

Opportunities to Increase Downtown Milwaukee's Economic Vitality

The Downtown Milwaukee market analysis provides a foundation for business retention, expansion and recruitment efforts. Using this foundation, Section 9 examines a series of broad opportunities for growing Downtown Milwaukee's economic vitality and improving its contributions to the local and regional quality of life. These opportunities build upon the conclusions presented in the preceding sections of this report.

Research in the Downtown Milwaukee market analysis suggests a number of broad opportunities for growing its economic vitality. These opportunities are based on the needs and desires of different consumer segments, the presence of established challenges, and emerging opportunities in regional economic development efforts.

The opportunities presented in Section 9 are based on a detailed review of the data in the preceding sections, coupled with a facilitated discussion between UW-Extension and a subcommittee of the Milwaukee Downtown BID 21 study team. These opportunities consider quality of life factors that impact Downtown Milwaukee and incorporate findings from the ongoing Downtown Milwaukee brand research (Monalco, Inc.) and build upon the objectives of the Milwaukee Downtown Plan (City of Milwaukee, 1999) as outlined in Figure 9.1. While the data in this report are as up-to-date as possible, the study team acknowledges that Downtown Milwaukee is undergoing significant change. *Looking at historical data and trends, even two or three years back, can be misleading and mask the true market opportunities that may be present Downtown. Accordingly, readers and users of this section must augment this data with information on current day opportunities.*

Opportunities for improving Downtown Milwaukee's economic vitality are divided into four general themes, each with its own set of needs and challenges related to serving the key market segments previously discussed in this report. The four general themes are intended to be addressed concurrently and include:

- Downtown as a Place to Shop
- Downtown as a Place of Work and Business
- Downtown as a Place to Live
- Downtown as a Place for Arts and Entertainment

It is important to note that each of these four themes is related to the others. Also, although this section deals with

Figure 9.1 – Downtown Milwaukee Plan Objectives

1. *Residential Development:* To increase the amount and variety of Downtown housing
2. *Destination Entertainment:* To expand the number and variety of destination entertainment venues in Downtown
3. *Balanced Transportation:* To provide attractive options for travel within Downtown
4. *Office Prominence:* To maintain Downtown as the metropolitan area's single largest concentration of office development
5. *Quality of the Pedestrian Realm:* To make walking attractive, easier, and convenient
6. *Downtown's Unique Assets:* To take maximum advantage of the special features found downtown
7. *Catalytic Projects:* To achieve maximum benefit from major private and public investments

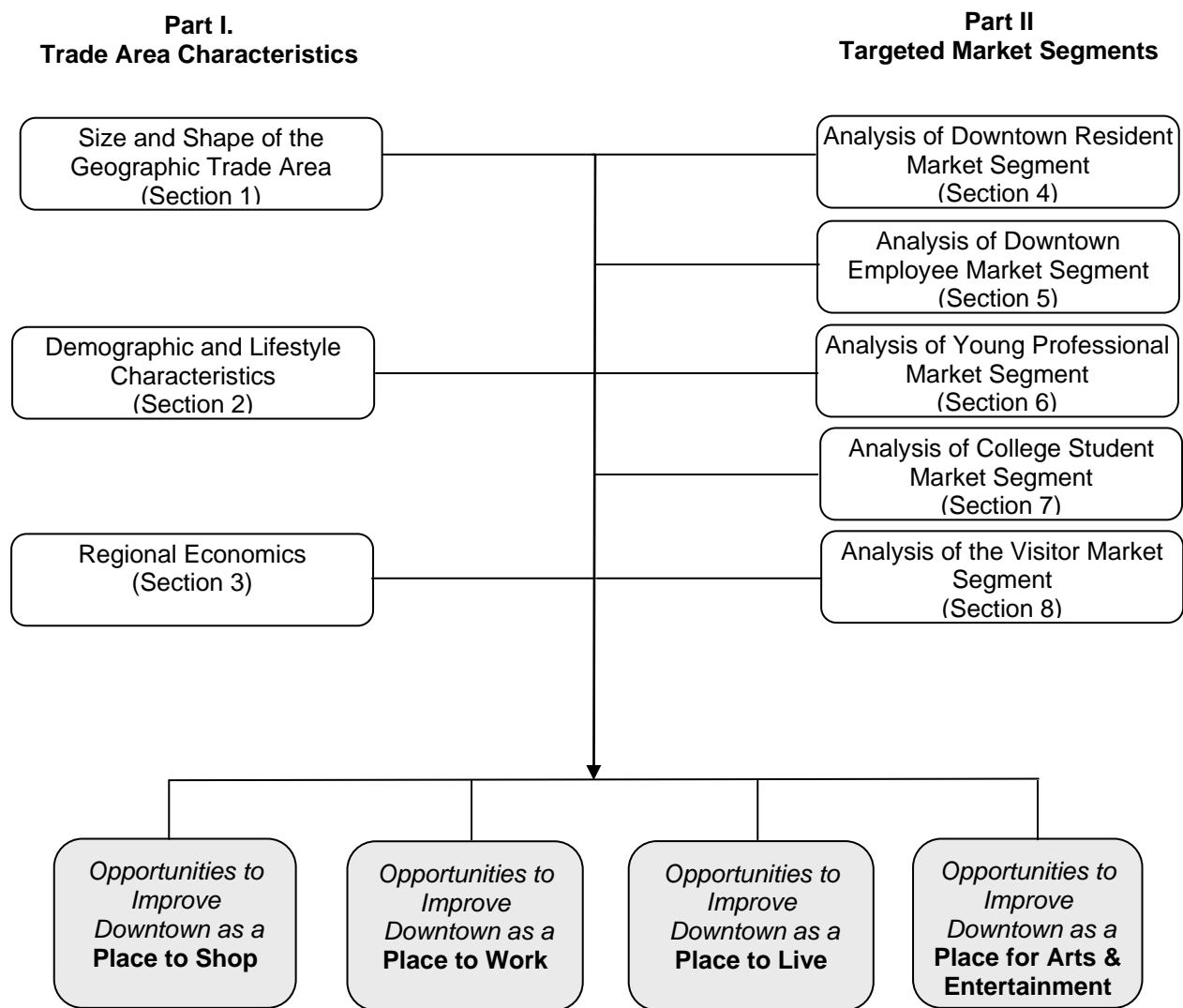
Source: City of Milwaukee, Department of City Development

