

Market Assessment

3940 North 35th Street Market Assessment

Milwaukee, Wisconsin

May 2026

Prepared by Abt-ICF via
EPA Brownfields
Technical Assistance

Land Revitalization Technical Assistance

This project was performed through land revitalization technical assistance provided by Abt-ICF and U.S. Environmental Protection Agency (EPA) Region 5 through the EPA Office of Brownfields and Land Revitalization (OBLR).

The project was supported by the dedicated staff of the Redevelopment Authority of the City of Milwaukee (RACM), Business Improvement District (BID) 37/30th Street Industrial Corridor, Century City Triangle Neighborhood Association (CCTNA), Sherman Park Community Association (SPCA), and Northwest Side Community Development Corridor, among many others.

Successful brownfields reuse and redevelopment often depends on early consideration of the range of potential future uses and existing constraints for each brownfield site. Local community priorities, market conditions, infrastructure availability, environmental contamination, public health issues, and local ordinances shape brownfield site reuse opportunities. Having this site reuse plan grounded in these local conditions will directly influence how that site is characterized, assessed, and cleaned up.

TA Recipient
Redevelopment Authority of the City of Milwaukee (RACM)

Site Address:
3940 North 35th Street
Milwaukee, WI 53216

Previous EPA Grants:
EPA Brownfields Assessment Grant FY2005 and FY2018
EPA Brownfields Multipurpose Grant FY2019
EPA Brownfields Cleanup Grant FY2023

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Introduction and Scope

The U.S. Environmental Protection Agency's (EPA) Office of Brownfields and Land Revitalization (OBLR) and EPA Region 5 provided technical assistance to the Redevelopment Authority of the City of Milwaukee (RACM) to support a market assessment and next steps to advance development on the former A.O. Smith / Tower Automotive site on Milwaukee's north side.

The site occupies about 13.7 acres of the former A.O. Smith / Tower Automotive campus that once provided thousands of jobs for nearby communities. Residential neighborhoods surround the site. Beginning in 1937, the site was used to house pickle liquor ponds and other railroad-related storage such as aboveground fuel tanks. By 1951, some of the ponds were beginning to be filled. In 1982, the process began to investigate and fully cap the pickle liquor lagoons, which were eventually closed by the Wisconsin Department of Natural Resources (WDNR) in 2000. In 2019, the RACM, in cooperation with Business Improvement District (BID) 37, purchased the property and began environmental site investigations. The city has been working with various stakeholders to push the cleanup and redevelopment project forward.

This market assessment looks at multiple types of potential reuses for the site, coupled with intensive stakeholder engagement, to provide recommendations to RACM on next steps.

Executive Summary

The 3940 North 35th Street Market Assessment evaluated demographic and labor market conditions surrounding the site and reviewed commercial and residential real estate trends relevant to near-term feasibility. The team's research indicates stable but generally soft neighborhood-serving retail conditions, limited new commercial construction in nearby submarkets, and continued interest in flex/industrial space tied to the area's manufacturing legacy, proximity to Century City, and existing rail infrastructure. Multi-family development may be feasible primarily as affordable housing supported by public incentives; however, overall acceptance and success would depend on cleanup completion, developer capacity, and community buy-in.

As part of the project, ICF conducted stakeholder listening sessions with regional economic development partners, City and corridor organizations, elected officials, community groups, and local businesses, that reinforced several consistent themes:

- Strong preference for employment-generating uses that restore family-supporting jobs;
- Caution about retail viability without an anchor tenant; and
- A desire for high-quality urban design that reflects the site's prominent "front door" location, including walkability, landscaping, and green space.

Based on the combined market and stakeholder input, recommended redevelopment concepts to further vet including flex industrial/light manufacturing and several iterations of mixed use concepts —each supported, as needed, by public incentives and site readiness investments.

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1 Project Background

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U.S. Environmental Protection Agency (EPA) Region 5 requested technical assistance from EPA's Office of Brownfields and Land Revitalization (OBLR) on behalf of the Redevelopment Authority of the City of Milwaukee (RACM) to develop a market assessment for a parcel in north Milwaukee at 3940 North 35th Street. The property was once part of the sprawling A.O. Smith and Tower Automotive campus that dominated this portion of the 30th Street Industrial Corridor in past decades. The purpose of the technical assistance is to provide an assessment of potential reuse opportunities based on the surrounding market conditions that the RACM can then further vet with community members to determine a redevelopment strategy.

1.1 Site and Planning Context

The site covers about 13.7 acres in north Milwaukee and was acquired by RACM and BID 37 in 2019. The site is located at a prominent corner along West Capitol Drive and North 35th Street and serves as a "front door" to the neighborhood (**Figure 1**). The city's Department of Public Works Field Headquarters forms the southern boundary of the site. The eastern portion of the site is sided by a still active rail line that historically served as critical infrastructure to the north Milwaukee industries. On the other side of the rail is the Century City Business Park, a large city-supported redevelopment site that hosts manufacturing and food and beverage businesses, as well as land available for new industrial businesses. Today, the site is unused with several remnants of its industrial past, including three segments of a former rail spur, a stormwater monitoring shed, and abandoned light towers.

