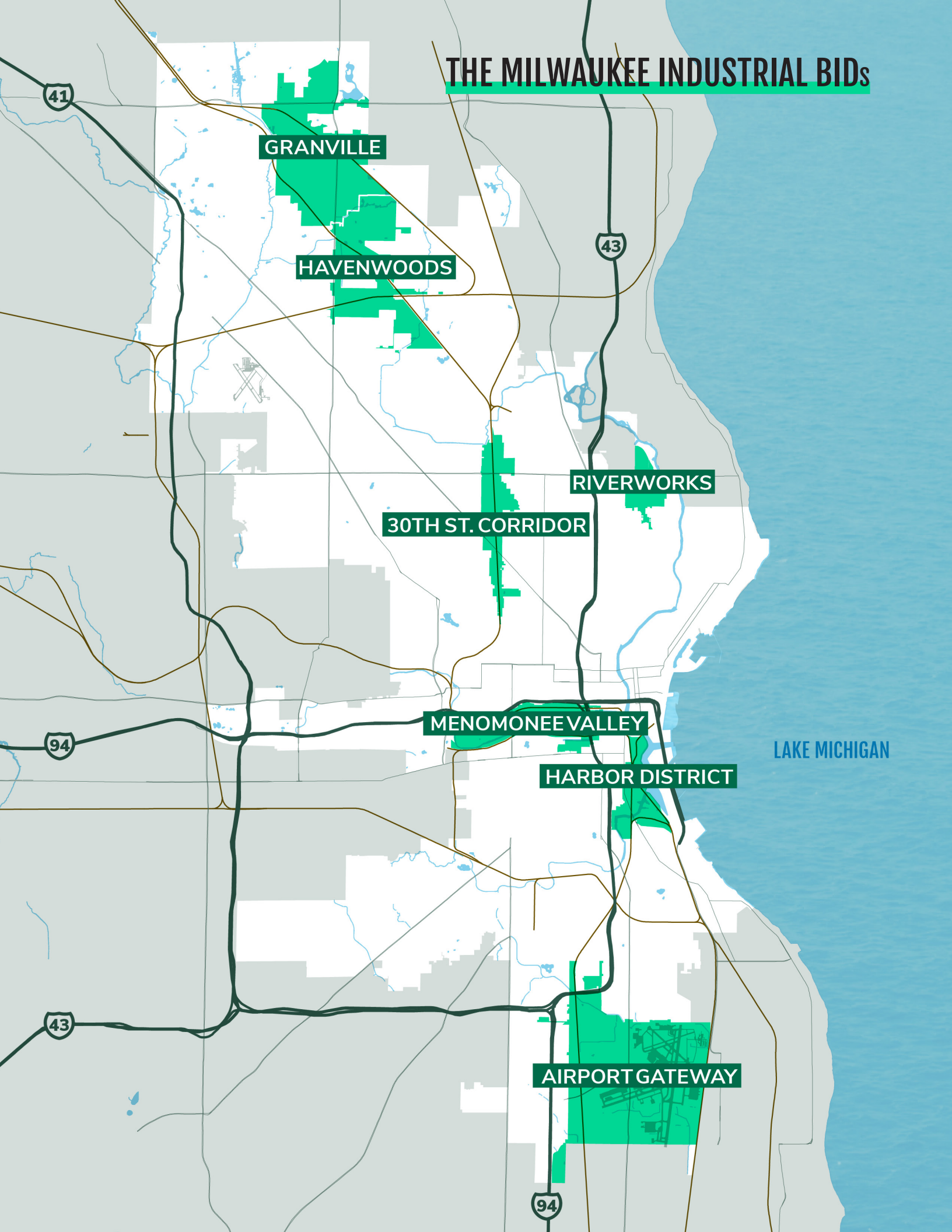
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TABLE OF CONTENTS

Introduction.....	1
Industry Today.....	3
Engagement Summary.....	7
Citywide Strategies.....	11
Industrial BID Profiles and Recommendations.....	39
30th Street Corridor.....	40
Airport Gateway.....	53
Granville.....	63
Harbor District.....	73
Havenwoods.....	83
Menomonee Valley.....	93
Riverworks.....	105
Appendix	[under separate cover]
Fiscal Impact Analysis	
Implementation Matrix	
Rezoning Evaluation Framework	
Milwaukee Workforce, Demographic & Employees Profile	
Covid-19 Short & Long Term Impacts & Implications	
Industrial Preservation & Attraction Strategies	
Public Outreach Documentation	

THE MILWAUKEE INDUSTRIAL BIDS



GRANVILLE

HAVENWOODS

RIVERWORKS

30TH ST. CORRIDOR

MENOMONEE VALLEY

HARBOR DISTRICT

AIRPORT GATEWAY

LAKE MICHIGAN

INTRODUCTION

The *Milwaukee Industrial Land Analysis* is designed to build a shared understanding of Milwaukee's current industrial sector and provide a roadmap for future decision-making. A key purpose of this project is to create a tool for the City of Milwaukee to use in making future decisions regarding land use. Results of this analysis will influence land use and zoning decisions for years to come.

Taking place over the course of one year, this work answers critical questions related to Milwaukee's competitiveness to support and attract industrial business and jobs:

> Does the City of Milwaukee have sufficient industrial zoned land to meet future demand?

> Are there strategic adjustments that the City of Milwaukee should consider to its zoning code and economic development strategies to meet the future space needs of manufacturers?