potential opportunities, current positive attitudes towards Downtown, such as its clean, friendly and safe city center, can be built upon to leverage Milwaukee’s new identity.

Prioritizing these opportunities can be used to guide the development of downtown property and public spaces, as well as direct business retention, expansion, and recruitment efforts. While UW-Extension can help to facilitate which opportunities should be prioritized, a short and long term action plan will need to be developed by Downtown Milwaukee BID 21 based on the organization’s needs and budget.

Figure 9.2 provides a flowchart illustrating how data in this market analysis was used to identify the opportunities in this section.

Figure 9.2 – Downtown Milwaukee’s Economic Vitality: Identifying Opportunities for Improvement



Improving Downtown as a Place to Shop

As suggested in the previous sections of this report, the Downtown Study Area lacks a critical mass of retailers. While quality retailers certainly exist in Downtown Milwaukee, outlying shopping centers have successfully out-positioned the downtown in tailoring their retail mix and attracting new flagship retailers. However, Downtown Milwaukee faces a variety of opportunities to improve itself as a place to shop, improve the region's quality of life, and more effectively co-exist with other regional shopping destinations. Each of these opportunities is examined in detail below.

Develop a comprehensive business retention, expansion and recruitment program partially focusing on retail

Downtown Milwaukee can become an active partner in downtown retail recruitment, while also helping existing establishments remain in business or expand downtown. *Note that recruitment, retention and expansion activities are not intended to compete with commercial brokers, but rather support the efforts of local real estate professionals.* While a variety of business retention, recruitment and expansion activities can be handled by an ad hoc committee, other activities likely will require a designated staff member responsible for handling day-to-day activities and providing a common contact for business prospects. Efforts should focus on both chains and independent businesses. Typical recruitment, retention and expansion activities that could be pursued by Downtown Milwaukee include:



Photo source: Milwaukee Dept. of City Development – Marketing

- *Creating recruitment and marketing materials based on the information in this market analysis and other sources* - Marketing materials should include summaries of key statistics or overviews of Downtown Milwaukee's primary consumer segments. These materials would be provided to business prospects, existing businesses, and distributed on the Milwaukee Downtown Website. Downtown Boulder¹ and Downtown Denver² provide examples of how the market information can be disseminated to the public. *Note that recruitment and marketing materials must be developed before active recruitment can begin.*
- *Assembling specific market information for business prospects on an as needed basis* - A methodology for performing on-the-fly market analysis is included in Supplement A of this report.
- *Developing a list of targeted businesses and performing active recruitment* – Supplement A examines business types that may match current market segments in Downtown Milwaukee. While supply gaps exist in home products, apparel, and neighborhood goods and services, a specific list of targeted business should be selected using the judgment of an ad hoc recruitment committee. The list of targeted businesses could be pursued by working with existing business owners looking for new ventures, making cold calls, attending ICSC deal

¹ <http://www.downtowndenver.com/Economic/EDOverview.htm>

² <http://www.boulderdowntown.com/development/research.php>

making sessions, working with existing commercial brokers, subscribing to Retail Lease Trac, or researching the Retail Tenant Directory.

- *Hosting and courting business prospects visiting Downtown Milwaukee* – Bringing potential business investors and operators Downtown provides the opportunity to tell the Milwaukee story through first-hand experience.
- *Helping Existing Businesses Identify and Develop Opportunities for Growth and Expansion* - A team or individual focusing on existing businesses can be of great assistance in identifying opportunities for growth and expansion. Specific expansion activities could include:
 1. Developing cross-marketing activities among existing businesses. These activities could be developed around existing retail niches in Downtown Milwaukee or among businesses in certain sub-districts of the Downtown Study Area;
 2. Use the Community Tapestry information (see Section 2) to help existing businesses identify new product lines or services;
 3. Remain up-to-date on business trends by attending trade shows, joining industry organizations, or subscribing to retail industry publications;
 4. Aid existing businesses expand or relocate within the Downtown Study Area;
 5. Assist existing business owners in opening a complementary new business by providing market research, assisting in the site selection process, and providing other business assistance (see Figure 9.3).
- *Providing Needed Business Assistance* - Assistance can be provided through group workshops, one-on-one counseling, or by referring businesses to Small Business Development Center counselors. While retention efforts should address specific types of assistance identified by existing businesses, typical areas of focus are shown in Figure 9.3. The clearinghouse of data created in this market analysis should be useful in a variety of these business assistance activities.
- *Promoting Businesses to Targeted Markets* - To help the retention effort, the district's promotional activities should seek to match businesses with consumer segments (and vice versa). As an example, Downtown Milwaukee BID 21 could provide a link between FUEL Milwaukee members and businesses targeting young professionals. Monthly or ongoing promotions such as member sales specials could showcase specific downtown businesses, while also providing a membership benefit for FUEL Milwaukee. Similar programs could be developed among businesses and college students, office workers, or condo associations. The Downtown Hotlist could serve