1.2 Environmental Conditions

The property (Figure 1) was largely undeveloped until 1910, when A.O. Smith, a prominent Milwaukee business, located their pickling operations at the site. Pickling involves treating steel and iron surfaces with a sulfuric acid cleaning solution. The site housed six industrial pickling liquid lagoons until about 1951 when lowland lagoons began being backfilled. In 1969, pickle liquor operations ceased and the ponds were backfilled and capped with pavement over the next 10-15 years. The site was underutilized but housed outdoor storage until it was purchased by RACM and BID 37 in 2019. RACM performed various site investigations and sampling events in 2022 and 2023, that were submitted to the Wisconsin Department of Natural Resources (WDNR) for review. The 2023 Site Investigation Report (SIR) reviewed past environmental investigation work prior to RACM's acquisition of the site and evaluated the current soil and groundwater conditions. The sampling events found volatile organic compounds (VOCs), including trichloroethene (TCE) and dichloroethene (DCE); various Resource Conservation and Recovery Act (RCRA) metals including arsenic, cadmium, lead, mercury, and selenium; and polycyclic aromatic hydrocarbons (PAHs) in the soil, most likely due to historic imported fill material. Similarly, VOCs, PAHs, and barium were found in limited areas based on groundwater sampling.

The WDNR provided a site investigation approval letter in July 2023 indicating that investigation was complete with the exception of continued groundwater monitoring and further delineation in the area around soil boring GT-4 in the northwestern area of the site. The letter also provided comments regarding future remediation requirements, including properly addressing the potential for vapor intrusion as well as providing a direct contact and groundwater infiltration cap across the property.

