File No. 260029

5825 W. Hope Av. (former Walmart)
Midtown Center DIZ Overlay
Deviation Narrative – Self-Storage & Data Processing/Computer Services/Computational Research facility Use w/in Existing Building
4.13.2026 (REVISED 6.17.2026)

AFS Milwaukee, LLC acquired the approx. 15-acre site at 5825 W. Hope Av. in June of 2022, which includes a currently vacant 160,000 sf building that was previously occupied by Walmart and a surface parking lot. The site is zoned Regional Business (RB2) and within the Midtown Center Development Incentive Zone (DIZ) overlay. The DIZ overlay was established in 2000 and entails performance standards including a permitted and prohibited use list as well as design standards. Projects within the DIZ overlay are subject to the DIZ performance standards.

The overall proposed development provides a positive solution to a large critical site within Midtown Center which has sat vacant since Walmart left in January 2016. The large building size and zoning has been a challenge to find a replacement tenant, but the team of Gorman & Company, the City of Milwaukee, and AFS Milwaukee, LLC has created vibrant development which will help energize the Midtown Center neighborhood.

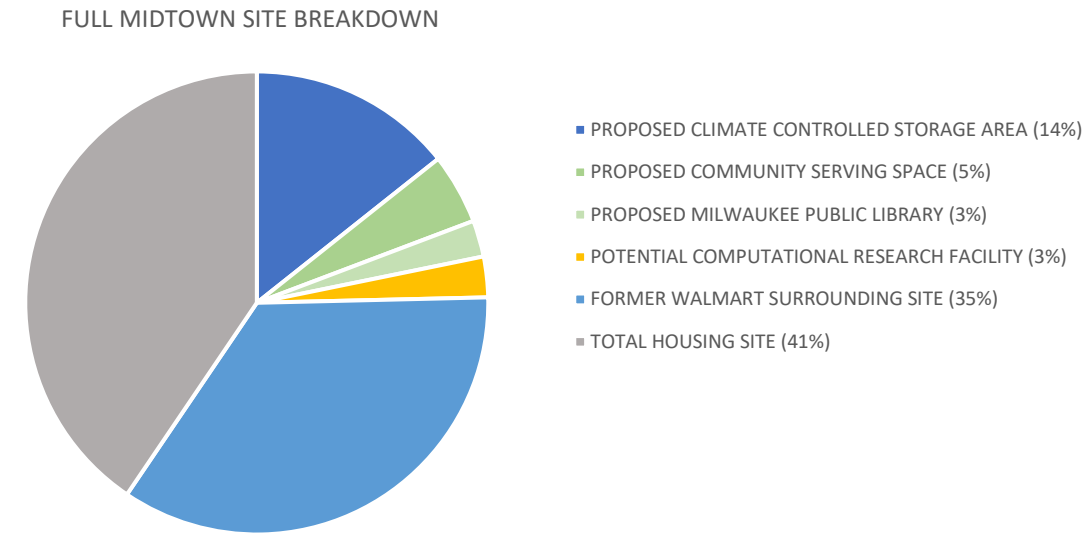
AFS Milwaukee, LLC has partnered with Gorman & Company and the City of Milwaukee to propose a dynamic development for the entire parcel that entails affordable housing on the existing surface parking lot north of the vacant building, and community-serving spaces including an approximately 17,000 sf Milwaukee Public Library, approximately 34,000 sf suite for City of Milwaukee use, and approximately 108,000 sf self-service storage & Data Processing /Computer Services/Computational Research facility within the existing building. See the two Project Narratives that describe the plans for the affordable housing development (File No. 252155) and the former Walmart building (File No. 260029). While the residential and community-serving uses proposed as part of this development are allowed, the self-service storage use is prohibited by the DIZ overlay and is the subject of this Deviation Request. Also included in this deviation request is to allow a Data Processing/Computer Services/Computational Research facility that would occupy up to 19,000 sf within the self-storage portion of the building.