Figure 9.3– Potential Areas of Business Assistance

- Store presentation and window display
- Merchandise selection and presentation
- Locating or forming buying groups
- Customer service
- Language training
- Developing/updating business plans
- Accounting, record keeping and inventory
- Compliance with governmental regulations
- Web site development and Internet sales
- Personnel management and training
- Financial incentives
- Local code enforcement and public policy
- Improving advertising and promotion

as one conduit for making these connections between specific consumer segments and businesses. *Educational efforts should also be made to encourage consistency in business hours to better serve the resident and office worker segments.*

Continue to enhance pedestrian and transit connections among retail nodes and demand generators

While the Downtown Study Area has a number of shopping nodes, several of these areas lack a critical mass of establishments. Furthermore, shopping nodes in the downtown tend to be disconnected from one another and from some of Downtown Milwaukee's major commercial demand generators. Connecting these attractions and nodes with a series of contiguous, pedestrian friendly shopping arrangements could help to generate critical mass and additional pedestrian traffic. If internodal connections are established, it will be critical to their success that signage be utilized to direct shoppers (pedestrian and vehicular) between nodes, within nodes and into downtown from major transportation avenues.

While the Downtown Milwaukee Plan provides an excellent overview of the elements necessary to a positive pedestrian realm, the retail experience in the pedestrian realm should also be considered. In addition to way-finding signs, kiosks, proper sidewalk widths, and other pedestrian amenities, *placing retail on both sides of the street and requiring storefronts to be over 75 percent open (i.e. window displays) are necessary to provide an engaging shopping experience.*

Also, transportation improvements as part of a modern and comprehensive transit system could better link Downtown's retail nodes. Such improvements could more efficiently connect consumers in the trade areas and beyond with Downtown's shopping opportunities. Information on the impact of modern and comprehensive transit systems on the downtowns of peer cities could serve as an additional resource (and future supplement to this market analysis).

While Downtown Milwaukee BID 21 does not have the power to direct businesses to specific buildings, promoting the infill of retail businesses along five strategic corridors could help to create pedestrian flow and develop a critical mass of businesses.

1. *Wisconsin Avenue between the Midwest Airlines Center and the Lakefront* – The Wisconsin Avenue Corridor connects the Midwest Airlines Center, the Shops of Grand Avenue and the Lakefront. The corridor also has high levels of pedestrian appeal and intersects an area with a large daytime population. As this is a long corridor, it will be challenging to provide continuous shopping and pedestrian appeal along Wisconsin Avenue, especially in areas near the Milwaukee Art Museum between Jackson and the lakefront.
2. *The area bounded by Water Street, Wells Street, Jefferson Street and Wisconsin Avenue* – This area has high levels of pedestrian appeal, represents a two-block by three block area that can be managed by pedestrians, and has a growing critical mass of establishments. As infill occurs, this area could also be extended several blocks onto the adjacent streets (such as east to Jackson or south to Michigan).
3. *Water Street between the Park East Redevelopment Area and the Milwaukee Public Market* – Water Street has high levels of pedestrian appeal, an established entertainment district, and provides a key pedestrian link among the Central Business District, the Theater District, future developments in the Park East corridor, and the Third Ward. Overcoming the dead space between Juneau and Knapp is one challenge facing this pedestrian area.

4. *Third Street/Dr. Martin Luther King Drive between Cherry and Wisconsin* – As this is a long corridor, it is not expected that the entire area could be effectively filled by retail and traveled by pedestrians. However, this is a key corridor that connects the new Manpower headquarters site and Schlitz Park to the central part of the Study Area.
5. *The area bounded by St. Paul, Milwaukee, Menomonee and Water* – This area in the Historic Third Ward has high levels of pedestrian appeal and contains the core of Third Ward businesses.

In addition to these five business districts, additional districts could include future uses at the Pabst Brewery site and the neighborhood-serving commercial area near East Pointe Commons. Further, Milwaukee's Kahler Slater Architects offers an alternative method for distinguishing existing and proposed shopping districts Downtown. Kahler Slater Architects offer five dense and distinct shopping districts that do not compete, but complement each other. The five districts include the Shops of Grand Avenue area ("The Grand"), a home furnishings district (directly south of the Shops of Grand Avenue), The Third Ward, Brady Street, and a large geographic area between the Third Ward and Brady Street (called "The Stroll"). The Stroll would be an upscale, pleasant shopping experience that connects the business districts with surrounding neighborhoods.

Finally, the creation of these distinct retail nodes will require a plan to more fully utilize existing space and create new space in accordance with market absorption rates. The plan should identify where to focus on a phase-by-phase basis. For each retail node, this plan should focus on what space is currently available, the most fitting use for that space, and what new space might be needed to attract certain retailers. The plan should also address how new space might serve as a catalyst for filling existing space. This plan could become a future supplement to this market analysis.

