



Business

[Home](#) » [Business](#)

# Johnson Controls considering new downtown development

By Tom Daykin of the Journal Sentinel

Jan. 16, 2015

Tweet 32

Recommend 261

SHARE 3

EMAIL

PRINT

(87) COMMENTS

Johnson Controls Inc. is considering a major new office development in the Milwaukee area and says the upcoming Common Council vote on a [financing plan](#) for the downtown streetcar will be one factor in that decision.

The company is interested in a downtown site near the lakefront that will be made available when I-794's ramps are reconfigured, according to sources familiar with those plans.

The site covers around 3 acres south of Clybourn St. and west of Lincoln Memorial Drive, just across Clybourn St. from the proposed Couture apartment high-rise site, said those sources, who spoke only on the condition they not be named.

That land will be available for new development when the I-794 and Hoan Bridge reconstruction projects are completed in 2016. That work includes removing ramps that connected I-794 to Lincoln Memorial Drive near Clybourn St.

A Johnson Controls spokesman on Thursday declined to comment on that location.

"We're not making any announcements at this time," said Fraser Engerman, the company's director of global media relations.

However, Engerman said the company is "exploring a full range of options to address our expanding facilities needs," including locations in Milwaukee, surrounding communities and "potentially elsewhere." The Glendale-based company would not move its current local workforce, he said.

Engerman also said "a key consideration is a vibrant downtown community with convenient transportation and easy access to our facilities."

"As a result we also have a keen interest in the downtown streetcar project and are monitoring that situation closely," said Engerman's statement.

Ald. Bob Donovan, who's leading council opposition to the streetcar, said in response that he's "committed to meeting with executives from Johnson Controls to discuss any expansion plans and our shared desire for convenient transportation, easy access to area facilities, and a vibrant downtown community."

"There remains, however, no correlation between those shared desires and the proposed downtown streetcar," Donovan said.

Mayor Tom Barrett's downtown streetcar plan would include a loop running from N. Broadway to the proposed Couture along Michigan St., and returning on Clybourn St.

That would run past the future development site south of the Couture, and also past Johnson Controls' downtown office at 507 E. Michigan St. That seven-story building is the headquarters for the company's building efficiency business, which sells and maintains heating and cooling equipment for offices and other commercial buildings.

The Common Council is to vote Wednesday on Barrett's proposed financing plan for the streetcar and the Couture.

It calls for spending \$31 million from two downtown tax incremental financing districts to help pay for the \$124 million streetcar.

Also, \$17.5 million from the tax districts would pay for the Couture's public improvements, including a transit concourse that would accommodate the streetcar and buses.

The \$122 million Couture would feature 302 high-end apartments, with an average monthly rent of \$2,300; about 50,000 square feet of restaurant and retail space, and a 570-space parking structure.

Engerman said Johnson Controls' support for the streetcar project is not new.

But the statement issued Thursday in response to the Journal Sentinel's inquiry ties that support to a possible future downtown project.

Johnson Controls is the largest corporation based in Wisconsin.

In fiscal 2013, which ended in September, the company's building efficiency business reported sales of \$14.6 billion, or about one-third of the corporation's overall sales.

The building business is under new leadership and being primed by the corporation for growth through

Industrial building proposed, new jobs possible for Summit

Updated: 12:07 p.m.

11:53 a.m. Redevelopment plan proposed for Town of Brookfield Kmart site

10:18 a.m. Quad/Graphics acquiring Massachusetts book manufacturer, publisher

6:00 a.m. Company move to Germantown seeking tax-free bonds

4:47 a.m. Investors Community Bank prices IPO at \$15.75 a share

AdChoices

## NATIONAL BUSINESS VIDEO

and lower for a fifth-straight



Swiss shock Reuters

More videos:



acquisitions and joint ventures. Johnson Controls' top executive, Alex Moirarou, has signaled an interest in expanding the company's building business as part of an effort to wean itself from reliance on the auto industry for sales and profits.

Landing a company like Johnson Controls for the future development site south of Clybourn St. would be a major win for Milwaukee.

The removal of the I-794 ramps is part of the \$34 million city-state Lakefront Gateway Project announced in 2013 by Gov. Scott Walker and Barrett.