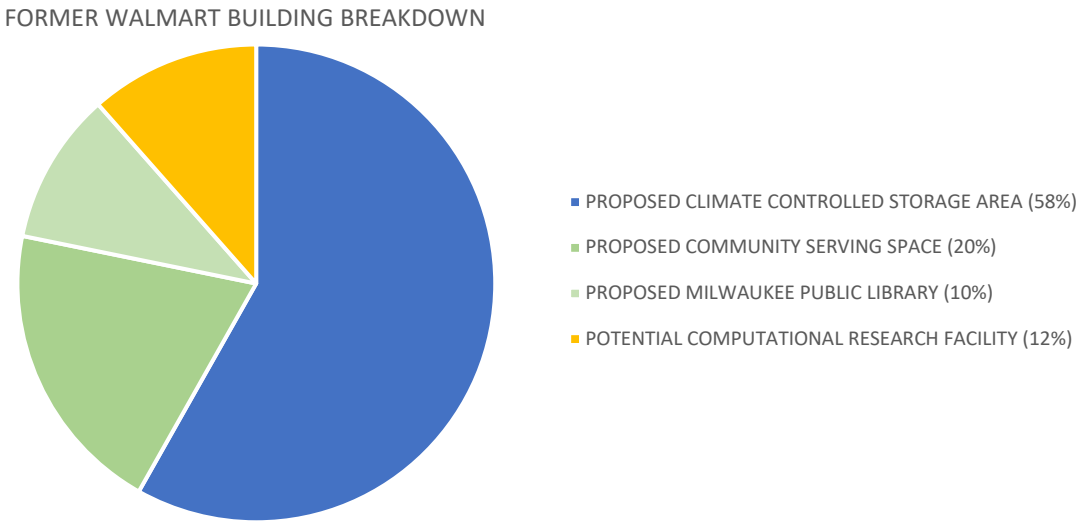
Site Context and Overall Proposed Redevelopment

This proposal focuses on repurposing the former Walmart property, which has remained vacant and underutilized since Walmart's departure in 2016. The proposed redevelopment includes three key components:

1. Affordable housing in the existing parking lot north of the building,
2. Community engagement spaces in the building's frontage, and
3. Climate-controlled self-service storage & Data Processing/Computer Services/ Computational Research facility in the rear of the building.

The 3 components of the development plan are critical to the overall redevelopment of the site, but AFS Milwaukee, LLC acknowledges that the self-storage and data processing/computer services/ computational research facility uses are secondary to the housing and community-serving uses, which are allowable uses and align with the goals of the DIZ overlay and Comprehensive Plan. The multi-family housing component and community-serving spaces are allowable uses aligned with the DIZ Overlay and Comprehensive Plan. The self-service storage and data processing/computer services/computational research facility uses are secondary to the other two functions. The housing component of the proposal was submitted as a separate file and approved by the City Plan Commission on 4/27/26. Below is an overview of all three components that collectively constitute the redevelopment of the subject site.





Affordable Housing (Approved by CPC on 4.27.26)

The proposed Midtown Commons development will reshape the Midtown Center, positively influencing the neighborhood while providing critical access to affordable housing in the city of Milwaukee. The phase 1 & 2 developments are designed to meet the Midtown Center Overlay Zone requirements and seamlessly integrate into the development. The building's placement, scale, and use are complementary assets to the redesign of the Midtown Center's open space remaining from the closing of Walmart store. The housing developer "Gorman" who has a history in successful projects in Milwaukee has already been awarded Wisconsin Housing & Economic Development Authority (WHEDA) Low Income Housing Tax Credits (LIHTC) for the project.

Occupying the closed Walmart parking lot, Phase 1 will include a 4-story, 100-unit affordable housing apartment building. Phase 2 will include a mirrored design of phase 1 (4-story, 100-unit affordable housing). Both will have on-street shared guest parking and off-street residential parking.

The building's exterior design and façade materials were developed to compliment and meet the requirements of the district. Brick and cast stone facades provide architecturally significant monumental corners along N 60th St, W. Hope Ave., and N. 56th St. Rhythm in windows and variation of exterior materials provide articulated facades of the 100-unit anchor buildings required within the district. Storefront windows and a cast stone datum at 12'-4" along the first floor primary and secondary elevations correspond with the other retail businesses within the Midtown Center. Architectural bump-outs/bays provide additional interest and articulation along N. 60th St. & N. 56th St.

