

Streetcar could impact downtown real estate

Monday, February 23, 2015

By [Andrew Weiland](#)

Now that the Milwaukee Common Council has approved the controversial \$124 million downtown streetcar project, let's step back from the politics and take a look at the impact the system could have on the downtown real estate market.

Opponents of the streetcar project are still circulating petitions and have threatened to take legal action to stop it. If they can't, construction work could begin by the end of this year and the streetcar could be up and running by late 2017 or 2018.



*Map of
downtown
streetcar route.
Blue: Phase 1.
Red: Future
extensions.*

The exact route of the streetcar has not been finalized, but it will run from the Milwaukee Intermodal Station at 433 W. St. Paul Ave., into the northern portion of the Historic Third Ward, through the east side of downtown, up to the intersection of Ogden and Farwell avenues on the densely populated Lower East Side. The initial streetcar plans also include a segment along Michigan and Clybourn streets to the lakefront. The current route plan could be tweaked as the design is finalized.

Milwaukee Mayor Tom Barrett has promised to seek federal funds to expand the initial streetcar plan. If those efforts are successful, the first extension could run north from the Intermodal Station to a possible downtown arena site north of the BMO Harris Bradley Center.

For now, let's focus on the planned route for the streetcar project that has been approved. The construction project for the streetcar could cause some interruption for businesses on the route. But once the project is complete, those businesses could benefit from the streetcar service.

The streetcar could appeal to visitors staying in downtown Milwaukee. The planned streetcar route passes right in front of the Milwaukee Marriott Downtown hotel, the Hilton Garden Inn Milwaukee

Downtown hotel, Hotel Metro and is less than a block from the Pfister Hotel. Other hotels are within walking distance of the route, but those three are the closest and could benefit the most from the streetcar.

“We think (the streetcar) is going to have a very positive impact on the hotel for both our guests and our team members,” said Nick Johnson, general manager for the Hilton Garden Inn Milwaukee Downtown. “It’s going to make it easier for folks to get around downtown.”

Visitors that come from Chicago on Amtrak could get on the streetcar at the Intermodal Station and get to their hotel, said Jeffrey Hess, general manager of the Milwaukee Marriott Downtown Hotel. He said people come on Amtrak from Chicago “frequently” to stay at the hotel.

“Clearly the connection to the train station is a fantastic addition for any of our travelers that do business with us from Chicago,” Hess said. In addition, “connecting us to the East Side, I think, is going to shrink the city for our visitors,” he said.

The streetcar route also goes past the Milwaukee Public Market in the Third Ward, which attracts visitors who take Amtrak from Chicago, said Paul Schwartz, operation and communications manager for the Public Market.

During warm weather months, the Public Market gets about 10 to 15 customers a week who come to Milwaukee on Amtrak, walk about five blocks to the Public Market and store their baggage to go shopping, Schwartz said.

The streetcar could attract riders from downtown and the East Side that want to visit the Public Market or get to the Third Ward.

“Any transit, streetcar, bus, anything that brings additional traffic, and therefore customers, is a good thing,” Schwartz said.

Prominent office buildings on the streetcar route include the 30-story, 654,165-square-foot 411 East Wisconsin building and the 19-story Cathedral Place office and residential building at 555 E. Wells St. Other major office buildings are within walking distance of the route.

Irgens is building the 17-story, 358,017-square-foot 833 East multi-tenant office tower at 833 E. Michigan St., which would be on the lakefront segment of the streetcar route.

“The streetcar will be positive for 833 East and the thousands of people working within the immediate three blocks and will easily connect them to other parts of the (central business district),” said Mark Irgens, CEO and manager of Irgens. “It is an excellent economic development generator for the city and will make living and working in downtown even better and more attractive. It is a positively impactful project which is only beginning. Economic development and real estate investment is stimulated by infrastructure projects. There will be a positive multiplier effect by making this investment in Milwaukee’s future.”

Streetcar project supporters, including Mayor Barrett, say the project will help attract development along the line. Barrett said some business leaders have told him that improved mass transit in the city would help them attract employees.

The streetcar route’s lakefront segment runs by the site southwest of Clybourn Street and Lincoln

Memorial Drive where Johnson Controls Inc. is considering plans to build a new office building. The company has declined to discuss those plans publicly, but has indicated that it supports the streetcar project and that the project could influence its decision-making process on where to build the new office building.

The streetcar route's lakefront segment would also run through The Couture, a proposed 44-story luxury apartment tower that would be built just east of Irgens' 833 East project. The Couture would have a transportation hub that would include a streetcar stop.

The streetcar could help attract development to numerous vacant sites on Clybourn Street, said Rick Barrett, the developer for The Couture project.

“Along Clybourn, there is tremendous opportunity for real estate development from the lakefront to the Milwaukee Public Market,” he said. “You could do an amazing retail corridor with towers above it. It starts with The Couture and Johnson Controls. I think there is a great opportunity for the Clybourn corridor to be the dynamic hub of the city. I just feel there is great opportunity there.”

The streetcar route runs along several significant residential developments, including Juneau Village, Yankee Hill and a proposed 37-story apartment building planned by Chicago-based Carroll Properties at the northeast corner of Van Buren Street and Kilbourn Avenue.

The streetcar route also runs by the historic Pritzlaff Building complex, which consists of six connected buildings constructed between 1875 and 1922. The complex has 38,735 square feet of first floor event space, it will have a business incubator on the second floor, and this spring, construction will begin to create 98 market rate apartments on the third through seventh floors.

Kendall Breunig, the owner of Sunset Investors, which has worked for years to redevelop the Pritzlaff complex, said he does not expect many event attendees to use the streetcar, but apartment residents could use the streetcar to get to downtown jobs.

Residents and visitors could also use the streetcar to get to numerous bars and restaurants on the route.

In addition to the Public Market, the most significant retail destination on the streetcar route could be the Metro Market grocery store at 1123 N. Van Buren St. But in a reflection of the controversial nature of the streetcar project, the store manager for Metro Market declined to comment.

The new streetcar could impact the following downtown sites:

1. Ogden Avenue
2. Metro Market
3. Hilton Garden Inn
4. Milwaukee Intermodal Station
5. Milwaukee Public Market
6. 833 East
7. Cathedral Place

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A black horizontal banner with rounded corners. On the left, the text 'BizExpo' is written in a bold, white, sans-serif font, with 'Biz' in white and 'Expo' in red. To the right of this, a vertical line separates it from the text 'Reserve YOUR BOOTH TODAY!' where 'Reserve' is in a red script font and 'YOUR BOOTH TODAY!' is in a white, all-caps, sans-serif font. On the far right of the banner is a red rectangular button with the text 'CLICK HERE' in white, all-caps, sans-serif font.

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