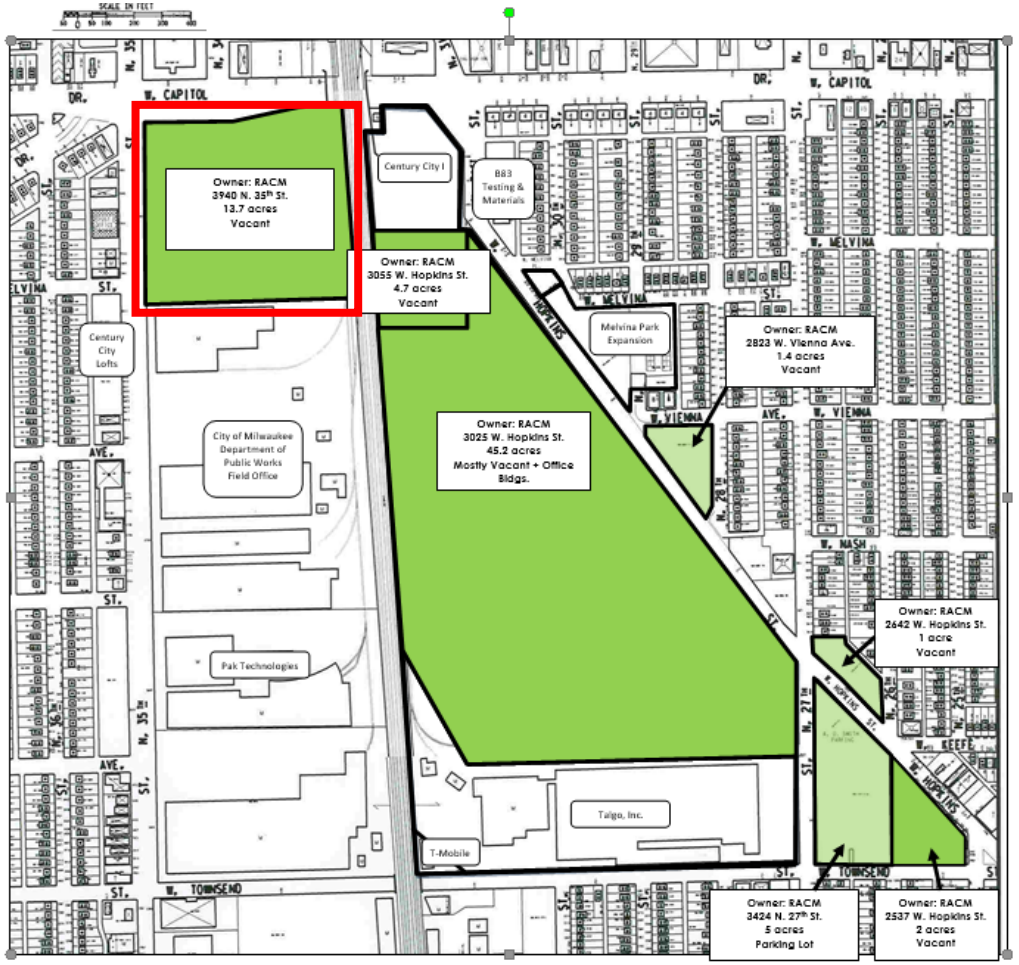
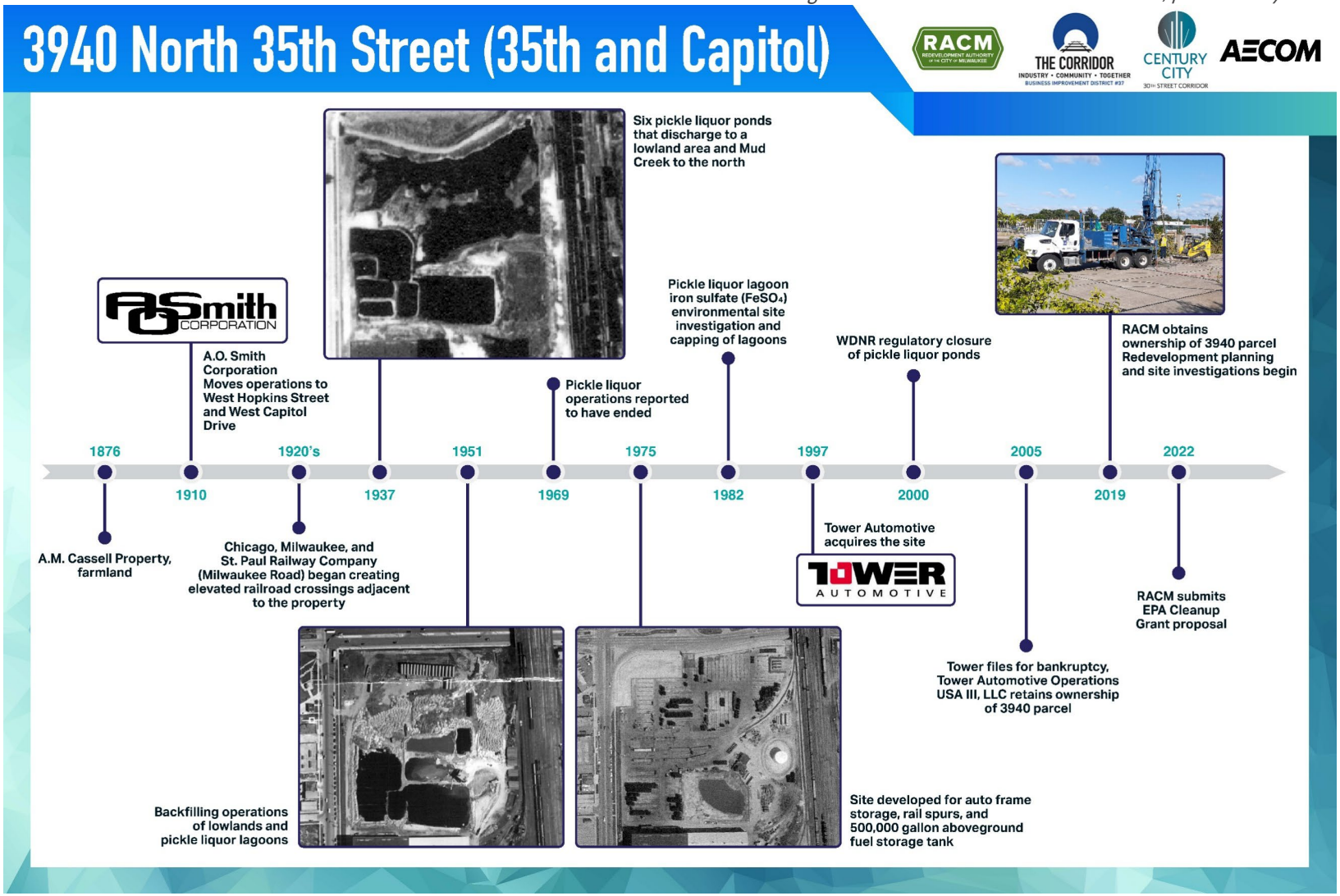


Figure 1: The catalytic site is located at 3540 North 35th Street, outlined in red and is adjacent to the rail, Century City business park, and other City-owned properties.

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Since 2024, RACM has been conducting ongoing groundwater sampling, further delineating soil contamination in the GT-4 area, and developing the environmental reports and plans needed to initiate cleanup activities.

Figure 2: Timeline of activities on the site, provided by RACM.



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2 Market Assessment

2 Market Assessment

The team developed a market analysis of the area directly surrounding the site to help identify the most viable uses for the site. Understanding the market forces is important in attracting private investment and determining viable reuse ideas. While the data is an important piece of the story, the stakeholder engagement described in this section also provided critical lived experience to the assessment.