The extension of W. Hope Ave. provides the primary entrance to the proposed phase 1 & 2 developments and maintains access to the remainder of the Midtown Center development. Curb cuts along W. Hope Ave. have been reduced (previous parking lot entries) to only 2 driveways into residential parking. The north side of W. Hope Ave. was redesigned to provide shared angled street guest parking and loading zones for pick-up/drop-off and deliveries. An additional loading zone within the parking lot provides an off-street location for move-in vehicles. A large play space will be located along W. Hope Ave adjacent to the parking lot.

The placement of these affordable housing units is greatly enhanced by the numerous bus lines accessing Midtown Center as well as close access to shopping and grocery stores within the development.

Community Engagement/Center Space

The northern approx. 51,000 sf of the existing building facing W Hope Ave is proposed to support a new (approx. 17,000 sf) Milwaukee Public Library and (approx. 34,000 sf) space for the City of Milwaukee. The space previously occupied by the Walmart garden center is proposed to be reimagined as a reading garden and terrace space to enhance the proposed library.

These components will serve as a hub for community activities, designed to foster engagement and connection. This element of the redevelopment will align with the DIZ's original intent to create vibrant,

multi-use spaces that benefit the local community.

- Partnership Opportunities: The center will collaborate with various City of Milwaukee agencies, community organizations, and local stakeholders to determine the optimal use of the space.

- Flexible Functions: Potential uses include a city-run library, a community center, voting and polling location, police substation, and event spaces.

- Accessible Design: Renovated storefront windows and entrances will create a welcoming and transparent facade. Flexible interior layouts will cater to diverse programming needs, including educational workshops, public meetings, and cultural events.

- Enhanced Services: The center will serve as a centralized location for vital community resources, bridging gaps in accessibility and promoting civic engagement.

The goal is to bridge the gap between the Midtown Shopping Center and surrounding neighborhoods by providing a central location for interaction, education, and shared experiences.

The community-serving spaces are intentionally located along W Hope Ave to support and enhance the new multi-family housing development placed directly across the street. These components will work together to create a strong community within Midtown Center. The exterior of the existing structure will be altered to open up the façade the street and provide a new identity to these new community assets. The reimagined façade hopes to create an interactive and dynamic experience for residents, patrons, and staff. These exterior modifications will be subject to a future file before the City Plan Commission once tenants are known and needs are identified.

Climate-Controlled Self-Service Storage & Data Processing/Computer Services/ Computational Research facility (subject of this deviation request)

The proposal includes a modern self-service, climate-controlled storage & Data Processing/Computer Services/ Computational Research facility located in the remaining approx. 108,000 sf of the existing Walmart building. The Data Processing/Computer Services/ Computational Research facility will occupy up to 19,000 of the 108,000 sf. It is often difficult to reimagine a use for a large retail space, but by dividing the northern space into smaller manageable square footage and providing street-facing spaces to community-serving uses allows the remaining rear-facing spaces to be reinvented into other uses note requiring pedestrian traffic. The existing open structure, vehicle bays with overhead doors, and secure building provides a tucked-away facility ideal for self-service storage, a great use of a remaining rear-facing space.

This reimagined use for the existing vacant, former Walmart space is a sustainable choice for the development rather than tearing down a structurally sound building and constructing new structures in its place. This use provides a practical solution for repurposing the large, functionally obsolete space while generating revenue to support the broader redevelopment.

Self-Service Storage Facility:

- Storage Access and layout:

- Customers will access the site via the west parking lot off of N. 60th St.
- Office is located on the west façade of the building. A new entrance and pedestrian walkway leading to it will be added under the existing canopy. New storefront & door will be added. See proposed plan.
- Vehicle entrance for interior loading/unloading is adjacent to the office and will utilize existing overhead doors that had been used as automotive bays. Vehicles will not be allowed within the general storage bay areas.
- Customers will utilize the indoor unloading zone located at the existing automotive bays or the existing access doors at the south of the building. No new doors will be added, but the single panel doors on the south may be enlarged to 40”-48” wide. Customers will be allowed to temporarily park outside these entrances.
- Customer parking will occur in the existing parking lot to the west (see plan) and temporary unloading parking will occur at the south by building entrances. Employee parking is located at the south side of the building beside an existing entrance.
- No outdoor storage will be permitted, maintaining a clean and organized appearance.