> Under what circumstances would a conversion for non-industrial uses be appropriate on certain sites?

By helping the City to better understand the general trends impacting the market, and the effects various land use strategies can have on key issues like job creation, economic growth, property tax levies, and more, the City and partners will be better positioned to chart a strategic course forward.

This plan is an amendment to the Citywide Policy Plan, which, together with the 14 Area Plans, makes up the City's Comprehensive Plan. As part of the comprehensive plan, it is adopted by the Common Council, and its recommendations must be considered when making land use and zoning decisions. The State of Wisconsin has a Comprehensive Planning Law (Wis. Stats 66.1001) that requires all municipalities to complete comprehensive plans to guide their future development. The State and the City have both adopted frameworks for developing comprehensive plans in a way that incorporates meaningful public participation throughout the process. The *Industrial Land Analysis* was developed in a way to meet these requirements.

In addition to being part of the City's Comprehensive Plan, the *Industrial Land Analysis* contains strategies for achieving goals established in *Growing Prosperity*, the City's economic development plan. *Growing Prosperity* was completed in close coordination with Milwaukee 7, the regional economic development entity, to coordinate efforts in the southeastern Wisconsin region. *Growing Prosperity* recognizes the importance of manufacturing in the region and the City and enumerated several recommendations, including maintaining an inventory of 100 acres of developable industrial land and re-evaluating the zoning code to align with modern manufacturing.

INDUSTRY TODAY

MILWAUKEE – THE MACHINE SHOP OF THE WORLD

Premier access to the lake established the City but Milwaukee's industrial history fueled its growth. From auto frames to steam engines to agricultural machinery, industrial factories were established across the City taking advantage of land and available rail. Businesses like Miller Brewing and A.O. Smith (located in what is now the 30th Street Corridor) employed thousands and represented the ingenuity and skill of the diverse workforce in the City.

This industrial legacy remains critical to the Milwaukee's economy today. Industrial activity accounts for 45,000 jobs in the City and over \$3.6 billion in wages. One in every five jobs in the City is located on industrial property which represents only 3% of the City's land value but 18% of private sector wages. Critically, industrial sector jobs pay 15% more than average wages across all employment including almost 4 times as much as hospitality jobs and 2½ times more than retail jobs.

Industrial jobs are declining, but Milwaukee remains a strong industrial hub compared to other cities. In the last decade, manufacturing—one type of industrial use—has been in decline across almost all Midwestern cities. The line charts below and to the right illustrate the decline of manufacturing jobs since 2004 - 2018 in Milwaukee, Chicago, Indianapolis, Madison, Grand Rapids, and Cleveland. Milwaukee has, however, shown signs of strength. Milwaukee's data shows the second-best performance of this cohort since 2004.

Milwaukee's seven Industrial BIDs contain most of the City's manufacturing jobs. In all, there are about 2,160 businesses within the City's Industrial BIDs. **Milwaukee's Industrial Business Improvement Districts (BIDs) are critical employment centers for the City.** Though the number of businesses that rely on industrial type space has declined since 2004 some

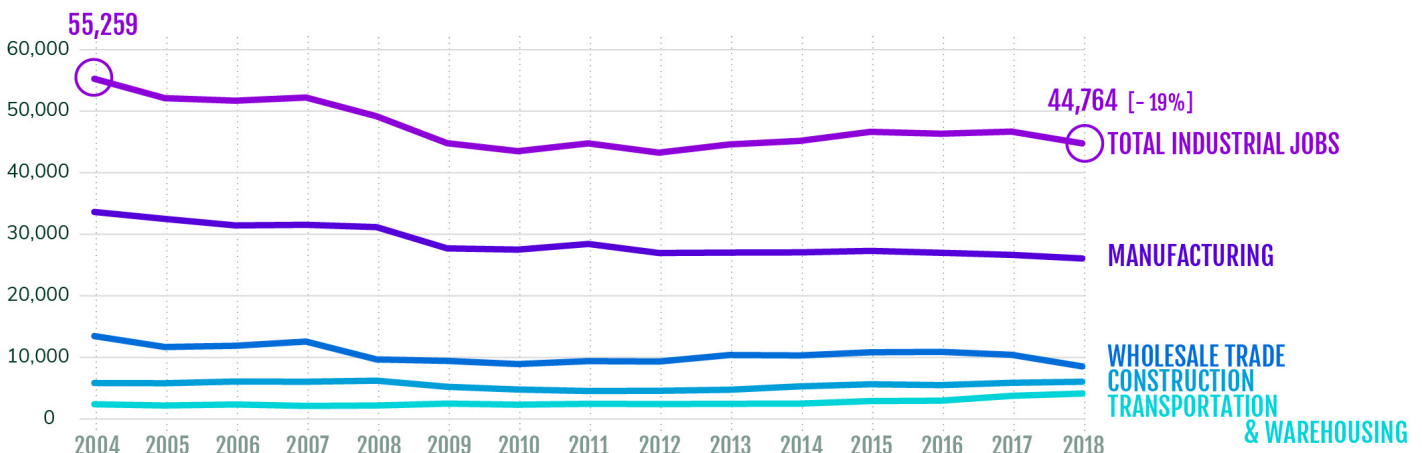
sectors have grown or maintained since 2004 and are a core part of Milwaukee's manufacturing base. Beverage manufacturing, specialty food services, and some transportation-related businesses show growth in this period. These industrial sectors also align with the Milwaukee 7 Industry Clusters identified as having growth potential in Milwaukee.¹

Approximately one in five jobs in Milwaukee reside on the city's industrial lands, and one in ten jobs in Milwaukee is a manufacturing-related job. What's more, the average "industrial sector" job pays \$64,580 each year, 15% higher than the average private sector wage in Milwaukee*.