2.1 Demographics and Labor Market Context

This summary discusses socioeconomic, demographic, and labor market conditions around the site, using a 5-minute drive time radius to represent the immediate neighborhoods, and a 15-minute drive time radius that represents the larger area within Milwaukee (Figure 3). The two drive time radii were developed through conversations with local stakeholders. All values in this section are derived from 2023 and 2025 demographic data prepared by ICF using ESRI's Business Analyst, unless otherwise cited.

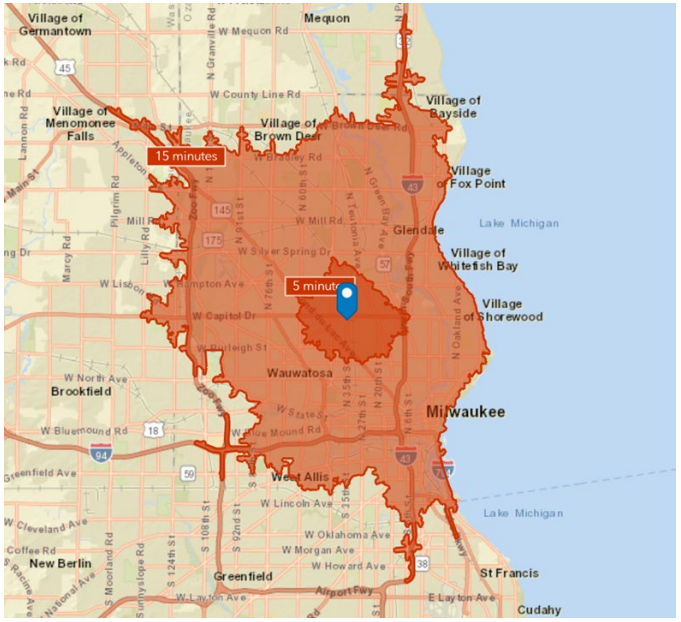


Figure 3: Map of drive-time radii used for the market assessment.

In 2025, there was a population of about 54,000 people in the 5-minute radius, compared to over 500,000 within the 15 minute drive time. There has been a 12.3% decrease in population immediately surrounding the site over the last 15 years, while the larger

regional area experienced a smaller decrease (4.5%) over the same time period. While not completely clear, some of this migration away from the area may be related to major employers leaving the area and taking employment opportunities further out of the city's core neighborhoods. The median age within the 5-minute drive time was just 34.6 years, only slightly older than the larger regional area (33.7 years). The immediate area is home to a primarily Black population (87.7%) while the larger area is more mixed (white, 38.5%; Black, 41.1%). The percentages of the Black and white population decreased across both geographies in the last 15 years, while Asian, or those identifying as two or more races saw the largest increase. Finally, in terms of education attainment, only 12.8% of residents within the immediate area hold a bachelor's degree or higher with most residents achieving somewhere between an associate's degree and a high school diploma. The larger geography shows higher levels of education, with 37.4% of the population holding a bachelor's degree or higher.

As part of redevelopment efforts, attention should be paid to the ability of local residents to access new jobs in the area through workforce development and training opportunities.

2.2 Real Estate Market Conditions

In addition to the labor force and demographic conditions, retail, industrial, and other commercial real estate conditions are an important indicator for interest in the site and potential for redevelopment. While prevailing market conditions are impacted by a range of factors, including the national and global economy, workforce trends, and capital investment fluctuations, these data provide a backdrop for understanding the competitive advantage of the site compared to other properties. The site sits between two primary commercial markets. The area south of the site represents the West Milwaukee area which is more urban, closer to downtown, and home to a strong industrial history. The other submarket, called the Northwest market, is the area north of Capitol Drive from the site, which is more suburban and farther from downtown. For the commercial real estate sectors (retail, office, and industrial), Figure 4 shows the submarket boundaries used in the analysis.

Retail Market

Overall, the retail market across the larger Milwaukee metro has experienced continued leasing for quality space from local and national tenants. However, with several national retailers recently closing (e.g., Joanne Fabrics, Party City, and Big Lots), the local