- Operation & Security Features:
  - Storage access will be limited to 6 AM – 10 PM
  - 60+ high-definition cameras, tenant-specific access codes, and a staffed management office will ensure safety and peace of mind.
  - The facility will operate 7 days a week fully staffed, with tenant access from 6 am to 10 pm.

Data Processing/Computer Services/Computational Research Facility:
A proposed portion of the existing approximately 160,000 square foot retail structure would be adaptively reused as a small-scale Computational Research Facility, occupying approximately 19,000 square feet of the building footprint as shown on the site plan. The facility would support advanced computational modeling, data processing, and research applications serving industries such as healthcare, engineering, scientific modeling and other computational research activities.

- Type of Research Conducted:
  This facility is best described as a Computational Research Facility. These facilities use servers and high-performance computing equipment to process large amounts of data, run simulations, train or test models, and support research that would otherwise take significant time.
  - Potential research areas may include:
  - Healthcare modeling and medical research support
  - Drug discovery and life-science simulations
  - Imaging analysis
  - Engineering simulations
  - Financial modeling
  - Climate, logistics, or large-data analysis
  - University, institutional research workloads

    - The research is computational in nature, meaning the activity is performed through computers, software, and data processing.

- Potential Clients include:
    - Hospitals and healthcare research groups
    - Universities
    - Pharmaceutical or biotech research companies
    - Engineering firms
    - Financial institutions
    - Government or public-sector research groups

- The proposed facility would operate with an approximate 7 MW IT load, which is considered small relative to larger hyperscale computing facilities that often exceed hundreds of megawatts. The total project is 10 MW maximum utility capacity, with an anticipated IT load of approximately 7 MW.
    - This is considered a very small facility compared to large hyperscale data center campuses, which can exceed 300 MW. This project is not a hyperscale campus. It is a small, contained computational research facility with no expansion potential due to the electrical infrastructure.

- Activities conducted within the facility would involve computer-based research processes including advanced healthcare and biomedical computational modeling, such as predictive disease analysis, medical imaging processing, genomic and molecular modeling, pharmaceutical and drug discovery simulations, diagnostic research, patient outcome modeling, population health analytics, and simulation of treatment responses to improve healthcare outcomes. Additional uses may include machine learning development, large-scale data analysis, engineering simulations, and scientific research applications. The use does not involve manufacturing processes, hazardous chemical handling, industrial emissions, or material processing activities.

- The facility would utilize a fully closed-loop cooling system with dry coolers, resulting in extremely low water consumption of less than approximately 5 gallons per day under normal operations. The system does not discharge water into municipal sewer systems and does not create process wastewater streams.

- Equipment Noise Levels:
    - The sound level at the Project lot line will be in compliance with the current City of Milwaukee code of ordinances 80-64
        - Day: 60 dBA
        - Night: 50 dBA

- What noise sounds like:
    - 30 dBA - Whisper
    - 40 dBA - Soft Rainfall

- 45 dBA - Quiet Suburban street at night
- 50 dBA - Quiet Office
- 55 dBA - Light traffic 100' away
- 60 dBA - Normal Conversation an arm's length away
- 65 dBA - Busy Restaurant
- 70 dBA - Average 4-Lane Street Traffic / Highway traffic 50' away
- 80 dBA - City bus interior

Equipment associated with the Computational Research Facility:

EQUIPMENT:	**NOTES:**
GPU Servers / Racks	Contained within building, no noise pollution outside of building
Inrow CDUs	Contained within building, no noise pollution outside of building
Liquid Cooling Pumps	Contained within building, no noise pollution outside of building
UPS Systems	Contained within building, no noise pollution outside of building
Switchgear / Electrical Gear	Contained within building, no noise pollution outside of building
Pump Room	Contained within building, no noise pollution outside of building
Generators	Contained within building, no noise pollution outside of building
Generator Exhaust Silencers	Utilize critical-grade silencers, tested once a month
Transformers	Low-Frequency
Dry Coolers	Utilize Engineered acoustic screening system
Rooftop / Exterior HVAC	Typical commercial rooftop units, existing & new equipment

- Based on equipment assumptions, the exterior dry cooler area is expected to operate in the approximate range of 55–70 dBA without sound mitigation. With an engineered acoustic screening wall system, we would expect sound levels to be reduced into the approximate 45–50 dBA range at nearby property lines
    - With the proposed acoustic screening wall system, projected sound levels near surrounding property lines are expected to be comparable to light ambient commercial background noise or a quiet office environment.

