

# Park East Freeway

Milwaukee, Wisconsin

## Description

The Park East Freeway was a 0.8-mile section of elevated freeway that provided a link between Interstate 43 and downtown Milwaukee. The initial plan for the freeway was for it to continue through downtown, but outcry from the public led the State to cease construction in 1972, leaving the freeway as a short spur. Because of its short distance and redundancy with other roads, the Park East Freeway was never used to capacity. Demolition of the freeway began in 2002 and resulted in 64 acres of land becoming available for redevelopment at the edge of the downtown area, allowing downtown Milwaukee to grow after many years being limited by the physical barrier of the highway. The elevated freeway was replaced by the at-grade McKinley Avenue, and extended surface streets helped to restore the downtown grid. Real estate development projects totaling approximately \$1 billion in value have been completed or are planned.



*This map shows the original 1960s era plan to encircle the city of Milwaukee with highways. (Source: city of Milwaukee)*

## Impetus for Right-sizing

The Park East Freeway was never used to its full capacity because it was just a short spur that was connected to the Interstate Highway System at one end only. In 1999, it carried about 22,000 vehicles on an average weekday, a volume comparable to some at-grade city streets. The freeway had a negative impact on the real estate values of the surrounding land, much of the land adjacent to the highway was used for surface parking. The freeway also contributed to congestion downtown because drivers would travel on the freeway to reach an exit that was located past their downtown destination, then backtrack through the street grid to get to their destinations.

## Vision Plan

The idea to demolish the freeway originated in a visioning process that informed the city of Milwaukee's 1999 Downtown Plan. The visioning process encouraged participants to think about how they'd like their city to look in 25 years. The process consisted of several design charrettes and public meetings, where members of the public overwhelmingly expressed their desire for the Park East Freeway to be removed. During the visioning process, students at the University of Wisconsin–Milwaukee developed design proposals for the future of the city. The students' proposals were displayed at the community charrettes to spark discussion.

The idea of removing the freeway, and several development scenarios made possible by the removal, were included as one of 13 potentially catalytic Milwaukee projects in the 1999 Downtown Plan. The

plan solidified the idea in the minds of the public and officials that removing the Park East Freeway could be beneficial to the city by enabling real estate development that would create more jobs, housing units, and a higher tax base.

### From Vision to Action

Shortly after finalizing the 1999 Downtown Plan, motorcycle manufacturer Harley Davidson was searching for a site for its planned



*This photo shows the Park East Freeway shortly after construction.  
(Source: city of Milwaukee)*

Harley Davidson Experience development. The company was interested in selecting one of the sites that would be available for development if the Park East Freeway were removed. The prospect for this high-profile downtown development captured the interest of then-Governor Thomas Thompson. Governor Thompson became a proponent of removing Park East Freeway in order to attract Harley Davidson. His support resolved a long-standing disagreement between the city of Milwaukee, Milwaukee County, and the State of Wisconsin about how to spend Intermodal Surface Transportation Efficiency Act (ISTEA) funds that were directed to downtown Milwaukee. Officials from the three levels of government agreed to direct \$25 million to the demolition of the highway. Though Harley Davidson ultimately chose another site for its Harley Davidson Experience, the removal of the freeway moved forward.

### Redevelopment Plan

The city managed the development of the 64 acres of land made available by the removal of the Park East Freeway according to a Redevelopment Plan managed by the Milwaukee Redevelopment Authority. The city held approximately 75 public meetings and hearings to gather public input on the plan, which the City Council approved in 2004. The plan included a 28-acre tax-increment financing district to help fund public infrastructure improvements. It also included a zoning code for future development on the site. The code used new urbanist principles to create a block-by-block form-based code that established requirements for building heights, setbacks, streetscapes, and the relationships between buildings and the streetscape. The code also required that developers of parcels located along the Milwaukee River extend the Milwaukee Riverwalk, a linear park system created and maintained through a public-private partnership between riverfront property owners and the city of Milwaukee that provides public access to the riverfront. The detailed zoning code helped provide clarity to future developers about the types of developments the city would accept in this section of downtown.

### Community Benefits Agreement

In 2002, at the time of the release of the draft Redevelopment Plan, a group called the Good Jobs and Livable Neighborhood Coalition expressed concern the plan would not redevelop Park East equitably. The coalition pushed for the city and Milwaukee County to adopt a Community Benefits Agreement (CBA) to ensure that development practices were equitable and residents would share in the benefits of the 64-acre redevelopment. CBAs are legally-binding covenants made between developers or government bodies and community groups that require development on specified lands to meet