Recruit a base of image-building destination retailers

Surrounding the Downtown Study Area, Mayfair Mall and Bayshore Town Center have developed a critical mass of image-building retailers. To re-establish the Downtown Study Area as a shopping destination, Downtown Milwaukee needs to add to its base of reputable, destination retailers. *Image-building retailers could include "first-in-Wisconsin" national or regional chains, flagship stores for Wisconsin-based retailers, additional unique independent retailers (such as those found in the Third Ward), or national retailers developing a unique format (i.e. multi-level big-box retailers). Special consideration should be given to locally-owned businesses as their uniqueness appeals to certain key market segments and adds to the retail diversity.* The Downtown Study Area is well-suited to all of these business types given its mix of historic buildings, existing storefronts of varying size, and vacant land in the Park East Redevelopment Area. *Note that the recruitment of these businesses will take time and should be considered a medium-to-longer term goal.*

To attract the most fitting chains, it will be necessary to understand what market factors these retailers have considered when locating in downtown (non-suburban) locations. These market factors may have been used to site stores in other comparable cities. With an understanding of these market factors, Downtown Milwaukee data must be analyzed to see if there is a compelling story that can be told about the local market as it relates to the subject retailer. This story might include Milwaukee's downtown office population, its evening activity level, and its

downtown resident population. Site selection criteria for these national retailers could become an additional resource (and future supplement to this market analysis).

To preserve the uniqueness and authenticity of the Milwaukee shopping experience, it will be necessary to also support the recruitment and development of local and independent retailers Downtown. Fitting businesses will help tell the story about doing business in Downtown Milwaukee and will convey its authenticity and uniqueness that will complement the recruitment of national chains. Retail recruitment and development efforts for independent retailers may need to include a plan for making available small and affordable spaces.

Develop niche-based retail clusters

Based on shopping preferences of the five key market segments discussed in this report, opportunities exist for developing niches of retail and services that could help to distinguish downtown commercial nodes from other shopping destinations. While some possible niches would help to better serve existing market segments, other niches could attract additional shoppers from the primary trade area and beyond. Possible niches could include:

- Home goods and furnishings serving the growing Study Area resident segment, residents of the primary trade area, and visitors. A home goods and furnishings niche would also build on established retailers such as George Watts and Son, Rubin's Furniture, and Urban Accents.
- An apparel niche serving young professionals, students, condo residents, and office workers. An apparel niche could build upon boutiques in the Third Ward and may help to re-establish the Shops of Grand Avenue as an apparel destination. Given the regional retail apparel competition, and the loss of national apparel chains at the Shops of Grand Avenue, there will be challenges in attracting a critical mass of complementary apparel stores required to create this niche.
- Personal goods and services targeting study area residents and office workers. The personal goods and services niche is examined later in Section 9.
- An arts and crafts niche building upon the Study Area's growing number of galleries and performance venues. An arts niche would serve a wide variety of consumer segments including visitors, residents, young professionals and college students.
- A dining niche building upon the unique restaurants already in the Study Area and Downtown Milwaukee's growing reputation as a dining destination. Downtown Dining Week is an existing activity that recognizes and promotes the dining niche.
- Downtown employee conveniences provide an important niche that allows office workers to leave their building and run errands. Related businesses might include delis with local character, bakery, card shops, floral stands, book/magazine/news stores, and fine chocolate stores. These businesses can help connect the office district and encourage sidewalk traffic.
- Electronics and technology-related businesses as serve as a popular niche among downtown workers. Businesses such as the Apple Store, Best Buy, Circuit City, Sharper Image, and small format chain computer/electronic stores appeal to the daytime office

population. Several of these businesses are likely longer term opportunities that could arise as the downtown resident population continues to grow.

Promote Downtown Milwaukee's retail environment around its competitive advantages in the region

While Downtown Milwaukee has been out-positioned by regional shopping centers, the Downtown Study Area possesses a number of competitive advantages relative to these areas. As marketing materials are developed, these competitive advantages should be highlighted as part of Downtown Milwaukee's business recruitment, retention, and expansion activities.

- *Proximity to a variety of large scale, non-retail traffic generators* – Unlike the region's suburban retail centers, Downtown Milwaukee has a number of unique traffic generators and regional attractions that provide access to a variety of demographic and consumer segments. These unique traffic generators have been highlighted throughout the market analysis and include arts and cultural facilities, sporting events, festivals, government facilities and universities. Furthermore, Downtown Milwaukee attracts business visitors to its hotels (2,908 units), convention space, and office buildings.
- *Captive market segments* - The Downtown Study Area is growing rapidly and currently includes over 15,000 residents (a number that is likely underestimated). Many of these downtown residents are wealthy and highly educated. Additionally, a significant number of these urban dwellers do not own or frequently use a car and provide a captive market for downtown retail and service businesses. The Downtown Study Area is also home to the region's largest concentration of employees (78,000) that create a captive audience for a large portion of each weekday.
- *Density and access of residents in the primary and secondary trade area* – The primary trade area (most of which is located within four miles of Downtown) has a population of 285,000. The combined primary and secondary trade area has a population of 878,000. The improvements to the Marquette Interchange and the Study Area's position along the Interstate 43/94 corridors provide convenient access for a large portion of the trade areas' populations.
- *Variety of commercial space* – The Downtown Milwaukee Study Area has a wide variety of locations where new retail development might occur. Downtown Milwaukee offers historic buildings, store fronts of varying size, and an enclosed shopping mall. *Unlike many other large city downtowns, the Downtown Milwaukee Study Area also provides a large area for new construction in the Park East Redevelopment Corridor.*
- *Uniqueness, authenticity, and history of the shopping atmosphere* – Downtown Milwaukee has an opportunity to attract consumers who seek an original urban shopping experience as an alternative to the suburban shopping malls and lifestyle centers. Attributes that make Downtown Milwaukee unique include its density of commercial and residential buildings, historic character, lakefront, river, and visitor attractions.