- The facility would maintain 24-hour operational staffing with approximately 15 technical and support positions, including computational researchers, data technicians, network specialists, systems engineers, facility operators, and maintenance personnel. Typical activity levels are expected to consist primarily of employee vehicle traffic, equipment monitoring, and routine facility operations, resulting in a low-impact use profile relative to many traditional commercial or industrial uses.

- Overall, this proposed computational research use represents a modern, low-impact adaptive reuse of an existing retail structure that creates specialized technical employment while

maintaining minimal impacts related to noise, water use, traffic generation, and public infrastructure demands.

- Anticipated Maximum Power Load
    - The total project is 10 MW maximum utility capacity, with an anticipated IT load of approximately 7 MW.
    - This is considered a very small facility compared to large hyperscale data center campuses, which can exceed 300 MW.
    - This project is not a hyperscale campus. It is a small, contained computational research facility with no expansion potential due to the electrical infrastructure.

- Number of Workers: The proposed facility is expected to have approximately 15 total employees. The facility would generally be monitored and staffed 24/7, with approximately 2–3 employees on site per shift, depending on operational needs.
    - Expected positions may include:
        - Facility manager
        - Operations manager
        - IT / server technicians
        - Network technician
        - Electrical/mechanical technician
        - Security / monitoring personnel
        - Maintenance support
        - Remote monitoring and technical support personnel
        - Administrative or compliance support

- Most day-to-day staffing would be focused on monitoring, equipment checks, security, maintenance coordination, and technical response. Some technical or network support may be handled remotely by bigger data centers, which is typical for this type of facility.

- Examples of Similar Facilities in Milwaukee

  Milwaukee already has multiple data center and colocation facilities operating in the city. Examples include:

    - 1234 N. Broadway – Milwaukee, WI - In a dense urban area of Milwaukee. Facility is within 70' from apartments, office and event center. Zoning Code C9B(A)
        - Typical characteristics of C9B(A) include:
            - High-density residential and mixed-use development
            - Apartments, condos, and some ground-floor commercial/service uses
            - Specialty uses depending on site-specific approvals
            - Urban form with reduced setbacks and downtown-style development standards

    - 3701 West Burnham Street – Milwaukee, WI - This property sits 120' from high density single family homes. Zoning Code IL2

        - Typical uses often associated with IL2 include:
            - Warehousing and distribution- Approved warehouse in the former Lowes-
            - Office and technology operations
            - Research and development- Already approved in the overlay
            - Contractor shops and flex-industrial space

- 3135 W Highland Blvd, Milwaukee, WI- In a residential neighborhood. Only 25' from the first house. Zoning Code PD

- 324 E Wisconsin Ave, Milwaukee, WI- Wells Building- Has Retail, Office and Data center within a very close proximity to other buildings. Zoning Code C9F(B)
    - Typical characteristics of C9F(B):
        - High-density urban development
        - Mixed residential and commercial uses
        - Office and business uses
        - Retail, restaurant, and entertainment uses
        - Many of these facilities are located within normal urban environments and near existing commercial, residential, or mixed-use areas. Many existing examples that similar facilities can operate within an urban setting.

This is a small-scale Computational Research Facility intended to support server-based research and data processing. It is not a large hyperscale data center campus, does not involve chemical processing, does not use toxic materials, and is expected to operate as a secure, self-contained technology facility with limited staff and controlled operations.

This use provides a practical solution for repurposing the large, functionally obsolete space while generating revenue to support the broader redevelopment.

The following images are examples of similar spaces described above:

Self-Storage:





Computational Research Facility:



Exterior Mechanical Equipment Screening:



Community and Economic Benefits

The overall proposed redevelopment delivers significant community and economic benefits:

- **Job Creation**: Construction activities and ongoing operations for the multi-family housing, self-service storage, proposed City of Milwaukee library and City of Milwaukee space will create employment opportunities for local residents and expand the economic growth of the Midtown Center.