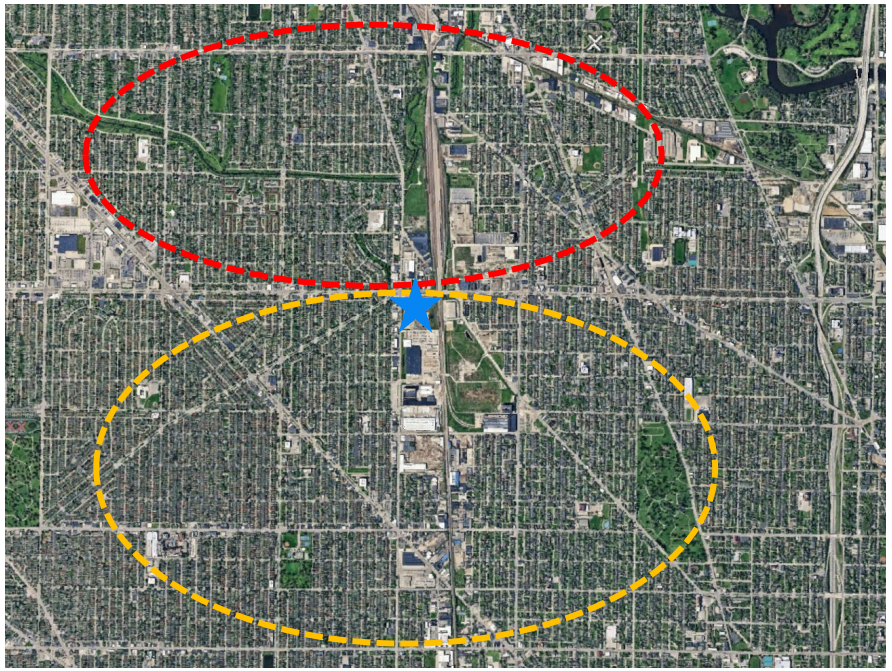


Figure 4: Commercial real estate submarkets "Northwest" in red, and "West" in yellow, defined by CoStar and interpreted by ICF. The site is denoted by the blue star.

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market may struggle to backfill these vacancies with tenants that can functionally fit and successfully operate in them. When considering vacancy rates as indicators of market health, the typical vacancy rate among commercial properties is usually between 4 to 6%.

Northwest Submarket

The Northwest retail submarket had a vacancy rate of 6.9% in Q1 2026, a 1.6% increase year over year. However, compared to the 5-year average vacancy rate of 10.8%, the current rate indicates that conditions have overall improved.[1]

The vacancy rates across retail subtypes indicate a more nuanced story. The neighborhood retail vacancy rate (e.g., grocery stores, salons, dry cleaning, community-use) was closer to 14% and box retail centers were closer to 40% vacant. Strip malls within the submarket were much lower, at nearly 4%.

Retail construction in the Northwest submarket has been dominated by 130,000 SF construction near Brown Deer, with a Target anchor. Other than that construction, there is very little SF planned for the market.

Retail rents in the Northwest have averaged $12.66 per square foot, a growth of 2.1% over the past year, compared to a change of 4.4% across the wider Milwaukee market. The rental rates have stayed relatively consistent in the past decade, indicating that the market is relatively stable.

West Submarket

In Q1 2026, the overall retail vacancy in the West submarket was 2.6%, bolstered likely by its location near downtown and its lack of new construction added to inventory.[2]

The retail market saw an active 2025 in smaller footprint leasing, with an 84% increase in spaces between 1,000 to 3,000 SF being leased year over year.[3] With competition for downtown and North Shore retail locations, overflow demand for smaller, Class B and C properties in other neighborhoods across the city could increase. The overall trends across Milwaukee show a movement away from big box retailers to a hyper-geographic focus on smaller footprints for businesses such as fast casual restaurants, coffee shops, medical services, and banks.

The market has remained relatively stable as there is little to no new construction adding to the available space. The vacancy rate has been kept low likely due to the lack of new construction and moderate absorption by small lease turnover. The average market rent is about $13/SF, up slightly from the year prior but consistently lower than the $16.67 average per SF across the larger Milwaukee market.

Retail Market Conclusions

With limited new retail construction planned across the city, there may be increasing interest in the West submarket as a retail frontier for expansion, especially if quality spaces can be added to the market that compete with other locations across the city. Additionally, there is a newly announced reuse plan for a former Walmart at the corner of Capitol Drive and West Fond du Lac

[1] CoStar, "NW Milwaukee Retail Submarket", Q1 2026.
[2] CoStar, "Milwaukee West Retail Submarket", Q1 2026.
[3] Cushman & Wakefield, Q1 2025 Milwaukee Retail Report.

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Avenue west of the target site that outlines a 17,000 SF community center and library. Adding neighborhood amenities such as these municipal anchors enhances the property values for other sites by providing stability and increase in traffic around the area.

While retailers' decisions on where to locate are usually driven by larger changes in the economy and portfolio-wide decisions rather than relative demand in these submarkets, the opportunity for the West submarket to build out retail options is intriguing based on the relatively low vacancy and lack of pipeline. For the target site, these trends indicate that there could be demand from local existing tenants to either relocate to new construction (Class A properties) or support several smaller retail locations akin to a strip mall that would be accessible to small businesses.

Office Market

The office market across the U.S. has shifted tremendously post-the COVID-19 pandemic and the subsequent increase in remote-work. The office types that have experienced the greatest rebound are 5-star and 4-star (Class A) properties that offer a mix of amenities, new construction, and those sites located in primarily urban areas. Older office stock has struggled to maintain leases as employers have to work to lure workers back to the office. Office to residential building conversions are gaining popularity across the US, bringing residents back downtown while taking office buildings out of the market, which has improved the overall vacancy numbers. As leases in downtown Milwaukee tightened, some pockets of improved demand could come to the more suburban areas, such as Northwest, as the overall market experiences a "re-balancing" of demand.