*Defined as manufacturing, warehouse/transportation, construction, wholesale trade, utilities

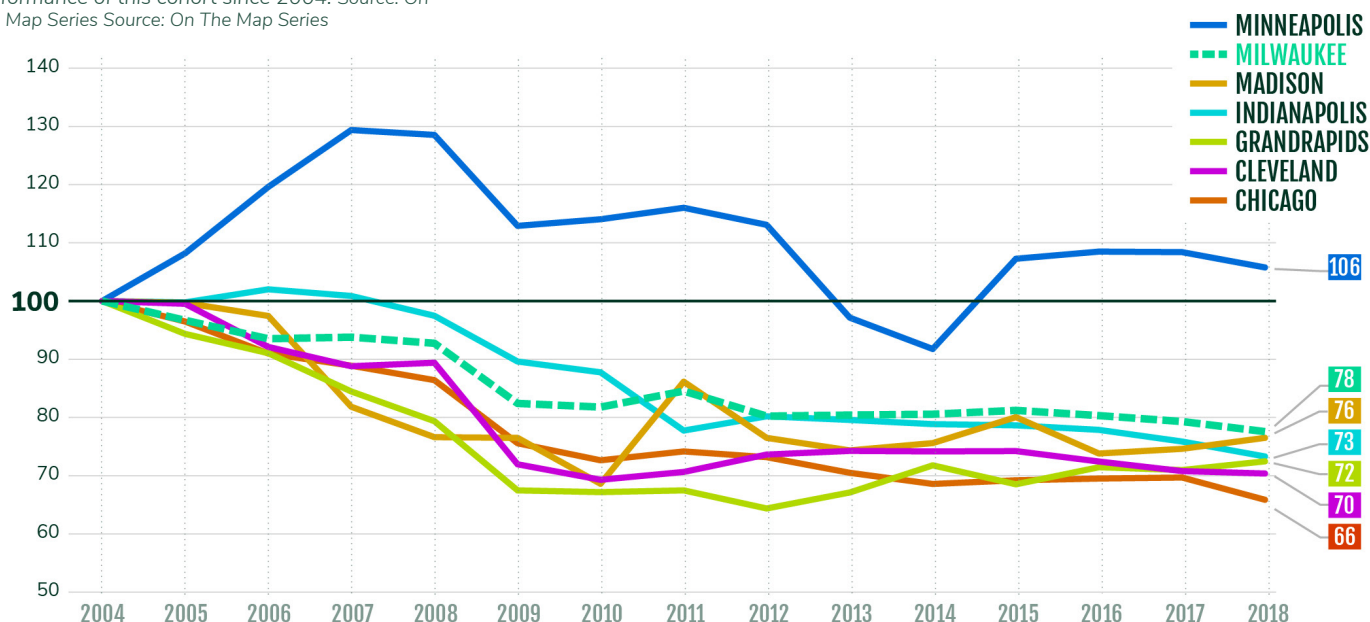
INDUSTRIAL JOB TRENDS CITYWIDE

Industrial jobs have been trending down in Milwaukee since 2004. Source: On The Map Series



CHANGE IN MANUFACTURING JOBS SINCE 2004

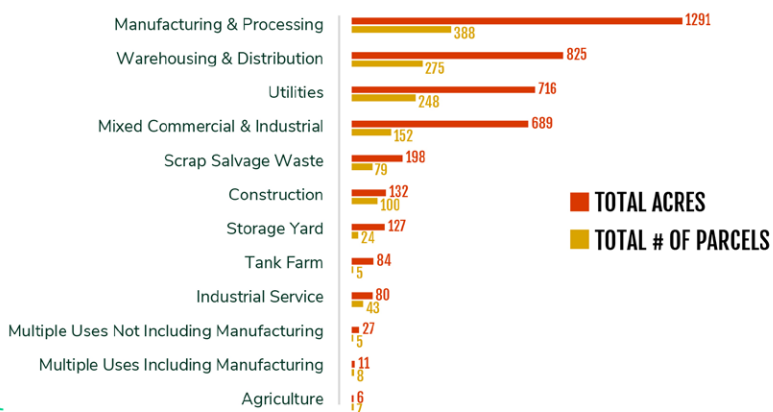
In the last decade, manufacturing has been in decline across almost all Midwestern cities. Milwaukee's data shows the second-best performance of this cohort since 2004. Source: On The Map Series Source: On The Map Series