Continue efforts to overcome negative perceptions

The efforts of Milwaukee Downtown BID 21 programs such as its Clean Sweep Ambassadors, Public Service Ambassadors, and Graffiti Removal Crew have improved the downtown quality

of life and the regional public image of downtown. However, both the focus group research and the image research conducted by Monalco Inc. suggest that many regional residents continue to have negative perceptions about safety, parking, and overall inconveniences that prevent them from shopping downtown. While these perceptions will always exist at some level, marketing messages should address the negative perceptions of safety, traffic, congestion and parking that might discourage others from coming Downtown. Milwaukee's renewal as an up-and-coming urban center could be promoted and the Downtown Study Area's big-city amenities should be celebrated. When warranted, negative or inaccurate commentary advanced by the media should be challenged. Finally, marketing efforts could position Downtown Milwaukee as the "region's living room" making it an inviting place for all ethnic, age, and economic groups.

Improving Downtown as a Place of Work and Business

Downtown Milwaukee is the economic and geographic heart of the Milwaukee 7 Region. With a number of high-profile large companies and 78,000 workers, Downtown Milwaukee is a densely populated commercial center with a variety of locational assets. The Study Area employees that participated in the focus groups also noted that Downtown Milwaukee is a clean and attractive place to work.



Photo source: Milwaukee Dept. of City Development – Marketing

Despite these assets, Downtown Milwaukee faces a number of challenges as a place of work and business. A flat office market showing little improvement in its occupancy rate, the lack of a comprehensive transportation system, and parking perception problems (convenience, accessibility and affordability) are obstacles commonly attributed to the Downtown Study Area. However, Downtown Milwaukee faces number of opportunities for improving itself as a place of employment and business. Specifically, these opportunities involve a greater understanding and promotion of Downtown Milwaukee’s role in the new regional economy.

As noted in Section 3, vital urban centers are increasingly important to regional economic development. Consequently, Downtown Milwaukee is a critical component to the success of the Milwaukee 7 Region. The recent levels of re-investment in Downtown Milwaukee and its growing national reputation as a place of culture could serve as symbol for the region and help to diminish the industrial image often attributed to the Milwaukee metro area. Furthermore, *Downtown Milwaukee can contribute to the region’s competitive advantage by serving as a key center of interaction, expertise, and diversity (Figure 9.4).* Opportunities for promoting each of these roles are examined below.

Figure 9.4: Potential Regional Economic Advantages Stemming from a Vibrant Downtown

Place of Interaction

- Dense and Compact
- Networking Venues
- Transit Options
- Clustering Opportunities and Agglomeration Economies

Place of Expertise

- Educated Workforce
- Space for Knowledge-Based Industries
- Dynamic Place for Younger Workers

Place of Diversity

- Ethnic and Social Diversity
- Mixed-Uses and Amenities
- Historic and Landmark Buildings

Develop and Market Downtown Milwaukee as a Place of Interaction

- *Promote Downtown Milwaukee as a Place for Networking* – Networking is an increasingly important activity for both labor and firms. Firms of all sizes develop webs of relationships to help them achieve the speed, quality, flexibility and knowledge essential for competitive advantage. Downtown Milwaukee’s dense environment of businesses, restaurants, bars, coffee shops, and wired public spaces provides an ideal environment for networking and developing relationships. Milwaukee Downtown could work with specific industry concentrations in the region (Figure 9.5 on the following page), professional organizations

and social groups to host events such as networking, professional development presentations, and happy hours at downtown businesses. *These types of events would not only showcase downtown businesses, but could also help industries exchange ideas, connect workers with employers, and provide an additional benefit to small businesses seeking new clients and relationships in these industries.*

- *Promote the Study Area’s Transportation Links and their Potential Enhancements* – The Downtown Study Area position relative to state’s busiest highway interchange, it’s proximity to General Mitchell International Airport, the presence of the Lake Express ferry, and the re-development of the downtown rail station provides a competitive advantage for Downtown Milwaukee. Despite these multi-modal transit connections, focus groups lamented the lack of a comprehensive regional public transportation system for transporting labor, residents, and shoppers. Focus groups also suggest an opportunity for better public transportation connections (i.e. high-speed rail) among Milwaukee, Madison, and Chicago. Improved connections among these communities could better connect the region’s research capacity, production and transportation facilities, and labor force. As this connection would originate in Downtown Milwaukee, it could provide another locational advantage to Study Area businesses.



- *Promote Downtown Milwaukee as a de facto Business Incubator and Provide Entrepreneurial Support* – Attracting and nurturing small businesses does not generate the same press interest as the attraction of a large company. However, establishments with fewer than 20 employees account for 82.3 percent of all establishments in the Milwaukee 7 Region (see Section 3). Nonetheless the Milwaukee 7 Region has lagged both the State and Nation in the growth of proprietors and proprietor income over the past few decades. Creating a business incubator with affordable space, shared support, and business development services is one strategy often used to support small, entrepreneurial businesses. While business incubators are traditionally thought of as standalone facilities, Downtown Milwaukee (as a geographic area) is a de facto incubator that provides access to a wide variety of office space, business services (copying, banking, office supplies, etc.), amenities, networking opportunities, and business support organizations in a compact geographic area. Many services available to new businesses could include those created by a business retention, expansion, and recruitment program, while other services may be available through existing non-profit or public agencies located in Downtown Milwaukee.
- *Continue to Develop a Sense of Community Downtown* – The Downtown Employee Appreciation Week is an example of an effective effort to build camaraderie and show appreciation to the Downtown workforce. The week of promotions, special events and

competitions help build a sense of community both within and among companies. Activities like this should be encouraged to differentiate downtown from other office parks. Furthermore, these activities help office workers experience the city and the retail and services it offers.

