‘Creating a personality for downtown: Business Improvement Districts in Milwaukee’

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Abstract: This paper uses a case study of Business Improvement Districts in downtown Milwaukee to illustrate two key trends in contemporary urban revitalization. First, it highlights the ways in which the relationship between public and private sectors are being reconfigured in the governance of cities. Second, it considers the roles of Business Improvement Districts in light of the current emphasis amongst urban policy and practitioners on delivering ‘cool’ and ‘liveable’ cities. I argue that Business Improvement Districts play a central role in overseeing the restructuring of urban space in an increasing number of US cities, as well as in other countries of the global north and, to a lesser extent, south.
Business improvement districts are a response to the failure of local government to adequately maintain and manage spaces of the post-industrial city (Mallett 1994, p. 284)

The key to BIDs’ accomplishments lies in their dissimilarity to big city government. They operate without civil service rules and red tape ... BIDs have returned to an earlier set of values regarding public space. They understand that simple things – such as keeping sidewalks clean and safe – matter enormously to the urban quality of life... They provide a vital and dynamic West Berlin to city government’s sclerotic East Berlin’ (MacDonald 1996a, np)

INTRODUCTION

‘It’s the city’s renaissance ... All you have to do is look at our skyline, at the number of cranes and booms out there. People are interested in staying in or moving to the city. Now, companies are saying, ‘We want to be in the city because more of our employees live here.” So exclaimed the Mayor of Milwaukee, Tom Barrett, recently (quoted in the Milwaukee Journal Sentinel 5 January 2007 online: last accessed 26 March 2007). Like his predecessor, that doyen of New Urbanism, John Norquist, whose 1998 The Wealth of Cities did much to make clear the links between this movement and the wider neo-liberalization of many cities of the industrialized north (Kenny and Zimmerman 2003), the current Mayor of Milwaukee is placing the downtown and surrounding neighborhoods at the centre of his economic development program. It is ‘this millennium’s prime destination’ he has said elsewhere, echoing the sentiments of his fellow Mayors across the US, who have also been quick to highlight the (potential and realized) role of their downtowns and adjacent neighborhoods in the overall performance of cities. From Boston to San Francisco, Austin to Seattle, the economic and political elite of so-called ‘first’, ‘second’ and ‘third’ tier cities have, almost without fail, set about turning their downtowns into what Harvey (2000) has termed ‘developers’ utopias’. Influenced by the language used in, and the policy prescriptions that have emerged out
of, Richard Florida’s (2004) work, amongst others, the last ten years have seen seminar and panels organized on the ‘cool’ and the ‘creative’ city in many US town-halls. ‘Civic salvationists’ (Wilson and Grammenos 2000) have come together to set out a new, more ‘civil’ urban vision. This apparently almost-universal embracing of a particular model of urban revitalization is of course more differentiated than perhaps some accounts suggest. The policy genes may be the same, but what this actually means in places as diverse as Lafayette (LA) and Lafayette (IN) is, of course, quite different. And this is not just a matter of empirical details; it also matters for the kinds of theories we develop (Robinson 2002, 2006; Ward 2007*).

Nevertheless, and even allowing for some not inconsequential differences between the strategies pursued by coalitions in US cities, it does seem that the twenty-first century has begun with a new US urban development orthodoxy in place, albeit one that shares much in common with its precedents. The ‘cool’ and the ‘creative’ city may be the new policy kid on the block, but both discursively and substantively what they mean for the urban politics of revitalization bears more than a passing resemblance to the entrepreneurial urbanism of the late twentieth century (Hall, and Hubbard 1996; Jessop, 1997, 1998; Leitner, 1990; Roberts and Schein, 1993; Ward, 2003). Cities continue to be ‘centers for conspicuous consumption and cultural innovation’ as Harvey (1989a: 48) put it, and inter-urban competition for the consumption and the residential dollar remains fierce, even if there has been a change in the language in which it is couched.

This paper examines the Business Improvement District model of downtown governance, those institutional innovations that have, according to supporters, changed ‘the way America governs its shopping districts, commercial areas, and downtowns’ (Hochleutner, 2003, p. 374). Argued to be ‘one of the most important developments in local governance in the last two decades’ (MacDonald, 1996, np), the growth in the
number of Business Improvement Districts across the US, and beyond (Hoyt, 2006; Mitchell, 2001; Ward, 2006, 2007), has accompanied the emergence of ‘creativity’ as the new black amongst urban policy-makers and practitioners (Peck, 2007). This expansion in the number of US Business Improvement Districts have been accompanied by a growth in the number of studies of their formation and policies (Clough and Vanderbeck, 2006; Justice and Goldsmith, 2006; Meek and Hubler, 2006; Morçöl and Zimmerman, 2006). However, we are still someway short of being able to reveal what activities in those ‘central-city neighborhoods … where the creative economy is really supposed to happen’ (Peck, 2007: np), mean in the context of the wider processes of urban political-economic restructuring, of which they are part.