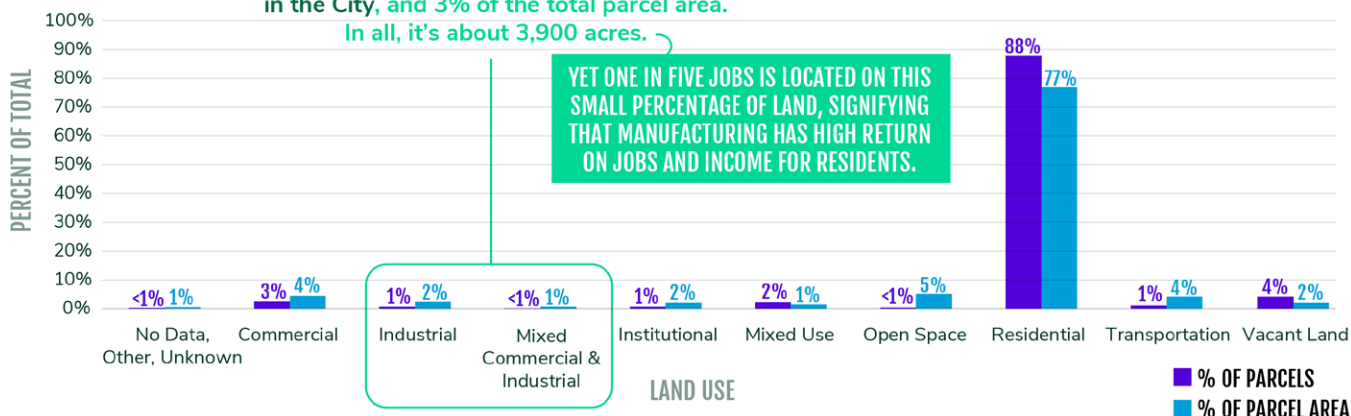
INDUSTRIAL LAND METRICS CITYWIDE

Comparative acreage of industrial use types citywide, within and outside of Milwaukee's Industrial BIDs. Source: Interface Studio analysis of the Master Property Parcel file, accessed December, 2020, and field observations.

Of that industrial land, manufacturing & processing accounts for the majority of both parcels and acreage



Industrial land makes up just 1% of the parcels in the City, and 3% of the total parcel area. In all, it's about 3,900 acres.

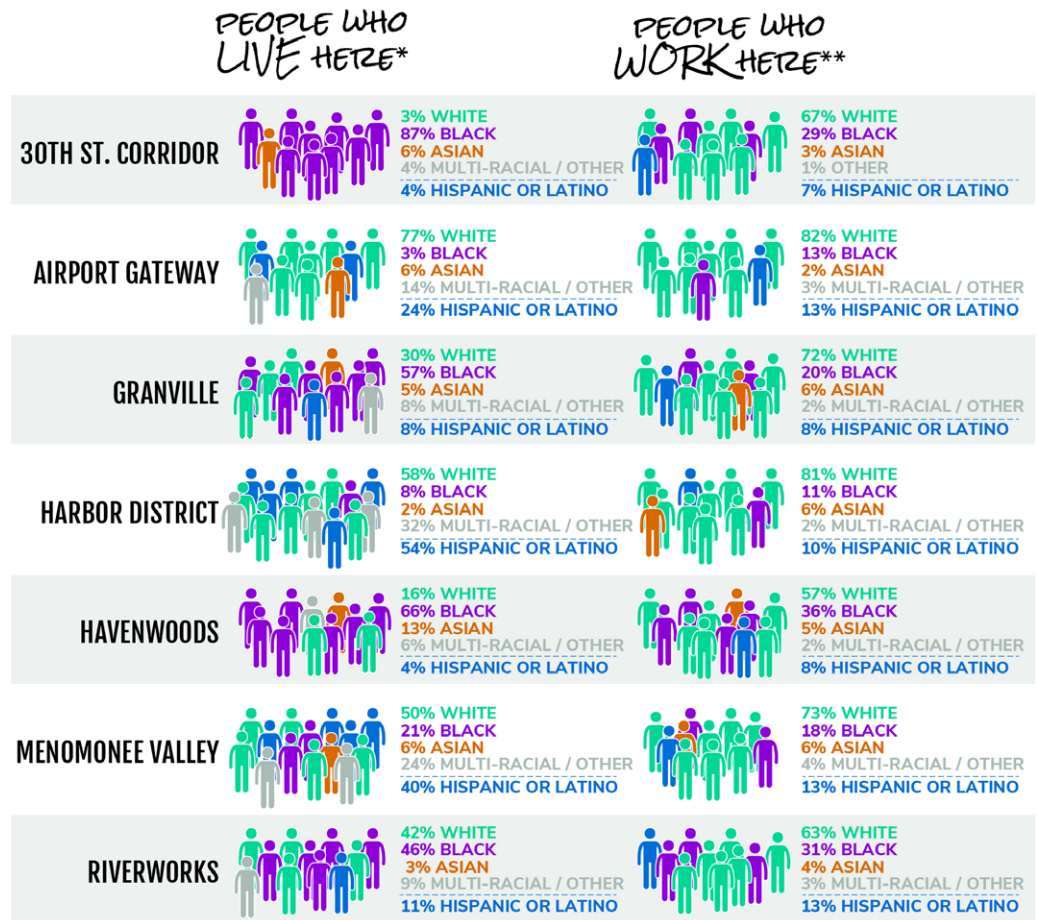


YET ONE IN FIVE JOBS IS LOCATED ON THIS SMALL PERCENTAGE OF LAND, SIGNIFYING THAT MANUFACTURING HAS HIGH RETURN ON JOBS AND INCOME FOR RESIDENTS.

SOME BIDS' WORKFORCES REFLECT THE RACIAL COMPOSITION OF THEIR SURROUNDING COMMUNITY, WHILE OTHERS LOOK DRASTICALLY DIFFERENT.

