

Department of City DevelopmentCity Plan Commission

Redevelopment Authority of the City of Milwaukee
Neighborhood Improvement Development Corporation

Lafayette L. Crump Commissioner

Vanessa L. Koster Deputy Commissioner

Ald. Bauman 4th Ald. District

CITY PLAN COMMISSION ZONING REPORT

Ordinance File No. 231461

<u>Location:</u> 324 North 15th Street and 1357-1439 West St. Paul Avenue, on the south side of

West St. Paul Avenue, west of North 13th Street.

Applicant/

<u>Owner:</u> Kendall Breunig of Sunset Investors St Paul LLC (applicant)

Current

Zoning: Industrial – Commercial (IC)

Proposed

Zoning: Industrial – Mixed (IM)

Proposal: The building at 324 N. 15th Street has been vacant for an extended period of time

and is significantly deteriorated. It has been the target of graffiti and trespassing in an area that is home to a diverse mix of long-standing and more recent businesses such as CK Architects, Third Space Brewing, Materion, Bachman Furniture, Allied Insulation and others. 1357-1439 W. St. Paul Avenue is a

currently vacant lot adjacent to the building at 324 N. 15th Street.

The properties are currently zoned Industrial Commercial (IC) which

accommodates a range of light industrial, office, and commercial uses.

The proposed zoning change from IC to Industrial Mixed (IM) is being requested by a prospective buyer, Sunset Investors St. Paul LLC, to allow additional uses on the two sites that are not currently permitted, including but not limited to multifamily residential and an animal boarding facility. Multi-family residential is a Limited Use in the IM zoning district, permitted if the residential use is not located within 150 feet of a parcel located in an IH zoning district that contains an intense or heavy manufacturing land use that was in operation on October 31, 2014. If this standard is not met, multi-family residential uses are prohibited.

The applicant indicates that allowing residential uses is the only feasible way to adaptively reuse and preserve the building due to market, engineering, and environmental constraints.

Adjacent Land Use:

St. Paul Avenue has Industrial- Commercial and Industrial- Heavy uses on both sides. The Interstate Highway is to the north. There is an Industrial- Heavy site to the south of the subject site.

Consistency with Area Plan:

Rezoning the parcels at 324 N. 15th Street and 1357 W. St. Paul Avenue from Industrial Commercial (IC) to Industrial Mixed (IM) would be inconsistent with the Comprehensive Plan. The current Industrial-Commercial zoning district accommodates a range of light industrial, office, and commercial uses. However, the purpose of the Industrial-Mixed district is to "provide for the orderly conversion of certain older industrial and warehousing areas with multi-story buildings to residential, commercial or office uses." IM zoning is generally used in areas with an intent to transition away from industrial uses to encourage residential mixed-use developments. The proposed rezoning is spurred by a desire to accommodate residential uses on the upper floors of the existing building, which is inconsistent with the applicable Comprehensive Plan recommendations.

This area of the Menomonee Valley has been subject to thorough planning analysis. Both the Menomonee Valley 2.0 Plan ("MVP 2.0" – adopted in 2015) and the Industrial Land Analysis (adopted in 2021) recommended protecting this area of the Menomonee River Valley for employment purposes and prohibiting residential uses. According to the MVP 2.0 Plan, the vision for the Valley is as a model urban manufacturing center providing accessible employment opportunities to surrounding neighborhood residents.

The St. Paul Avenue Corridor is one of five specific sub-areas identified within MVP 2.0. The Plan included a specific recommendation that "[r]esidential uses are not recommended in the St. Paul corridor as defined in this plan document." The Plan did identify the need to expand the allowable uses along St. Paul Avenue and recommended updating the zoning for the area to allow for additional uses while continuing to prohibit residential use.

In 2016, following the adoption and recommendations of MVP 2.0, the Industrial Commercial (IC) zoning district was created to be tailored to the goals of the St. Paul Avenue Corridor to promote light manufacturing, office, and certain commercial uses while restricting residential. This IC zoning district also provides for the orderly conversion of certain older industrial and warehousing buildings to commercial and complementary retail uses with less traffic generation than uses located on more intensive commercial retail corridors.