Promote and Enhance Downtown Milwaukee as a Place of Expertise

- *Promote Downtown Milwaukee's Educated Workforce* – Both residents and workers of the Downtown Study Area tend to have high levels of educational attainment. These educated residents and workers provide a potential labor pool for new and existing knowledge-based industries seeking to locate or expand in Downtown Milwaukee. Developing a profile of downtown workers could help to promote a downtown location and assist in business attraction and expansion efforts.
- *Support Efforts to Improve the Public Perception of Milwaukee Public Schools* – While Downtown Milwaukee residents and workers tend to be highly skilled and educated, a notable portion of the workforce living in Milwaukee County lacks a high-school education (see Section 3). Furthermore, many focus group participants noted perception problems facing Milwaukee Public Schools (MPS). Whether these perceptions are truth or opinion is irrelevant as they still impact Downtown Milwaukee's future ability to retain and attract families and companies. Developing advocates and coalescing private sector support for MPS could aid in overcoming these perceptions.
- *Create Opportunities to Connect Milwaukee's Students with Downtown Employers* - Working with the region's high schools and post-secondary educational institutions could connect future workers with downtown companies. These connections could be fostered by developing internships with downtown companies, establishing a mentorship program, or offering a downtown employment fair for local college students. These efforts could help to retain students after graduation, enhance the regional labor force, and address the potential labor gap created by retiring Baby Boomers.
- *Promote downtown commercial space to regional business concentrations tied to potential industry clusters in the state and region* – As mentioned in Section 3, many business types that tie into the State's or Milwaukee 7 Region's potential industry clusters (Figure 9.5) are ideal candidates to occupy downtown office space. While several of the industries listed in Figure 9.5 are not primary candidates for a downtown location (i.e. manufacturing and printing), professional and technical businesses seeking to serve these industries may be well suited to a downtown location. Furthermore, manufacturing and printing industries may have administrative or sales operations that could occupy Downtown office space.

The Milwaukee 7 may be able to work with UW-Extension or other researchers to chart and identify potential industry connections (such as the example shown in Section 3). Understanding these connections could help Downtown Milwaukee promote appropriate office space, its educated labor pool, and its proximity to manufacturers and manufacturing sites (such as the adjacent Menomonee Valley). Identifying these industry linkages could also help to connect potential customers/suppliers and minimize gaps and disconnects in the region.

Enhance Downtown Milwaukee as a Place of Diversity

- *Use Downtown Milwaukee's historic buildings and landmark buildings to market the business district* – Nationally, many new downtown developments are becoming indistinguishable from those in other cities and suburban malls. Having the same coffeehouses, restaurants, and architecture as everyone else provides little competitive advantage. Downtown Milwaukee's unique architecture and buildings help to diversify it from other potential office locations.
- *Continue to build diverse amenities desirable to downtown workers and employers* – The research in Section 5 suggests that many office workers do not leave their building during the day or are not fully utilizing Downtown Milwaukee after work due to a lacking retail environment. Consequently, these workers often drive to their place of residence to obtain retail products and services they might otherwise purchase in the Study Area. Downtown Milwaukee should provide workers a compelling reason to occasionally stay after work (for errands, dining, or arts and entertainment) or to visit on weekends. *Developing greater retail opportunities, encouraging retail clusters, and expanding business hours in Downtown Milwaukee may encourage additional spending by downtown employees.* Furthermore, improving the diversity of downtown amenities provides downtown employers with an opportunity to build employee satisfaction and retain and recruit necessary labor and skills by offering amenities unavailable in other locations.
- *Foster an ethnically diverse community that uses Downtown to live, work and play* – A cursory look at research and empirical data reveals the importance of ethnic diversity to virtually every aspect of Downtown health. In particular, a diverse downtown community will spawn a diverse, healthy business environment and worker pool. Diversity can be fostered by developing marketing strategies targeted at ethnic communities as well as developing particular community assets that make the downtown environment more attractive to different ethnic groups.

Improving Downtown as a Place to Live

Reinvestment in downtown housing has been one of the primary drivers behind Downtown Milwaukee's economic resurgence. While Downtown Milwaukee clearly is a desirable place of residence, the preceding information in this report supports a number of market opportunities for improving the Downtown Study Area as a place to live.

Promote the advantages of living downtown and its unique living environment

The preceding research revealed several common themes about the Downtown Study Area's living environment:

- Downtown Milwaukee provides an urban environment that is clean, walkable, friendly, and safe. Focus group research reiterates the contributions of Milwaukee Downtown BID 21's programs to the quality of the downtown living environment.
- Downtown Milwaukee is a medium-size city with big-city amenities. Access to amenities such as the lakefront, dining and entertainment venues, arts, sporting events and festivals contribute to the emerging 24-7 living environment found downtown.
- Downtown Milwaukee has a housing inventory that meets the needs of several key market segments. With over 3,700 new units added between 1996 and 2006, a diverse mix of condominium and rental units is available including luxury, loft, high rise, and historic residences. The addition of new housing both in and around the Downtown Study Area continues to add to Downtown Milwaukee's housing stock.
- Downtown Milwaukee has a variety of future development opportunities. There are number of locations where new housing development might occur. Existing and new space in the Pabst redevelopment site, Park East Corridor and other areas provide opportunities for creating residential neighborhoods and neighborhood-serving businesses.