Nestled around these BIDs are historic and diverse communities. Milwaukee is almost 40% Black and 20% Hispanic or Latino but according to City Observatory the 5th most racially segregated city in the Country. One in four City residents live in poverty, but Black poverty is the highest in the nation at 33%.² ³ For these reasons, intentional efforts to support new and existing minority-owned businesses and improve access to industrial job opportunities for people of color is essential in helping to address racial inequity within Milwaukee.

Industrial jobs are evolving and, a range of other policies and actions are necessary. The remainder of this document outlines primary actions the City, BID directors and their partners can take to better align the use and management of industrial land with local values around job creation, wealth and racial equity.



COMPARISON OF RESIDENT POPULATION TO EMPLOYEE POPULATION IN EACH OF THE INDUSTRIAL BIDS

Source: ESRI, OnTheMap Application and LEHD Origin-Destination Employment Statistics, Primary Jobs Only, 2018. Note: Hispanic or Latino origin is a U.S. Census classification that refers to a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin regardless of race.

* Population within a 1/2 mile of the BID
** Working Population in the BID

IMPACTS OF THE COVID-19 PANDEMIC

The onset of the COVID-19 pandemic on a global scale has fundamentally changed how manufacturing operates internationally and nationally, with a focus on diversifying and reducing risk in supply chains, shoring goods production as close to the US as possible, and the changes in logistics that this would entail. An increase in manufacturing capacity within the US, as opposed to relying on international markets for sourcing of key components and essential goods such as PPE, will demand more flexible space and logistics

facilities, increased transparency in tracking and distribution, higher reliability in automation and e-commerce, and a labor pool that is prepared to meet the current industry demands.

For Milwaukee, responding the changes to industry more broadly will mean:



- **HAVING READY-TO-GO, FLEXIBLE LOCATIONS FOR A WIDE RANGE OF INDUSTRIAL OPERATIONS,**
- **A WORKFORCE THAT CAN TAKE CHARGE IN AN INCREASINGLY DIGITAL WORK ENVIRONMENT, AND**
- **ACCOUNTING FOR LOGISTICS IN THE FINAL PRODUCTION AND DELIVERY COSTS OF GOODS IN THE CITY**

RACE & ETHNICITY

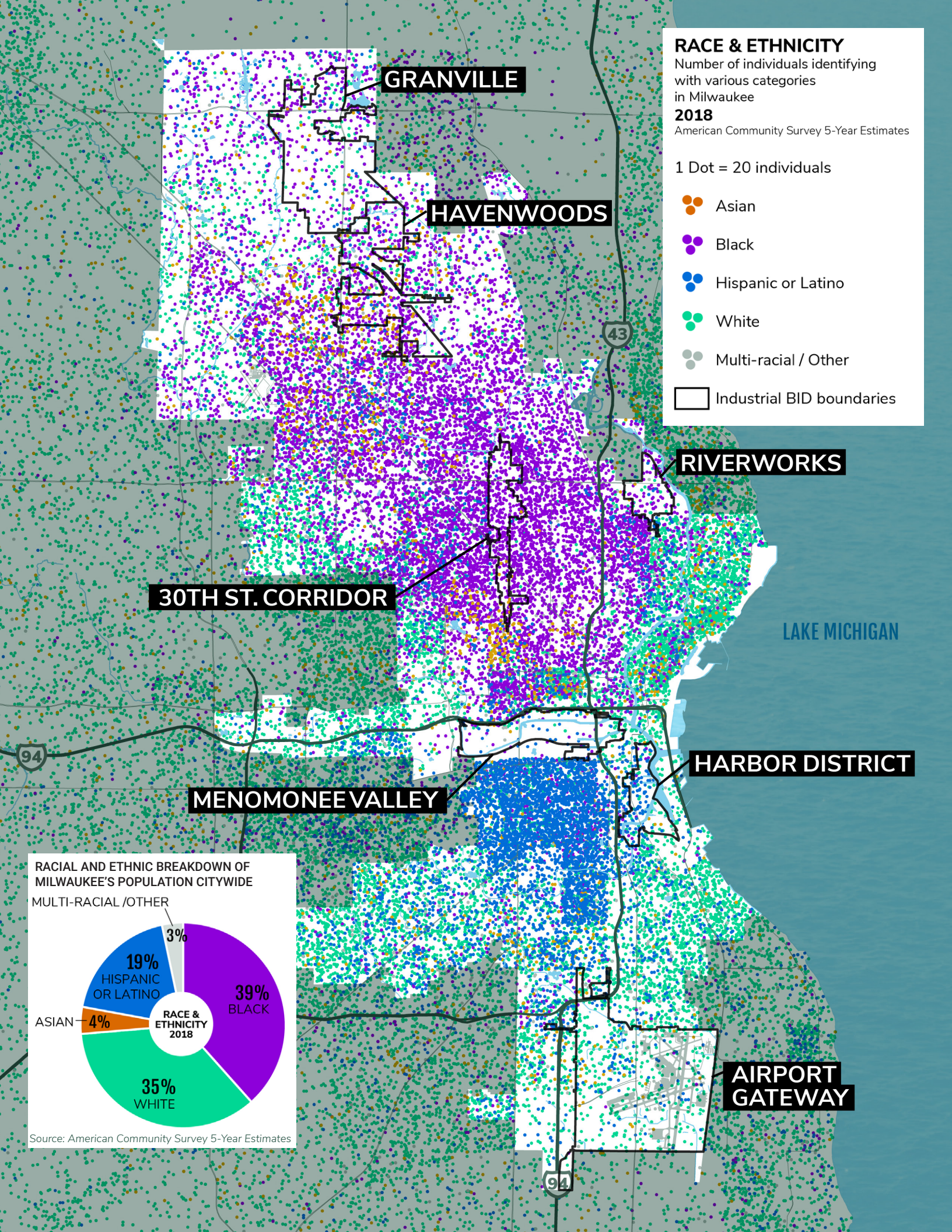
Number of individuals identifying with various categories in Milwaukee

