

**MDC comments for the record
(City Planning Commission & Zoning and Neighborhood
Development)**

Milwaukee Development Corporation (MDC) compliments the City for the work it has done in updating the Downtown Plan and for its inclusive planning process, but MDC believes that the current draft of the Plan Update does not adequately reflect the realities of the marketplace, the size of the Downtown footprint, or the limits of City resources. Accordingly, MDC makes the following observations and recommendations:

1. The idea of focusing development through Catalytic Projects has proven to be successful, as evidenced by what has happened since the 1999 Downtown Plan was adopted, but some of those Catalytic Projects need more work. Before the City focuses its personnel or financial resources on the proposed 8 new Catalytic Projects identified in the current draft of the Plan Update, it should first: concentrate on the Catalytic Projects that were adopted in the 1999 Plan and are only partially completed, such as the Pabst Brewery and the Park East, in which the City has already made substantial investments that are yet to be recovered, and second: be careful not to destabilize existing Downtown developments. Completion of these already adopted Catalytic Projects that are still "in progress" should be the highest development priority of the City, but as and when the City moves forward, with either the already adopted Catalytic Projects or the newly proposed Catalytic Projects, it must be careful not to destabilize existing Downtown developments.

2. Density is an important goal and is appropriately included in the draft of the Plan Update. However, the proposed 8 new Catalytic Projects are spread throughout the Downtown, and they include such a significant amount of development that it is very unlikely that all or even most of them could be absorbed over the next 10 or more years. This new development could impede the completion of many of the important initiatives that are already underway and in which the private sector and the City have already made substantial investments that could be at risk. These proposed new Catalytic Projects and the Catalytic Projects in the 1999 Plan should be prioritized among themselves, but completion of the already adopted Catalytic Projects that are already "in progress", as well as stabilization and support of other already existing projects, should be the highest priority.

3. The focus of the Update and the personnel and financial resources of the City should be on **"Increasing Downtown Demand"--developments that bring more people downtown to live, work, visit, play, and spend money**--not developments that just move people from one Downtown location to another. MDC would be pleased to work with the City to identify those demand generators that are most likely to be effective in our Downtown, taking into account local and national market conditions, as well as the economic resources needed and the potential sources of those resources. Given the limited resources of the City, the Update should establish priorities, so those resources can be directed most efficiently and effectively. An initial screen for evaluating a project for City assistance should be if it will "increase downtown demand", followed by whether it will advance a Catalytic Project (with emphasis on those with the highest priority) or effectively deal with one of our properties or areas of special concern that are not addressed by one of the Catalytic Projects (e.g., the future of the Grand Avenue Mall, the Bradley Center, or the Convention Center).



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4. MDC still believes (as it did when it sponsored the Library Hill Apartments development) that residential development is the cornerstone of increasing demand and revitalizing Downtown. Recent experience has shown that 70% or more of residents in newer multifamily developments are moving into Downtown for the first time. In terms of return on investment, housing will provide the most immediate impact given the current ability to tap into available demand, and the daily needs and discretionary expenditures of Downtown residents will solidify patronage of fledgling Downtown retailers and service providers, providing an additional incremental return.

In addition, the continued growth of a desirable Downtown housing market will influence preferences for places to work (as has happened in Chicago) and can ultimately influence office locations.

In summary, MDC applauds the City for its efforts in developing this important Downtown Plan Update. We urge the City not to stop here, but to use the work done to date, including the 1999 Plan, as the foundational step in a process that will conclude with actual guidelines that prioritize development and allocation of City resources with due consideration given to market realities.