

# Feasibility of Hemp Production at the Century City Business Park

Zoning, Neighborhoods and Development Committee

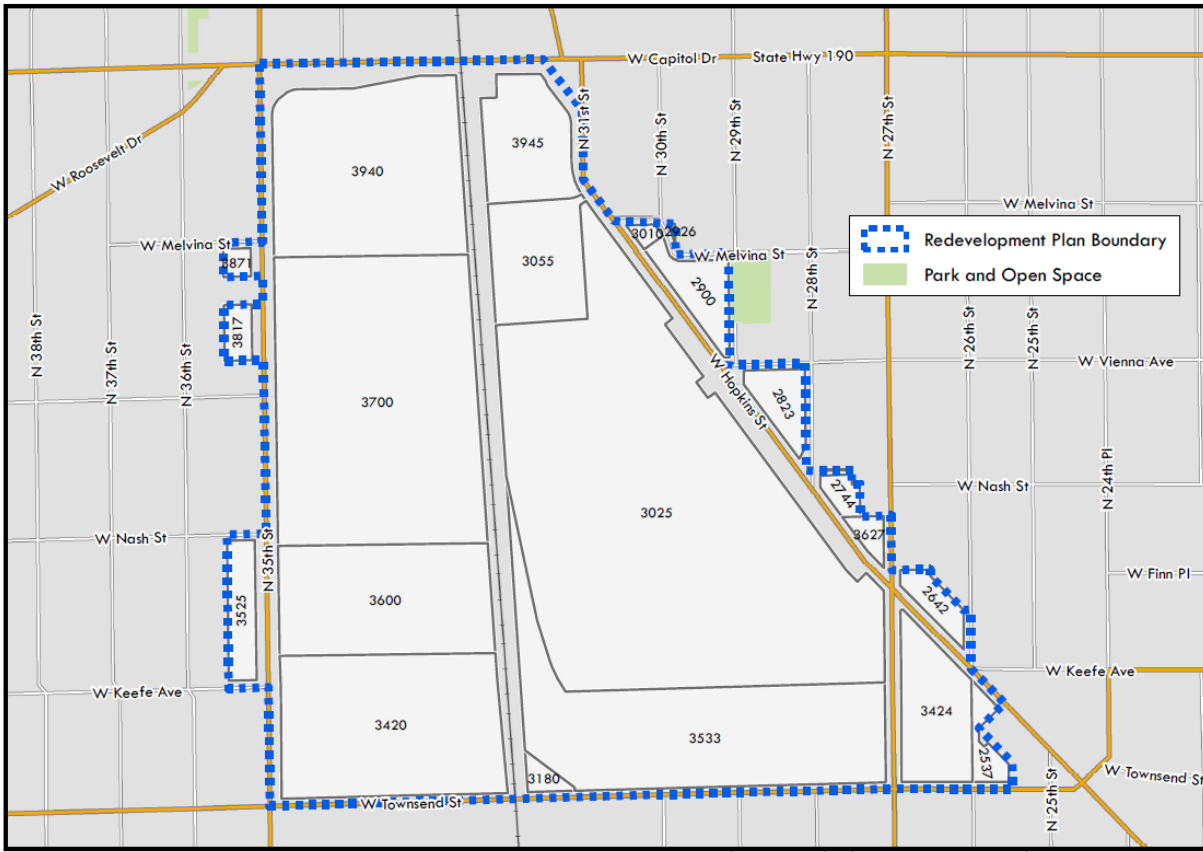
February 25, 2020



# Century City Business Park Maps

## WEST CAPITOL DRIVE AND NORTH 35TH STREET ("CENTURY CITY") REDEVELOPMENT PROJECT AREA

Prepared by the Department of City Development Planning Division, 1/24/2020  
Source: DCD Planning Division, Information Technology Management Division



Path: S:\GIS and Data Projects\2020\_20-01-24\_CenturyCityRedevelopmentPlan\CenturyCity\_RedvelopmentProjectArea.mxd

## Subject Parcel Map – Century City Business Park Milwaukee, Wisconsin



# Approach and Process of the Study

- 1. Education:** Attended informational meetings, consulted resources, and connected with experts and regulators
- 2. Defined Research Parameters :** Conducted an analysis of growing industrial hemp for seed, fiber, and clones at Century City.
  - Considered three scenarios – 1) outdoor growing 2) indoor growing 3) indoor hemp/CBD oil production
  - Assumed land would be sold to private entity who would undertake an industrial hemp operation
- 3. Researched the Regulatory Environment:** Examined federal, state, and local regulations that have been approved, pending, and proposed
- 4. Assessed Site Specific Conditions:** Redevelopment Plan, zoning, employment opportunities, TIF repayment, and other factors
- 5. Researched Urban Agriculture Sites:** Assessed the size, scale, employment opportunities, and business models for other sites in the City of Milwaukee

# Conclusions Table

High risk and potentially high reward

All three scenarios have high risks, given the shifting regulatory environment across multiple levels of government and the reluctance of conventional financial institutions to invest in the industry.

Risk is also posed by the crop itself, in that any hemp crop that fails laboratory tests mandating a maximum level of 0.3% THC must be destroyed.

	Technical feasibility	Impact on TIF repayment	Employment generation	Land use regulations
<b>Outdoor growing</b>	Feasibility severely limited by the expense of dealing with contaminated soils at the site and seasonal growing limitations.	Would not generate enough increment for TIF repayment.	Minimal number of full-time jobs (1-2) for the entire operation.  Seasonal employment opportunities.  Redevelopment Plan requires 15 jobs per acre.	Permitted by Industrial Heavy (IH) zoning.  Not permitted by Century City Redevelopment Plan.
<b>Indoor growing</b>	Feasible if grower uses clean soil or hydroponic or aquaponics growing system; however, amount of capital investment required may preclude profits.	Would not generate enough increment for TIF repayment.	Minimal number of full-time jobs (1-4).  Redevelopment plan requires 15 jobs per acre.	Permitted by Industrial Heavy (IH) zoning.  Permitted by Century City Redevelopment plan.
<b>Indoor processing</b>	Feasible if hemp growers determine that facility is located close enough to hemp fields to allow processing within 4-8 hours of harvest. Plant may produce strong odors. Large capital investment required for building and equipment.	Would produce some increment for TIF repayment.	Minimal number of full-time jobs (1-4).  Redevelopment plan requires 15 jobs per acre.	Permitted by heavy industrial zoning.  RACM approval required under Century City Redevelopment Plan.

# Recommendations

1. If a proposal is submitted, discuss the possibility of a hemp processing use with community members
2. If a proposal is submitted, conduct additional analysis to assist policymakers in determining whether such a land sale would be in the best interest of the City
3. If a proposal is submitted, thoroughly vet the ability of a proposed development to repay the TIF
4. If a proposal is submitted, ensure the Century City Business Park meets its job creation potential
5. Examine the City's zoning ordinance to determine if any changes are required for industrial hemp-related uses
6. City officials should advocate for legislation that protects and benefits city residents