2018

American Community Survey 5-Year Estimates

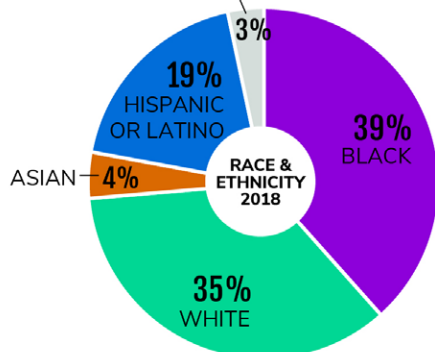
1 Dot = 20 individuals

- Asian
- Black
- Hispanic or Latino
- White
- Multi-racial / Other
- Industrial BID boundaries



RACIAL AND ETHNIC BREAKDOWN OF MILWAUKEE'S POPULATION CITYWIDE

MULTI-RACIAL / OTHER



Source: American Community Survey 5-Year Estimates

RECOMMENDATIONS CITYWIDE

GOALS




The following goals were identified through industrial land and market analysis, stakeholder engagement, and in close collaboration with project leaders at the City of Milwaukee and the City's Industrial Business Improvement Districts (BIDs). Each of these five (5) overarching Goals represent the desired result that the City of Milwaukee and its partners commit to achieve through enacting the ten (10) Strategies that follow them, in no particular order or hierarchy. Nested under each Strategy are Actions which describe more specific steps that can be taken to accomplish each Strategy.

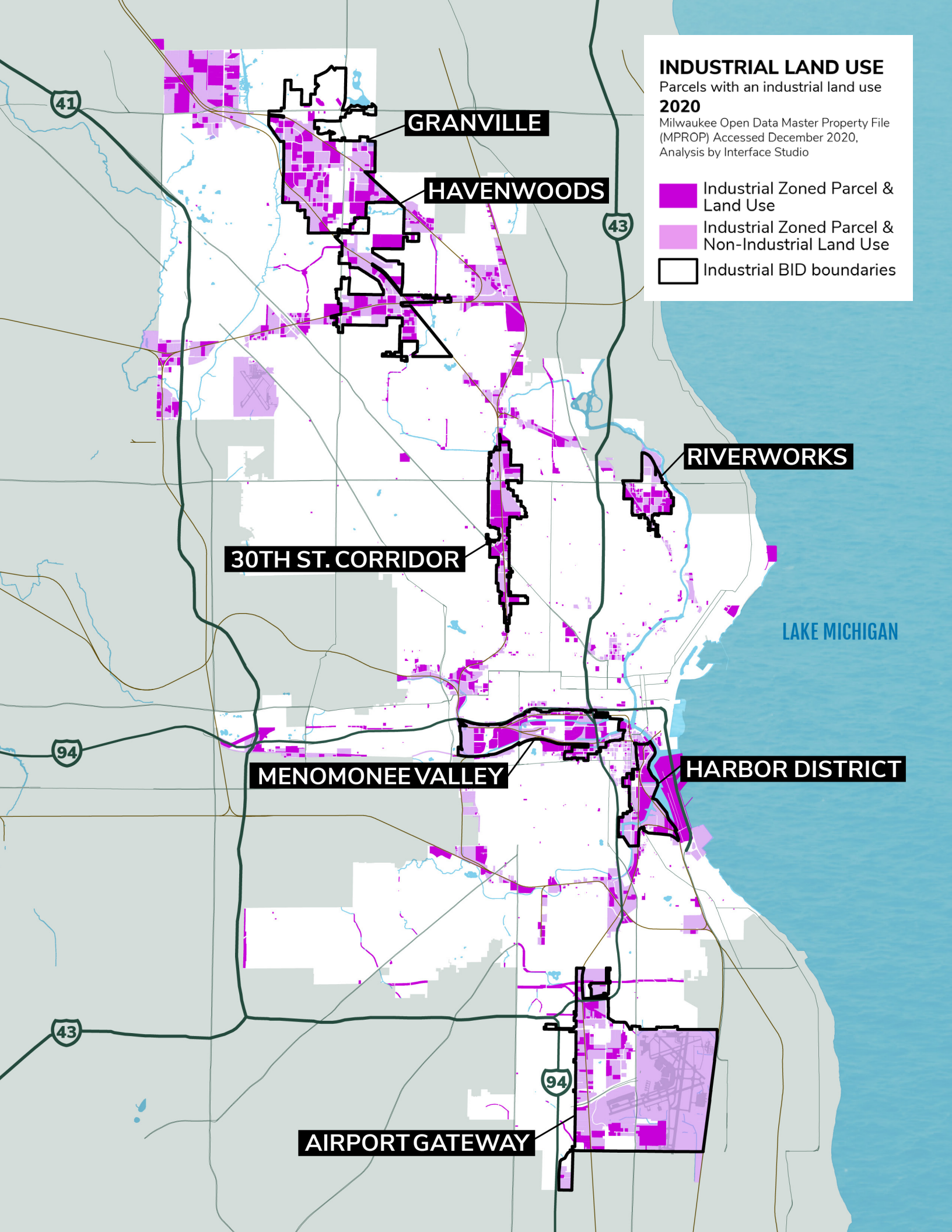
- 1 Increase resiliency of Milwaukee's industrial economy.**
Ensure industrial land and districts are in the best position possible to grow industrial demand, cultivate industrial clusters, and capture a greater share of the regional demand for industrial uses in Milwaukee. The City of Milwaukee's organizational capacity to market available spaces, facilitate and support the development of these properties, meet the unique needs of industrial businesses, and effectively draw companies that align with Milwaukee's industrial clusters is equally as important as the City's willingness to protect industrial land.
- 2 Improve the utilization of existing industrial land for new jobs and economic activity.**
The presence of vacant land and buildings isn't enough to drive local innovation. The location, scale, and condition of available properties make some areas more valuable or viable than others. Even properties in the best locations won't provide a benefit if interested developers and business owners face too many barriers to improve those properties. It is important to create a clear line of sight for the reuse of existing industrial property.
- 3 Align activities to promote and expand industrial jobs to meet the needs of BIPOC residents and business owners.**
Milwaukee is home to nonprofits like Start Up Milwaukee, cultural Chambers of Commerce, and local institutions like the Milwaukee Area Technical College (MATC), working to improve access to education and resources for those working in engineering, tech and starting and supporting businesses in the Milwaukee area. The business community often does not reflect the racial composition of the City as a whole. Intentional action and community organizing can help to create real opportunities for minority entrepreneurs and talent.
- 4 Capitalize on Milwaukee's manufacturing history to create the next generation of makers and entrepreneurs.**
In the early 1900s, Milwaukee gained a reputation as the "Machine Shop of the World". The city's history of innovation dates back to the Civil War. Companies specializing in engineering grew from small businesses to industry giants in Milwaukee, fueled by national demand for more advanced machinery, motors, and production by automotive, transport, and agricultural industries. Today, industrial manufacturing innovations in robotics, materials, and artificial intelligence are colliding with a resurgence of value of artisanal "makers" and craftsmen. The City and its partners need to nurture the next generation of creative manufacturers.
- 5 Improve the physical and social connections between the Industrial BIDs and surrounding communities.**
Milwaukee's Industrial BIDs are spread across the City. From Granville to the Airport Gateway, each BID offers a unique context and benefits for business, but all of the BIDs share adjacency with one or more of Milwaukee's vibrant residential areas. Many of these neighborhoods grew up around an anchor factory, allowing residents to walk to work. Though the employment reach of industrial neighborhoods has expanded dramatically in the last century, the importance of these areas as economic engines for Milwaukee sustains. The importance of being "good neighbors" to the residential areas surrounding the BIDs is growing as residential density increases in some of Milwaukee's central areas, and consumers demand transparency and responsibility from companies they patronize. Improvements within these BIDs can also help to address shared concerns around climate change by encouraging energy efficiency, incentivizing solar, increasing biodiversity and integrating new green infrastructure.