Northwest Submarket

In the more suburban Northwest market north of Capitol Drive, the office vacancy rate has dropped to 12% in 2026 Q1, down 1.5% from the previous year, indicating that some new office leases were signed, despite the lack of construction.[4] The submarket's vacancy is slightly higher than its 5-year average (10.9%), which is understandable given the changes in the office market nationwide.

The availability rate (office space that is currently vacant or occupied but marketed for upcoming lease) is relatively high at 15.2% but has dropped about 1% since the previous year. The average asking rent for this submarket sits at $18.80/SF, which is about $3 lower than the overall Milwaukee market.

West Submarket

Within the Milwaukee West submarket, the office vacancy is hovering around 1.8%, similar to past years with an average rent around $19/SF, only slightly lower than the wider Milwaukee market at $21/SF. The availability rate of office space is much lower within the West submarket, closer to 2.6% in Q1 2026.[5]

Office Market Conclusions

Typical healthy office vacancy rates hover between 5-10% in active markets. With the low vacancy (1.8%) and availability rates (2.6%) in the West submarket, the market's proximity to downtown, and location along transportation routes, the project site could be a competitive location for smaller footprint office space, if combined with other anchoring uses.

[4] CoStar, "Milwaukee Northwest Office Submarket", Q1 2026.

[5] CoStar, "Milwaukee West Office Submarket", Q1 2026.

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Industrial Market

Historically, Milwaukee has been a strong manufacturing hub with companies such as Milwaukee Tool, Harley Davidson, and Rockwell Automation calling the city home. However, the market has seen a lot of churn in recent decades as companies adjust to market conditions. Overall, the city's industrial market has gained traction in recent years, initiated by a boom in data center-driven momentum which has attracted more small tenants as well as increasing interest in larger spaces above 100,000 SF.

As referenced by stakeholders during the engagement process, site improvement and readiness costs are becoming a more significant factor in investment decisions. While construction of industrial space improved in 2025, speculative construction, where developers construct buildings before a tenant has been identified, fell 34% from 2024.[6] Owner-occupied and build-to-suit building instead dominated the market, which indicates continued local investment and confidence in the region's established economic sectors.

Northwest Submarket

Within the Northwest Milwaukee market, there has been a moderate amount of leasing activity (48,000 SF of absorption in 2026 Q1) but there has been no recent construction of additional space.[7] The vacancy rate hovers around 6.6%, slightly higher than the 5-year average of 4.3% and 5% across the city. The primary submarkets within this area include logistics spaces, flex industrial space, and some smaller specialized industrial buildings. The market rent averages around $6.70/SF, which is a slight increase over past years and about half a percent higher than the overall Milwaukee market.

West Submarket

In the West Milwaukee submarket, the vacancy rate is much higher at 10.5%, an increase of 9.0% in the last year, primarily due to the exodus of Master Lock.[8] The average asking rent remains around $5.40, close to the 5-year average for all types of industrial properties. However, the market rent in flex buildings is closer to $10.60/SF and has been growing year over year.

Industrial Market Conclusions

With its strong industrial legacy, proximity to rail lines and transportation, the project site could be an attractive location for flexible industrial space, similar to the Century City I building. Based on stakeholder conversations, RACM intends to continue marketing the open industrial lots south of Century City I and evaluating potential incentives that would support industrial development in the area. The target site could complement Century City with the addition of small, flex buildings that could support smaller businesses.

Multi-Family Residential Market

The site has garnered interest from potential residential developers, particularly those who have worked on nearby properties for residential conversion projects. Multi-family markets differ considerably from the commercial markets discussed previously, mostly because these developments have access to a wider range of public incentives, tax credits, and supportive loan structures than commercial properties. For

[6] MarketBeat, Milwaukee Industrial Q4 2025, Cushman & Wakefield.
[7] CoStar, "Milwaukee Northwest Industrial Submarket", Q1 2026.
[8] CoStar, "Milwaukee West Industrial Submarket", Q1 2026.

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example, New Market Tax Credits and Low-Income Housing Tax Credits (LIHTC) are commonly accessed funding sources to construct mixed use and affordable housing. It is unlikely that the neighborhood market is strong enough to attract a market-rate development, especially in the current economic conditions of high construction labor and material costs.

Because the financing structures for multi-family developments are different than commercial properties, the overall vacancy rates, leasing, and sales activity do not reflect the market's ability to attract private market interest from developers. Instead, the feasibility of constructing multi-family affordable housing depends on the interest of a qualified, experienced developer who can be successful in attracting and stacking public funding. If LIHTCs are used, the City should evaluate ways to maintain the affordability of the units after the tax credit period expires (e.g., conversion to co-ops, establishing a community land trust that would hold the land in perpetuity, etc.).