Photo source: Milwaukee Dept. of City Development – Marketing

While the residential environment in Downtown Milwaukee continues to improve, there may be opportunities to better market the downtown living environment. Other downtowns with a successful residential component have created marketing materials that highlight the advantages of a downtown living experience. These materials highlight downtown neighborhoods, residential units, and amenities and can be used in attracting new residents and businesses. An example of a printed guide is available through the Downtown Partnership of Baltimore at: http://www.godowntownbaltimore.com/publications/data_reports/2006_Living.pdf Furthermore, the Downtown Denver Partnership provides an interactive guide on their website at: <http://www.livedowntowndenver.com/>. Information included in this market analysis could contribute to similar marketing materials for Downtown Milwaukee.

Continue to Improve the Downtown Pedestrian Environment and Transit Options

While Downtown Milwaukee is generally walkable, it is not always pedestrian friendly (i.e. dangerous street crossings). Pedestrian challenges detract from the resident's ability to fully enjoy the amenities of living, working and playing downtown. Strategies for improving the downtown pedestrian environment were previously discussed in this section (See Improving Downtown as a Place to Shop). Along with the development of pedestrian connections, transportation improvements as part of a modern and comprehensive transit system were suggested by focus group participants. These improvements could better link Downtown's residents with their employment, shopping, entertainment and recreational amenities.

Continue to develop neighborhood-serving retail and services

As noted by the resident focus groups, several areas in Downtown Milwaukee lack a proper mix of basic goods and services (dry cleaners, groceries, coffee shops, pharmacies, hardware stores, doctors, dentists, etc.). *Furthermore, a variety of the existing neighborhood-serving businesses do not offer convenient shopping hours.* These deficiencies, along with a lack of apparel and department stores, are likely contributing to a leakage of resident spending to outlying shopping areas. While the need for these goods and services were noted by the focus groups, recommendations on business recruitment will need to be made on a case-by-case basis. Tools for assessing specific market opportunities are included in Section 10.

Recognize the limitations of the Downtown Study Area as a place of residence for families with children

As in other large city downtowns, young professionals, and empty nesters are driving Downtown Milwaukee's residential renaissance. With almost a third of the Study Area's population between the ages of 25 and 34, Downtown Milwaukee has become an attractive place for young professionals to both live and work. Furthermore, Downtown Milwaukee is attracting more affluent empty nesters. These two market segments have driven to downtown's high education attainment and average household income relative to other cities its size. *As Generation Y and the Baby Boomers continue to age, the size of these two market segments will also continue to grow.*

Also similar to other large city downtowns, Downtown Milwaukee does not have a large number of family households with children. While community leaders often lament downtown's dearth of families, many households with children prefer single family homes that are largely unavailable in the Downtown Study Area. As noted in several focus groups, Milwaukee Public Schools (MPS) also tend to have a negative perception among families in the region, as well as among some young professionals currently living in the Downtown Study Area. Until these preferences and perceptions change, Downtown Milwaukee will likely struggle to retain families. The real estate community and neighborhood associations may be able to help residents with children in Downtown Milwaukee better understand, district rules, school choices and important dates and activities related to K-12 education. *Furthermore, downtown businesses should not feel that the movement of families to outlying areas will preclude them from being downtown consumers or employees. While families may leave for other areas in the region, many past downtown residents will have an established connection to the downtown and will likely continue visiting Downtown Milwaukee for its family-oriented recreational opportunities.*

Foster neighborhood cohesiveness and a sense of community

The lack of community and neighborhood cohesiveness was a common theme among the resident focus groups (see Section 4). Given the mobility of many downtown residents (i.e. college students and young professionals), the addition of new housing units, and generational differences, the lack of community is not surprising. Developing a sense of community could create additional downtown advocates, retain residents, create political leverage, and reduce negative perceptions. Mechanisms such as a downtown resident newsletter or creating social opportunities may help to facilitate neighborhood cohesiveness. Downtown Milwaukee may also want to explore more formal organizational structures such as a Neighborhood Improvement District (NID) to create resident involvement. Creating a Downtown Resident Appreciation Week similar to that of the Downtown Employee Appreciation Week may also help to foster a sense of community. Finally, continued connections to the park system and lakefront can make the public space a more active part of community life.

Foster ethnic diversity in the neighborhood community

Diversity in a downtown community creates an environment that is interesting and attractive to potential residents. A diverse residential population will also serve to strengthen business opportunities, as well as give downtown Milwaukee an added draw to outside visitors by creating an experience that is unique to Wisconsin. Diversity can be fostered by targeting marketing messages to specific ethnic communities, as well as developing particular community assets that make downtown more attractive to diverse ethnic groups.

Improving Downtown as a Place for Arts and Entertainment

Downtown districts across the country are capitalizing on the growing popularity of their charm, history, character and overall “sense of place.” Downtown Milwaukee is no different and has an opportunity to make the most of this trend. Subsequently, the information in this report supports a number of market opportunities that might improve Downtown Milwaukee as a place for arts and entertainment. Similarly, the data identifies various challenges facing Downtown’s arts and entertainment environment.