INDUSTRIAL LAND USE

Parcels with an industrial land use
2020

Milwaukee Open Data Master Property File
(MPROP) Accessed December 2020,
Analysis by Interface Studio

-  Industrial Zoned Parcel & Land Use
-  Industrial Zoned Parcel & Non-Industrial Land Use
-  Industrial BID boundaries



STRATEGIES

The purpose of the section is to provide effective strategies to protect critical industrial properties from redevelopment for non-industrial uses, support the growth of the industrial sector and employment centers, and attract and retain industrial development to the City of Milwaukee.

1 ALIGN ZONING TO PROTECT AND EXPAND INDUSTRIAL USES WHERE APPROPRIATE.

KEY ACTIONS INCLUDE:

- › Redefine all current Industrial BIDs as “Employment Centers”
- › Protect land with unique access to critical transportation (rail, highway, and waterway) infrastructure for industrial use (“Industrial Sanctuaries”).
- › Create a MaKE Zone to specifically protect space for manufacturing businesses.
- › Enable manufacturing within specific commercial zones.
- › Expand the metrics in evaluating industrial zoning changes.
- › Introduce new controls on self-storage uses citywide.

2 EXPAND LAND ASSEMBLY, CLEAN UP AND SITE PREPARATION ACTIVITIES FOR INDUSTRIAL USES.

KEY ACTIONS INCLUDE:

- › Develop, maintain and publish a comprehensive list of available sites within the City of Milwaukee.
- › Ensure that 20 acres of net new readily-developable land per year is available to meet demand from manufacturing companies looking for new construction.
- › Complete an environmental and geotechnical characterization of publicly-owned sites to reduce uncertainty.
- › Create a Land Assembly Fund to acquire, assemble and prepare land for the market.

3 ACCELERATE THE REHABILITATION OF OLDER INDUSTRIAL SPACES FOR NEW BUSINESSES.

KEY ACTIONS INCLUDE:

- › Create a MaKE Investment Fund modeled after the City’s successful White Box and Retail Investment Fund programs for industrial spaces.
- › Offer modernization assistance including matching funds for signage and facades.
- › Provide additional development assistance for businesses seeking older industrial space.