The site is a good location for additional housing for a few reasons: access to downtown Milwaukee and other job hubs, location along public transit routes, and its location in an established neighborhood. Additionally, the site's public ownership could lead to favorable acquisition costs for a potential developer, which could contribute to lowering overall project costs. That said, stakeholders expressed concern about the safety of housing on this site with its environmental history, so thorough and transparent information regarding environmental contamination and cleanup will need to be provided throughout the cleanup and redevelopment process.

2.3 Stakeholder Engagement

As with any project, the data only tells part of the story about the local context and thus the feasibility of development. In addition to the background research on the market, labor force, and real estate discussed above, the ICF team conducted a series of stakeholder listening sessions with various groups from the region to understand the reality of market and community desires around the site. Over January and February 2026, the team held seven virtual meetings with the following groups:

- Regional Economic Development – M7 and the Port of Milwaukee
- City and Neighborhood Economic Development Groups – 30th Street Corridor Industrial Corporation and BID 37
- Local Alderpeople and State Elected Representatives – State Senator Johnson, State Representative Haywood, Alderperson Pratt and Alderperson Jackson
- Community Organizations – Century City Triangle Neighborhood Association, Sherman Park Neighborhood Association, and Northwest Side Community Development Corporation
- Businesses – Hundred Acre, B83 Testing and Engineering, Craft Beverage Warehouse, and Jonco

Throughout the process, the ICF team heard a broad range of suggestions for the site. However, there were some common themes that were recurring across groups. A more detailed summary of the stakeholder meetings can be found in **Attachment A**.

- **Desire for Employment-Generating Uses**: Throughout conversations with the various groups, stakeholders consistently emphasized the need to bring back jobs to region, especially with major companies leaving the neighborhood in recent decades. Jobs that provide wages high enough to sustain a family and grow the middle class

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were of particular interest, particularly in industrial, manufacturing, or medical fields.

- **Desire for Neighborhood-Serving Uses**: Some constituents noted the need for a grocery store to serve the community with fresh food, especially as other grocery stores in the area have recently left. Additionally, demand for primary care physicians, urgent care, and dentists was expressed by stakeholders.
- **Retail Viability**: Despite demand for the neighborhood amenities noted above and the relatively low availability rate for retail spaces, some constituents voiced concerns about how successful retail could be at this site, without a stable anchor tenant to both attract customer traffic and stabilize the site during potential lease turnovers.
- **Mixed Use Residential**: While the site has been considered for residential multi-family development in the past, ongoing environmental education and community engagement will be critical in gaining community buy-in for this reuse. There were lingering concerns about the potential for vapor intrusion or other environmental issues conflicting with residential development. Others discussed that because of the strong need for jobs, proximity to Century City, and the existing rail infrastructure, the site would be better utilized for industrial or commercial development of some type. However, residential development can often offset the uncertainty that comes with commercial leasing, providing long-term site occupation, relatively stable tenancy, and a consistent consumer base with foot traffic. While unlikely to occupy the entire site, multi-family could be a very beneficial reuse within a mixed use development.
- **Plan for and Incorporate Urban Design Elements**: Finally, many constituents saw this property as a central entry point to the neighborhood. When considering development on this parcel, the urban design elements that would foster walkable, pedestrian-friendly, and green space should be included on the site. Some suggested neighborhood-specific signage, amble landscaping or a dedicated pocket park to beautify the corner. The success of several of these viable reuse ideas will depend on the final site plan, urban design elements, siting of specific uses, and landscaping that address community concerns.

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3 Market Recommendations

3 Market Recommendations

Although the market assessment does not indicate a single, most viable reuse for the site, there are several approaches that could lead to successful redevelopment of the site. ICF developed these recommendations based on analysis of market conditions, as well as the stakeholder feedback gathered during the engagement process.

3.1 Mixed Use Approaches

Based on the market conditions, there are a few options for a mix of uses on site that could be viable. It can be difficult to maintain a long-term tenant in a large, single-use space. These spaces are also out of reach for many small businesses that cannot afford the larger overhead costs of maintaining an office or retail space. Instead, creating a diversity of uses on the site can increase the overall stability of leasing and minimize the risk of depending on a single use.

The options below should be vetted by the community through the engagement process to ensure acceptance and alignment with community priorities and city planning goals for the neighborhood. The team recommends that RACM and the City use the community engagement process to establish goals for overall redevelopment that can act as "performance standards" when reviewing bid proposals. For example, a redevelopment goal may be to attract a number of jobs associated with the proposal, which addresses community desire for employment and can be evaluated in the development proposal process.

Additionally, it is likely that any of the uses below may need public financial support (e.g., TID financing, housing tax credits, etc.) and partnership (e.g., site preparation and infrastructure support) to be viable, especially with the high barrier to entry that developers are facing with steep labor and construction costs. The City and RACM should consider the capacity for providing such incentives before the RFP process begins.