The land on both sides of St. Paul Avenue from 9th to 25th Streets was rezoned to IC. During the approval process, several businesses within the area proposed to

be rezoned to IC shared letters of support, indicating that the corresponding zoning change would allow an expansion of commercial and office uses that complemented and supported the continuance of existing manufacturing businesses. The letters also specifically acknowledged the goal of prohibiting certain uses, including but not limited to educational, day care, and residential, to avoid conflicts with current manufacturing operations.

Consistency with

Industrial Land Analysis: The Industrial Land Analysis, adopted by the Common Council as part of the Comprehensive Plan in 2021, also defines the Menomonee River Valley as an important employment center, one that provides family-supporting jobs in close proximity to downtown and other neighborhoods. Both plans emphasize quality jobs, particularly industrial jobs.

> The analysis in MVP 2.0 and the ILA affirms that Milwaukee remains a strong industrial hub compared to other peer cities despite the overall decline in industrial jobs seen nationally since the 1970s. The Menomonee Valley is one of the most vibrant industrial districts in the city and it is a national model modern manufacturing that blends outdoor recreation and entertainment. For that reason, the Comprehensive Plan recommendations are to protect industrial land for family-supporting jobs and to discourage residential uses.

> A fundamental purpose of zoning is to prevent the incompatibility of different land uses. DCD acknowledges that the building is not likely to be retrofitted for modern manufacturing and there are challenges to adaptive reuse given the original construction and building condition; however, a residential use within an industrial district, in close proximity to heavy manufacturing uses, poses a variety of potential public health impacts. St. Paul Avenue is home to heavy industrial operations that pose real threats to the health, safety, and welfare of people who might live in the building, should the rezoning take place to enable residential units. Industrial districts are one of the few places where heavy manufacturing can operate.

> The Industrial Land Analysis includes a qualitative analysis tool for evaluating zoning change requests for industrial properties. This zoning change request does not score well for primarily because of its location within one of the city's core established industrial districts and the lack of job benefit associated with residential development i.e. the few jobs associated with the proposed development and a residential use at this location creates the potential for nearby industrial operations to pose negative impacts for potential future residents.

Previous City Plan Action:

02/15/2016 - City Plan Commission recommended for approval a substitute ordinance relating to the industrial-commercial zoning district. (FN 151407)

02/15/2016 - City Plan Commission recommended for approval a substitute ordinance relating to the change in zoning from Industrial-Light and Industrial-Heavy to Industrial-Commercial for properties generally located on the north and south side of West St. Paul Avenue between North 9th Street and North 25th

Street, in the 4th and 8th Aldermanic Districts. (FN 151423)

Previous Common Council Action:

03/01/2016 - Common Council approved a substitute ordinance relating to the industrial-commercial zoning district. (FN 151407)

03/01/2016 — Common Council approved a substitute ordinance relating to the change in zoning from Industrial-Light and Industrial-Heavy to Industrial-Commercial for properties generally located on the north and south side of West St. Paul Avenue between North 9th Street and North 25th Street, in the 4th and 8th Aldermanic Districts. (FN 151423)

Recommendation:

City ordinances include two criteria that must be met in order to approve a change to the zoning map: 1.) the proposal must be consistent with the Comprehensive Plan; and 2.) it must not adversely affect the public health, safety, and general welfare of residents.

The proposal to change the zoning of these parcels to IM to facilitate a mixed-use redevelopment including residential uses is directly inconsistent with the recommendations of the MVP 2.0 Area Plan and the City's Industrial Land Analysis.

There has also been information submitted to the file from area stakeholders that suggests housing development at this location has the potential for a variety of adverse impacts on the health and safety of residents.

The Menomonee Valley Partners (MVP) have been an integral partner in the development of the relevant plans for the Menomonee Valley. MVP represents Valley stakeholders and have been a lead agency in collaborations to redevelop a revitalized and sustainable Menomonee River Valley for the benefit of the entire community. MVP has submitted a letter to the file indicating their review also concludes this proposed zoning change to be in conflict with the recommendations of the Area Plan and to have the potential for significant negative impacts on overall plan goals, public health, safety, and welfare and existing Valley businesses if approved.

Based on this information, staff finds that the criteria for a zoning change are not met and recommends that this zoning change be denied (placed on file).