4 CREATE AN ENTITY THAT CAN BE MORE PROACTIVE IN THE DEVELOPMENT OF SMALL & MID-SIZED INDUSTRIAL SPACE.

KEY ACTIONS INCLUDE:

- › Explore a nonprofit industrial development corporation or partnerships with existing nonprofit or mission-driven developers to assemble, prepare and build spec industrial space for small businesses.
- › Evaluate a Building Rehab and Reinvestment Strategy.

5 IDENTIFY WHERE CONTEMPORARY “WAREHOUSING AND DISTRIBUTION” FIT IN FUTURE PLANNING.

KEY ACTIONS INCLUDE:

- › Modernize the code to clearly regulate “Warehousing and Distribution”.
- › Enable and regulate distribution and warehousing uses along selected commercial corridors to replace empty big box sites.
- › Establish a clear goal for the number of acres of readily-developable land to be made available to meet demand from warehousing and distribution in desired locations with transportation access such as proximity to the port and airport, rail, and highway access.

6 TRANSITION AWAY FROM INDUSTRIAL USE WHERE APPROPRIATE.

KEY ACTIONS INCLUDE:

- › Utilize the revised Rezoning Evaluation Framework in conjunction with the recommendations contained within the City’s Area Plans to evaluate changing zoning away from manufacturing or zoning modification of industrial land.
- › Proactively rezone land unsuitable for industrial development.

7 INVEST IN KEY PUBLIC REALM IMPROVEMENTS IN INDUSTRIAL BIDs.

KEY ACTIONS INCLUDE:

- › Ensure zoning appropriately regulates the scale and quality of industrial buffers and landscaping on industrial properties.
- › Create enhanced open spaces within Industrial BIDs.
- › Increase investment in public art and placemaking to identify and celebrate Industrial BIDs.
- › Focus on upgrades to “business quality of life” across all of Milwaukee’s Industrial BIDs.
- › Continue to focus on safety enhancement within each of the Industrial BIDs and around industrial properties citywide.
- › Improve walkability within and connections to Industrial BIDs.
- › Capture and/or clean the first half-inch of stormwater on site to reduce impact on waterways and to reduce pressure on the Combined Sewer Area (CSA) and prioritize the use of green infrastructure.
- › Continue and expand the Environmental Collaboration Office’s current programs to incentivize alterations to industrial properties that help address climate change, such as solar power incentives, increased landscaping, and energy efficiency upgrades.

8 MAKE THE CASE FOR INDUSTRIAL JOBS.

KEY ACTIONS INCLUDE:

- › Develop a Manufacturing Strategy for the City of Milwaukee that includes an integrated workforce strategy.
- › Establish a public communication “toolbox” to help the City, BIDs and Business-owners communicate the value of industry in Milwaukee.
- › Coordinate marketing initiatives among Milwaukee’s Industrial BIDs.

9 CONNECT BUSINESSES TO BUSINESSES AND BUSINESSES TO NEIGHBORS.

KEY ACTIONS INCLUDE:

- › Host Business-to-Business Networking events virtually and in person.
- › Maintain a centralized, public facing webpage with information about the City’s initiatives.
- › Explore partnerships with other districts and organizations to create mobile or print maps and guides.
- › Host industrial area or facility tours and encourage businesses to participate in community-focused events.
- › Encourage local hiring by linking workforce programs and nearby community organizations.

10 CONTINUE TO IMPROVE ACCESS TO INDUSTRIAL JOB OPPORTUNITIES.

KEY ACTIONS INCLUDE:

- › Connect to existing workforce initiatives.
- › Improve bicycle access to Industrial BIDs.
- › Improve transit accessibility to all Industrial BIDs.

WHY is preserving land for industry important YOU ASK?

1 in 5 jobs in MKE



THAT'S ABOUT

45,000 **\$3.6b**
jobs in wages

Industrial land supports *MUCH* higher wages

commercial land



RETURNS WAGES
1.6x
ITS LAND VALUE

industrial land



RETURNS WAGES
4.3x
ITS LAND VALUE

AND! industrial jobs pay more



\$64,580

AVERAGE INDUSTRIAL JOB SALARY

15% higher

THAN THE AVERAGE PRIVATE SECTOR WAGE

Manufacturing jobs are even better.

\$68,222

AVERAGE MANUFACTURING JOB SALARY

3.8x HOSPITALITY JOBS

2.4x RETAIL JOBS

2.3x ADMINISTRATIVE SERVICE JOBS

1.7x WAREHOUSING & TRANSPORTATION

1.5x HEALTHCARE & SOCIAL SERVICES

Created for the Milwaukee Industrial Land Analysis, 2021. Source: Interface Studio & Ninigret Partners

¹ Industrial land holds \$829m of property value hosts \$3.6b in wages – a wage base to land value return of 4.3 to 1. Commercial property holds \$12.4b with an estimated wage base of \$7.97b or a 1.6 to 1 wage base to land value return. Calculated based on estimated total wages for sector / assessed and equalized value of corresponding land category – industrial or mercantile (commercial). Excludes wages for healthcare social services and educational services since a large portion of their activity takes place on tax exempt property.



REFERENCES

1 <https://www.mke7.com/index.php?submenu=clusterIndustries&src=gendocs&ref=ClusterIndustries&category=Milwaukee7>

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3 <https://www.wuwm.com/race-ethnicity/2020-08-17/black-milwaukeeans-are-generally-worse-off-today-than-50-years-ago-uwm-study-finds>