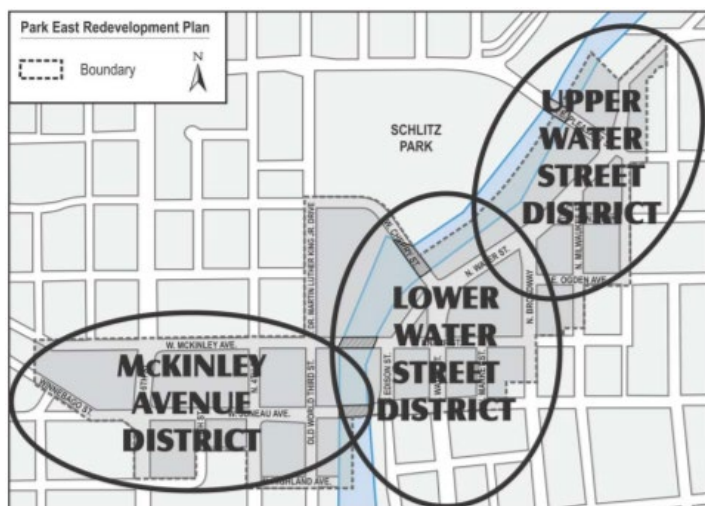
thresholds for living wage standards, local hiring policies, affordable housing, and sustainable development practices. Once in place, developers must abide by the CBA in order to receive tax breaks and other forms of public subsidy.

The city and county worked with the coalition and the public to develop a CBA for the Park East Redevelopment Plan. The resulting CBA, the Park East Redevelopment Compact (PERC), requires county-owned land to be sold competitively to developers whose proposals would provide the most jobs, increase the tax base, and enhance the community's image while offering a fair price. Tax-increment financing would fund the construction of roads, sidewalks, and other necessary physical amenities. Under the PERC, 20 percent of any housing built on county-owned land must be affordable units. The compact also requires the expansion of transit options and the incorporation of green building design elements.

The PERC stipulates that at least 25 percent of the construction jobs be filled by businesses designated as Disadvantaged Business Enterprises/Minority Business Enterprises and five percent must be from businesses designated as Women's Business Enterprises. To further support equitable hiring practices, developers must provide apprenticeship programs and training opportunities to help low-income, low-skilled residents qualify for construction positions. Additionally, businesses locating in the development area be locally-owned and pay living wages, whenever possible. The city established a community oversight board to monitor construction and subsequent development. Once the PERC was agreed upon, the Redevelopment Plan was approved by the City Council.

## Impacts

### New Neighborhoods



*This map shows the locations of the three new neighborhoods created, the boundary of the redevelopment area, and the new street grid sections being restored. (Source: city of Milwaukee)*

The Redevelopment Plan created three new neighborhoods: the McKinley Avenue District, the Lower Water Street District, and the Upper Water Street District. The Redevelopment Plan laid out specific zoning requirements for each neighborhood. The McKinley Avenue District was planned for offices, retail, and entertainment due to its large lots and access to the waterfront. The plan also called for small apartment buildings and hotels to create a finer-grained pattern of land uses and to add to the neighborhood's liveliness. The Lower Water Street District was also slated for office buildings near the waterfront as well as a mix of residential and retail spaces to complement the office space. Additional live-work units were

planned for the eastern part of the district. Finally, the Upper Water Street District's zoning called for primarily residential use but allowed small infill office buildings and mixed-use buildings.

## Development Projects

The demolition of the Park East Freeway led to significant new development that is still ongoing. Since the elevated freeway was removed in 2002, approximately \$1 billion in new real estate development has been constructed or is planned. One of the most significant developments is the redevelopment of the site of a former tannery located adjacent to the Park East Freeway. That development, which became known as the North End, was developed in five phases beginning in 2006. It includes 650 residential units, 45,000 square feet of ground-floor retail (including a grocery store), 1,300 feet of Riverwalk, and three publicly accessible stub-end streets that provide public access to the river and Riverwalk. The development used \$175 million in private investment and \$7.5 million in public investment, including a \$2 million loan from the city.

Several smaller but notable developments include a variety of housing, entertainment, and commercial developments. In 2010, the Milwaukee School of Engineering completed a rehabilitation of a former hotel into a dormitory. It also constructed a soccer stadium on top of an existing parking garage. Other developments include Moderne, a residential building with 203 apartments and 14 condominiums, and Avenir, a 114-unit apartment building. Along the Riverwalk, a developer rehabilitated a building to create an office for a marketing firm, adding 110,000 square feet of commercial space to downtown. The site also includes Riverwalk frontage and space planned for a future 15-story hotel.

The largest development project planned for the Park East area is the Fiserv Forum, the Milwaukee Bucks' new arena. The cost of the development is approximately \$500 million. The arena opened in August 2018, and future phases will include mixed-use buildings and outdoor space for pre- and post-game entertainment. This development was a catalyst for the development of the remaining development parcels in the redevelopment area.



*This rendering shows the Fiserv Arena and planned surrounding development. (Source: Populous)*

## Looking Forward

The Park East Freeway right-sizing project removed an underused 0.8-mile section of elevated highway to make way for approximately \$1 billion in real estate development and to reestablish the urban street grid that existed prior to the freeway's construction. The Park East Freeway removal has brought vitality, jobs, a higher tax base, better connections to the river, and physical expansion of the downtown to the city of Milwaukee.