Photo source: Milwaukee Dept. of City Development – Marketing

Promote physical and non-physical links among disconnected attractions

Downtown Milwaukee has a strong arts and entertainment base. Museums, performing arts venues, sporting events, dining opportunities, and festivals help to make Downtown a regional entertainment destination. However, many of Downtown Milwaukee’s entertainment venues are scattered throughout the Downtown Study Area. The dispersed nature of these attractions contributes to a lack of a central entertainment and cultural district often found in other large downtowns. While the lakeshore has developed a cluster of activities, venues such as the Milwaukee Art Museum and Pier Wisconsin are disconnected from dining, shopping and other entertainment venues. *The overall disconnected nature of these venues limits the amount of pedestrian traffic, obscures the true and collective entertainment activity of Downtown, and restricts opportunities for capturing additional spending.* Several strategies for connecting these areas could include:

- Continue to promote Milwaukee as a place for the arts and entertainment, a competitive advantage that was identified throughout the research
- Creating a “Downtown Entertainment Pass” by packaging multiple venues under one ticket.
- Creating designated entertainment districts in the Third Ward and along the Riverwalk and along Water Street. Promoting the clustering of new retail and dining establishments around existing entertainment venues, including the Riverwalk, would increase the critical mass of leisure time activities in the area. Also, the water-taxi service could help better connect points along the river.
- Designating an arts corridor that connects the Third Ward, the lakefront, and the theater district. The corridor would connect a variety of performing arts venues, art exhibition spaces, arts educational opportunities, galleries, and live/work units for artists.
- Creating a central ticket depot that sells tickets to all downtown cultural and entertainment attractions. While a similar endeavor was attempted in the Shops of Grand Avenue, any new attempt effort at a central ticket depot will likely need to be located in an with high-pedestrian traffic and visibility. A mobile ticket depot similar to Milwaukee Downtown’s

Traveling Information Kiosk could be another approach. A feasibility study that examines the challenges facing a central ticket depot is also necessary before pursuing this strategy.

- Although entertainment venues and nodes may be physically scattered throughout Downtown, creating visually prominent signage to direct pedestrian and vehicular traffic will serve to enhance navigability and create the sense of a more unified entertainment district.
- Again, marketing messages should address the negative perceptions of safety, congestion, and parking that might discourage others from coming downtown. For example, negative perceptions of parking can be countered with information on the relative convenience, accessibility and affordability of Downtown lots and facilities

Consider Additional Opportunities to Market Downtown Milwaukee's Arts and Entertainment Prospects

The number of attractions and strong market support suggest a variety of opportunities to increase the impact of Downtown Milwaukee's arts and entertainment facilities within the Study Area, the broader region, and more distant markets:

- *Continue using Downtown Milwaukee's Arts and Entertainment Opportunities to Market the Region* - As previously noted, the Milwaukee 7 Region faces the challenge of differentiating itself from other regions with its history, while also dispelling the industrial city image often attributed to Milwaukee. Milwaukee's rich mix of arts and entertainment can have a profound impact on the first-time visitor or area resident who does not regularly come downtown. Greater Milwaukee Convention & Visitors Bureau in collaboration with the Downtown Milwaukee BID#21 should continue their efforts to promote Downtown Milwaukee's arts and entertainment opportunities as part of the region's quality of life.
- *Similar to the shopping opportunities previously noted, work with existing arts groups and entertainment venues to connect them with key market segments.* Continued efforts to promote existing art crawls, exclusive events at entertainment venues, and gallery nights could be promoted to downtown's primary consumer segments. Furthermore, reduced ticket prices or special packages could be offered to downtown employees, lower-income residents, college students, or young professionals. These events could provide networking opportunities and lower financial barriers.
- *Continue Downtown Dining Week to promote Downtown Milwaukee's growing reputation as a high-quality dining district*
- *Work with regional leaders to build broader geographic support for arts and entertainment –* The urban market segments analyzed in this report (residents, office workers, young professionals, students and visitors) all value Downtown Milwaukee's art and entertainment offerings. While a large number of arts and entertainment facilities are located in Downtown Milwaukee, many of these venues are truly regional in nature. Further, the development of cultural opportunities in surrounding suburban communities provides an opportunity for cross-promotion of arts and entertainment events Downtown. Mapping the regional draw of customers, tracking the economic impact of these facilities, and furthering understanding of how these institutions increase regional quality of life could help to build broader support and funding opportunities for Downtown Milwaukee's cultural districts.

Continue building the Downtown's critical mass of shopping opportunities and fill gaps in the current entertainment business mix

While retail is discussed separately, shopping is part of the urban entertainment experience. Downtown Milwaukee lacks certain retail categories and a shopping density that would complement the leisure-time experience. However, evening vitality of Downtown Milwaukee is one of the features that should be highlighted in demonstrating retail market potential.

While specific retail gaps were mentioned earlier in this analysis, the lack of a movie theater was a common theme among focus groups. While UW-Extension is not qualified to perform a detailed feasibility study, additional market research also should explore the potential for a multi-screen movie theater in Downtown Milwaukee. While a movie theater was originally proposed as part of the PabstCity business mix, the proposed location faced a number of challenges as summarized in C.H. Johnson Consulting's review of the PabstCity project³. Specifically, the challenges noted by C.H. Johnson Consulting emphasize the conclusions in this market analysis about the disconnected nature of Downtown Milwaukee's entertainment attractions and shopping districts. A feasibility study should consider and address these challenges.

³ See: http://www.ci.mil.wi.us/displayFile.asp?docid=601&filename=/User/pmensa/CHJPabst_CityRpt_May_31_2005.pdf