

FOCUS ON Real Estate AND DEVELOPMENT

Rehab projects going strong

BY PETE MILLARD

Developers have been renovating downtown Milwaukee warehouse and office properties for more than two decades and the trend is not slowing down.

From the 3rd Ward, which is where it all started, rehabilitation of old buildings has jumped the river and is heading south to the 5th Ward with Lighthouse Development Co.'s makeover of the former Transpak Corp. complex at 235 E. Pittsburgh St.

The economic benefits of recycling older, historic buildings are many, including historic tax credit incentives and existing infrastructure.

Also, millions of dollars are being spent on the interiors of existing historic buildings in Milwaukee to keep tenants from moving to newer buildings with modern amenities.

On Milwaukee's near south side in the Walker's Point neighborhood, more than a dozen former warehouse and factory buildings are available for sale that remain underutilized. City officials expect the renovation trend to continue for years to come.

SOUTH WATER WORKS

By the time contractors are finished renovating Lighthouse Development Co.'s South Water Works site at 235 E. Pittsburgh St., it will rank as one of the most



John-Paul Greco

Tom DeMuth (center, with HGA Architects' Jim Shields, left, and Lighthouse Development partner Brett Grasse) . . . "We believe our project is in the path of development from the 3rd Ward south to the 5th Ward."

ambitious rehabilitation projects ever undertaken in Milwaukee.

The South Water Works development is being completed in several phases and will cost about \$125 million when finished, said Tom DeMuth, a partner with Lighthouse Development.

The development will cover a city block, or roughly 6 acres, and will include four existing buildings and at least one

new building. The plan for the Lighthouse "urban village" concept also includes a new city street that will connect East Pittsburgh and East Oregon streets. Milwaukee city planners also have approved reopening East Oregon to Barclay Street on the development's west side.

"We believe our project is in the path of development from the 3rd Ward south to the 5th Ward," said DeMuth.



John-Paul Greco

A view of the South Water Works site.

The first building under renovation is on the corner of South Water and East Pittsburgh streets. Called Bridgeview, the 110,000-square-foot building will include 10,000 square feet of retail, 10,000 square feet of office space and 55 apartment units.

Lighthouse bought the property from Transpak three years ago, which moved its operations to Franklin. From the begin-

ning, DeMuth said the plan was to renovate the buildings because they were well maintained and built to last.

“The buildings were constructed with cast-in-place concrete on deep piles,” said DeMuth. “There were no cracks or displacement in any of the floors or walls.”

Reusing the foundations and walls of the old buildings is not only a good use of natural resources, said DeMuth, but it

represented a tremendous savings for the company.

The second building to undergo renovation at South Water Works will be the 44,000-square-foot Art Deco-style building on the corner of Barclay and East Pittsburgh streets.

Plans call for underground parking at the Bridgeview and Art Deco building, as well as a third building at 221 E. Oregon St. owned by Lighthouse and known as the Beck Building, said Jim Shields, an architect at HGA Architects who was hired by Lighthouse to come up with the “urban village” concept.

“Many older buildings can’t accommodate underground parking, but these buildings can and that’s a big advantage,” Shields said.

The construction techniques used in the former Transpak buildings, particularly the way pilings were driven in the marshy soils in the 5th Ward along the Milwaukee River, make the Lighthouse buildings a valuable resource, Shields said.

“The huge infrastructure investment driving steel pilings today makes downtown construction too expensive for many developers,” said Shields. “When you can renovate buildings like these, you’re saving money.”