1. **Flex Industrial Space + Offices:** The market conditions are such that additional flexible industrial space for light manufacturing and prototyping could be successful at this site. These spaces could be research and design (R&D) type laboratory or testing places, or small batch food production businesses, indoor hydroponics, food processing and production, packaging, research and development space. These spaces are not intended to compete with the Century City business park, which can host larger scale tenants but rather act as complementary space. In particular, it is recommended to cast a wider net to the larger maker/food & beverage/manufacturing community for interest in growth opportunities.
2. **Medical/Office + Small Commercial:** Based on community feedback, health care facilities that provide outpatient services are greatly needed. Dependent on partnerships with local healthcare providers, a medical office like a dentist, adult day center, eye doctor, or therapist, or a combination of these could provide an anchor on the site. Additional small office space for rent could generate income to balance development costs. Small footprint commercial tenants such as a restaurant or coffee shop would be vital to co-locate to attract steady foot traffic and be supported by office tenants. RACM can consider a buildout of a small office park or retail center that focuses on small footprint space of less than 5,000 SF that could be attractive to a wider range of potential tenants.
3. **Retail Anchor:** In recent years with traditional shopping moving online, brick and mortar retail locations have found greater success in service-based retail options. These include some type of activity (indoor pickleball, arcade, movie theater) or service (gym or health club, spa), which increase consumer time inside the business and combat the drop of in-person shopping sales. Such a retail anchor could locate on the site with accessory stores on site to support operations and bolster foot traffic (barbershops, cell phone stores, specialty retail, fast-food outlets, etc.). While desired by many stakeholders, a chain grocery store or larger-format grocer is unlikely to locate on this site as an anchor tenant, partially because the market data does not indicate that larger footprint spaces are of interest at this time. Additionally, grocery store chains typically have strict socio-economic selection criteria for expansion. That said, affordable housing and smaller or nonprofit grocery store mixed use projects, described below, have been successful in Milwaukee and in similar contexts across the U.S.
4. **Residential Mixed Use:** While not suggested for the entire site footprint, residential reuse of the site remains a viable option. Other uses that could complement a development would be a small retail strip that supports neighborhood amenities, a small neighborhood grocery store or even a multi-tenant office space. While there is potential viability for multi-family affordable housing, the ultimate success of that type of reuse depends on developer interest, environmental cleanup, and community buy-in. If residential is desired on the site, small footprint retail that would support daily needs, such as a barbershop, clothing store, or coffee shop could help attract interest and diversify the site. There are some successful models of nonprofit grocery stores locating in, or adjacent to, affordable housing complexes. Examples include the FreshLo Markets in Denver Housing Authority properties or 1Fifteen in Roseland, Chicago and while not co-located with the affordable housing complex, the People's Food Co-Op in

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Detroit is another example of a nonprofit, co-operatively owned grocery store tackling food deserts. Success of such a development would also depend on the final design and layout that avoids conflict between the residential and rail line.

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4 Next Steps

4 Next Steps

Although the market assessment provides some understanding of the potential reuses of the 3940 North 35th Street property that may be favorable among the market conditions, the importance of community input and buy-in to project plans cannot be understated. As RACM plans for community engagement, the following are suggested next steps that will support the success of this project.

- **Prepare for community engagement phase.** Share information via the website, plan in-person events, and ensure clear communication with the neighborhood associations. Prepare for questions related to environmental contamination, cleanup levels, and public safety post-cleanup. Discuss ideas presented in report to gain community consensus.
- **Continue conversations related to the rail line.** During the engagement process, the ICF team heard a variety of ideas for the future of the active rail line adjacent to the site. Some individuals thought maintaining the rail access would help attract and support industrial users on the site. Others discussed a future rail-trail option that is currently undergoing preliminary planning work. Finally, others discussed transitioning the rail line to passenger service and putting a rail station on the site. While all of these approaches are viable, they do present conflicts of use that may influence redevelopment. For example, if the site is converted to a rail-trail, it becomes much less attractive for industrial users and more attractive for residential uses. The plans for the rail are uncertain at this time, but discussions should continue with stakeholders to determine a realistic future for the infrastructure, which will help determine appropriate site uses.
- **Finalize environmental work and prepare communication materials.** The site is still undergoing final monitoring and finalizing the cleanup, which is an opportunity for education and communication with residents about the status and process. Transparency into the cleanup progress and next steps can help to build trust that the site will be safe for redevelopment when cleanup is complete.

- **Determine disposition strategy for the site.** RACM may have an established procurement and disposition process for land owned by the City. But if there is flexibility to adjust the process to elicit value-driven development proposals, there may be opportunities to influence the outcomes without being the development lead. Clear redevelopment goals and performance metrics, defined by the engagement process and confirmed by the City and RACM, should be stated in the RFP so that interested developers can be aware of the most desirable development scheme at the site. Depending on the disposition strategy selected, design guidelines can be integrated into the performance metrics that define the percent open space, green stormwater infrastructure, and other site assets. Another option is to evaluate proposals against a set of goals developed by community engagement and evaluated during the award stage and award points or rank proposals higher that conform to the preferred strategy.

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