- **Blight Reduction**: Transforming the vacant Walmart building into a mixed-use facility will revitalize a key portion of the Midtown Center, reducing crime and enhancing neighborhood appeal.

- **Increased Accessibility**: The addition of affordable housing and community spaces will provide essential resources for local residents, addressing critical gaps in the area's infrastructure.

- **Enhanced Aesthetics**: Upgraded facades, green spaces, and improved lighting will enhance the site's visual appeal, aligning with DIZ design standards.

- **Increased Population**: The increase of (200) 1, 2 and 3-bedroom units provides an beneficial density of users to the existing Midtown Center businesses and proposed community-serving businesses proposed in this project.

- **Community Engagement**: The addition of the Milwaukee Public Library and City of Milwaukee business space will provide civic and community resources to strengthen the Midtown Center and proposed multi-family housing.

- **Public Transportation**: The development can benefit from the existing public transportation infrastructure and access to multiple public lines.

- **Walkable Community**: The Midtown Center provides a safe, walkable neighborhood for residents living in the proposed multi-family housing; quick access to grocery stores, retail and restaurants.

Financial Feasibility

The inclusion of climate-controlled storage and Data Processing/Computer Services/ Computational research facility is critical for the project's financial viability. The building's size and layout have precluded its reuse for retail or single-tenant purposes, with no viable offers since its vacancy. The storage facility ensures sustainable revenue generation, enabling the development of affordable housing and community spaces. The proposed solution provides a sustainable approach to utilizing the building instead of removing and reinventing the site, providing demolition and construction waste.

Within the 108,000 sf space the owner would like the ability of providing an up to19,000 sf Data Processing / Computer Services / Computational Research facility, specifically focused on High Performance Computing (HPC), specifically for advanced computational modeling, data processing, and

research applications serving industries such as healthcare, engineering, scientific modeling, and other computational research activities. In addition to the detail above regarding this use, functioning similarly to a traditional office or business service use, with the primary difference being the presence of specialized computing equipment housed within the building. There is minimal on-site staffing, no regular customer traffic, and no outdoor activity associated with the use. Much of the operation occurs internally within secured areas of the building, with activity levels comparable to or quieter than a standard commercial office environment. The mechanical systems are designed to be efficient and non-intrusive. The computing equipment is cooled a closed-loop dry cooling system, which continuously circulates coolant to regulate temperatures. This system is fully contained and does not involve any discharge or external process beyond standard mechanical operation. To support this system, air handling units will be installed at the rear of the building, oriented away from public-facing areas and adjacent properties and screened with an engineered acoustic screen wall system.

The owner has partnered with a leading affordable housing developer and has secured LIHTC funding and other financing sources to offset housing development costs.

Deviation Criteria

As the current owner of this facility, having purchased it over two years ago, we are fully prepared to invest in its redevelopment. Our plans meet the four criteria outlined in 295-311-9 of the Milwaukee Zoning Code:

1. **The purpose of the overlay is met**: The addition of the multi-family housing and community-facing storefronts at the northern part of the project embrace the requirements of the overlay district and are supplemented by the modern self-storage facility and Data Processing / Computer Services / Computational research facility. All of the main street frontage will be animated with allowable uses permitted in the district and provide community-focused services.

   The requested deviation only occurs at the rear-facing portion of the building. The operations of the indoor drive-in, climate-controlled self- service storage facility at the site will be internal, and no storage will be allowed on the exterior of the site. All functions of the Data Processing/Computer Services/ Computational research facility are indoors as well with minimal noise impact that will comply with the Milwaukee Code of Ordinances.

   Existing traffic pattern at the Midtown Center will not be hindered by the two uses that are the subject of this deviation and there will be sufficient space in the rear of the building for unloading zones so that no vehicles will extend onto the public roadways.

2. **The deviation improves the aesthetics of the site**: All the alterations to the facility will meet the requirements of the DIZ overlay and are subject to the DIZ performance standards. The exterior will be enhanced to suit the need of the new community-serving tenants while meeting all requirements of the district.

   The utilization of the existing Walmart site and structure provides the opportunity to reimagine the experience along W Hope Ave and creates a vibrant community within its vacant parking lot. The former Walmart garden center is being proposed to become a welcoming reading garden

and library terrace. The enhanced landscaping and additional green space provide a sustainable solution to a currently paved environment.