The project also will extend Lincoln Memorial Drive to Chicago St. That will provide a new location for the moved I-794 ramps and a new connection between downtown and the Third Ward.

A narrow, underused portion of Clybourn St., between Lincoln Memorial Drive and Van Buren St., will be converted into a boulevard and extended east of Lincoln Memorial Drive to Discovery World. Elevated walkways will cross Lincoln Memorial Drive and Michigan St.

The Lakefront Gateway is designed to support the Couture; the 833 East office building, which is under construction just west of the Couture site; Northwestern Mutual's nearby new office tower that's under construction, and other future developments.

Facebook: [facebook.com/JSBusiness](https://facebook.com/JSBusiness)

Twitter: [twitter.com/TomDaykin](https://twitter.com/TomDaykin)

Thomas Content of the Journal Sentinel contributed to this report.

Thomas Content of the Journal Sentinel contributed to this report.



FROM THE AP

National business coverage from the Associated Press

Buck up, profits down: US multinationals suffer as dollar surges against euro and yen

A surprisingly tough sell: Growers struggle with glut of legal marijuana in Washington state

Teen retailer Wet Seal files for Ch. 11 protection in effort to keep head above water

Swiss franc's ascent will hurt home economy, but also raises uncertainties for global business

US stock market turns higher as oil climbs, but S&P 500 on course for 3rd straight weekly loss

APNewsBreak: Fresh violations for new firm with deep ties to company behind chemical spill



About Tom Daykin

Tom Daykin covers commercial real estate and development.

@tomdaykin tdaykin@journalsentinel.com 414-224-2131

87 Comments »

Read and share your thoughts on this story.

From around the web and the Journal Sentinel

Buffett's Empire Is In Peril... And He Knows It
The Motley Fool

Car Insurance Agents Hate This One Trick
Insure.com

Johnson Controls readies automakers for self-driving cars

Donovan rallies against proposed streetcar - JSOnline

More from around the web

- Buffett's Empire Is In Peril... And He Knows It (The Motley Fool)
Car Insurance Agents Hate This One Trick (Insure.com)
The Richest NFL Quarterback Ever will Surprise You (Worthy.com)
Millions Of Americans Ripped Off By Their Auto Insurance Companies (LMB Insurance)
Ranking Every NFL Head Coach From Worst To Best (Rant Sports)

More from the Journal Sentinel

- Johnson Controls readies automakers for self-driving cars
Dontre Hamilton's brother, Nate Hamilton, does hard-hitting radio ad against Mayor Tom Barr...
Donovan rallies against proposed streetcar - JSOnline
Streetcar's role in Couture inspired by Disney, not dictated by feds
From Appleton to Dublin, the Bucks had fans in the London stands

Promoted Links by Taboola

MOST POPULAR - BUSINESS

most read commented e-mailed

Badger Liquor owner Gary Sadoff was 'Victim A' in \$25 million betting scam

Valenti Classics restores vintage cars for clients around the world

Johnson Controls considering new downtown development

Wheaton Franciscan adds primary care at St. Joseph campus

Roundy's forecasts same-store sales decline as new competition comes to town

more most popular content...





E-mail Newsletter

Get today's business headlines delivered to your inbox Monday-Friday during the noon hour – or whenever there's big breaking news.

enter your e-mail address

Sign Up Now!

Enter your e-mail address above and click "Sign Up Now!" to begin receiving your e-mail newsletter

Login or Register to manage all your newsletter preferences.

News Watchdog Opinion Sports Business Food Entertainment Lifestyle Multimedia

Connect with us		Contact us	About us	Partners
Facebook	Newsletters	Phone numbers	Journal Sentinel	
Twitter	Today's paper	Manage account	Journal Communications	
Google Plus	Subscription services	Advertising		
YouTube	Archives	Paid Death Notices		
RSS	Historical Archives	Back copies		
Mobile Apps		Digital access FAQ		
		Place an Ad		

© 2015 Journal Sentinel, Inc. PRIVACY POLICY/YOUR CALIFORNIA PRIVACY RIGHTS Terms of Use

Friday, January 16, 2015