The plan to include an indoor climate-controlled self-service storage facility and Data Processing/Computer Services/ Computational research facility is a practical use of the remaining space facing the rear of the site and provides a solution to a community need given the lack of secure, indoor self- service storage in the area. This location was highlighted as an opportunity for the Data Processing/Computer Services/ Computational research facility due to the access to space, power and technicians to operate the facility.

3. **If applicable, the deviation addresses one or more unique site factors that make the application of the standard impractical**: The building has been vacant and for sale since 2016. The owner has made significant effort to secure a tenant for the building and has had no prospects in over 2 years. This building is approx. 160,000 sq ft and the sheer size of the building makes leasing this as a single tenant space difficult.

   The mixed-use Residential/Community Center/Self-Service Storage + Data Processing/Computer Services/ Computational research facility approach allows for uses which will greatly improve the success of the project. Using the rear area of the former Walmart building for climate-controlled self-service storage & Data Processing/Computer Services/ Computational Research facility allows the space to maximize potential, preserves the W Hope Ave. frontage for a new community engagement area, and allows for the construction of affordable housing. These new components will greatly invigorate the Midtown Center and activate W Hope Ave.

   The remaining rear-facing space provides safe access for vehicles to enter the proposed indoor self-storage facility. The remaining parking lot space and potential future parking lot space appropriately serves the needs of the proposed community-serving facilities. The rear portion of the building faces the back of the Pick-N-Save, Planet Fitness and other retail spaces.

4. **The deviation is consistent with the comprehensive plan**: To advance the goals of the Comprehensive Plan to activate the Midtown Center and overall surrounding community, the additions of the affordable housing and community center will instantly bring vibrancy to the area and establish uses that do not currently exist. We are requesting the indoor self-service storage and data processing/computer services/computational research facility be listed as a permitted use within former Walmart building. The only deviation required for this project is for the indoor self-service storage and data processing/computer services/computational research facility to be an allowable use in a portion of the former Walmart building.

Conclusion

AFS Milwaukee, LLC is dedicated to transforming this underutilized site into a vibrant mixed-use development providing multi-family housing, community-serving business and self-storage & data processing/computer services/computational research facility solutions. The deviation only acts to provide use to a large vacant retail space while maintaining the goals for the surrounding district.

AFS Milwaukee, LLC acknowledges that the operation of the proposed self-service storage use that is the subject of this deviation is only being approved as a secondary use to the other uses and improvements proposed within this overall redevelopment project. As a standalone self-service storage use would not

meet the performance standards of the DIZ or be consistent with the Comprehensive Plan, **any approved occupancy and operation of the self-service storage use (and data processing/computer services/computational research facility within up to 19,000 sf of the self-service storage space) is contingent on the implementation of the 2 other project components outlined in this application. As such, commercial alteration and occupancy permits for the self-service storage use and the data processing/computer services/computational research facility use will not be issued by the Dept. of Neighborhood Services until the following items occur:**

1.) The portion of the site where the housing development is proposed has been conveyed to the ownership group that will construct the CPC-approved housing development and construction permits have been applied for by Gorman & Company to the City of Milwaukee for residential construction; and

2.) There is a binding lease or lease option for the approximately 51,000 sf of leasable space facing W. Hope Ave. for community serving uses with the City of Milwaukee or other community serving entities that will activate the front-facing portion of the property or, in the event that community-serving entities are no longer interested in leasing the space, with retail functions that align with the Midtown Center performance standards.

The approval of the deviation for the self-service storage use (and data processing/computer services/computational research facility within up to 19,000 sf of the self-service storage space) resulting occupancy approvals shall be null and void, and require re-approval by the Plan Commission if the applicant does not implement the project as described in this application or proposes a substantial change to the plan of operation, uses, or building designs approved with this application.

Upon approval of the deviation request, construction will commence promptly, bringing new opportunities and resources to the Midtown Center while addressing critical community needs. The multi-family housing project phase 1 plans to begin construction Summer of 2026 and Phase 2 estimated by spring 2027.

We believe the deviation request supports the Midtown Center overlay district, local residents, and the City of Milwaukee.