To address this issue, the paper draws on semi-structured interviews with the chairs and executive directors of Business Improvement Districts in Milwaukee, performed in July 2005 as part of a wider study of Wisconsin’s Business Improvement Districts. These centred on four themes: the ‘local’ context for the formation of the Business Improvement District; the relationships between the Business Improvement District and others involved in the revitalization of the downtown and neighbouring central areas; the policies of the Business Improvement Districts and; the contradictions and tensions bound up in the activities of the Business Improvement District. In addition, I gathered together a range of secondary materials, from policy briefs through to state documents, from newspaper articles through to Business Improvement District annual reports, marketing merchandise and press releases.
ENTREPRENEURIAL URBANISM, BUSINESS IMPROVEMENT DISTRICTS
AND ‘COOL CITIES’

Since the late 1970s a large and intellectually diverse body of work has been produced on
the changing political economies of North American and Western European cities.
Particular attention has been paid to the changing ways in which public and private
sectors have worked together in different types of institutional arrangements to oversee a
transformation in the ways in which cities are governed – a ‘new urban politics’ Cox
(1993) -- and the types of cities that these new configurations have produced. Writing
almost twenty years ago, Harvey (1989b, p. 4) contended that we had witnessed the
emergence of ‘a general consensus … throughout the advanced capitalist world that
positive benefits are to be had by cities taking an entrepreneurial stance to economic
development.’ For Brenner and Theodore (2002, p. 21) this consensus has constituted
the urbanization of neo-liberalism, as urban space has been mobilized ‘both for market-
oriented economic growth and elite consumption practices.’ The liberalization of private
enterprise and associated de-municipalization and re-commodification of urban
economic and social life (Leitner, 1990; MacLeod, 2002) has been understood to have
taken place through a number of mechanisms, according to Brenner and Theodore
policy transfer’, ‘re-regulation of urban civil society’ and ‘re-presenting the city’. Smith
(1996) has argued that the transformations in the way US cities are governed, and the
types of cities that are produced as a consequence, constitute a revanchist urbanism, a
reclaiming of the downtown for and by the middle classes, as the ‘undeserving’ poor and
the homeless are removed from the streets, their ‘rights to the city’ withdrawn (Mitchell
Harvey (1989b) views urban entrepreneurialism as characterized by three principal features. First, and unlike the managerial epoch when urban society was overseen by city government, the entrepreneurial urban political arena consists of an increasing role for capital and its representatives, particularly in the form of the much vaunted ‘public private partnership’. Second, this business-led agenda is built on the politics of growth over the politics of income redistribution. In stark contrast to its predecessor, municipal modes of governance, under entrepreneurial urbanism the emphasis of the state is on under-writing the speculative activities of the private sector in the name of redeveloping the downtown. Third, and finally, he argues that entrepreneurialism constitutes a switch in emphasis, away from territory – and associated housing, education and social policies – and to place – and on particular civic projects, flagship developments, and theme parks, the benefits of which are not designed to accrue to those living and working in a territory.

Building on Harvey’s (1989b) hugely influential work, a number of subsequent studies have sought to examine conceptually and empirically the variegated ways in which this generalized transformation has taken shape in localities across the cities of the industrialized north. Four findings are particularly worthy of note. The first is that on the nature and extent of the changes in the institutional arrangements in place to govern cities (Goodwin and Painter, 1996; Imrie and Raco, 1999; Ward, 2000), both in terms of a quantitative detailing of those involved in the redevelopment process, and more qualitatively, the particular ideological underpinnings of the urban agendas as ‘policy ... fit[s] itself to the grooves already established by the market’ (Smith, 2002, p. 94). Related to the first, the second finding in this work is the changing agenda, interests and identities involved in place-based coalitions, partnerships and regimes, and the theoretical convergences and differences between these terms (Cox and Mair, 1988; Imrie et al., 1995; Jessop et al., 1999; Peck and Tickell, 1995; Valler and Wood, 2004). The third
theme in this work is that on discourses and representations, and the politics over their mobilization and use, associated with contemporary entrepreneurial modes of urban governance (McCann, 2002; Ward, 2003a; Wilson, 1996, 1998). The fourth is the diversity of ‘scales’ represented and entangled in ‘urban’ governing formations (Amin and Graham, 1997; Brenner, 1999). In sum, this ‘sizable literature that encompasses an increasing range of theoretical approaches’ (Wood, 2007, p.1), has generated a rich set of empirical findings and conceptual insights into the changing ways in which cities are governed, even if it is not without its limits.

Business Improvement Districts embody many of these broader changes. Their formation across many of the US’s downtowns – Boston and Chicago are notable exceptions (J. Mitchell, 2001a) – reflects how ‘land and property owners …, developers and builders, the local state, and those who hold the mortgage and public debt have much to gain from forging a local alliance to protect their interests and to ward off the threat of localized devaluation’ (Harvey, 1989a, p. 149). An institutional means of delivering the revalorization of urban neighborhoods, they are portrayed as ‘a more focused and flexible form of governance than large municipal bureaucracies’ (Levy 2001, p. 129). Channeling ‘private sector agency towards the solution of public problems’ (MacDonald, 1996a, p. 42), Business Improvement Districts are represented as ‘an alternative to traditional municipal planning and development’ (J. Mitchell, 2001, p. 116). While they are public-private partnerships, their establishment involves public space – parks, streets and walkways – coming under the control of an institution informed by private interests, and not democratically accountable. In ‘contributing new energy, new resources and new leadership’ (Levy, 2001, p.130) Business Improvement Districts, according to their advocates, reflect the ‘freeing’ of entrepreneurial spirit that is a fundamental aspect of neo-liberal urbanization (Wilson 2004).
Through the activities of Business Improvement Districts urban space has been differentiated, as a mean of securing further economic expansion, and intensifying accumulation. Lines are drawn around neighborhoods and these districts then become marketable commodities, as for example Smith (1996) has shown in the case of New York’s Lower East Side. Pockets of space are given new names: ‘enclaves’, ‘quarters’, ‘villages’, ‘zones’ etc. (Bell and Jayne 2004). Business Improvement Districts are charged with the manipulation of the symbolic economy of cities (Zukin, 1995), indulging in place- and identity-making activities in the form of advertising, marketing and promotional campaigns that draw selectively on a city’s past in order to manufacture its present (and future). In many cases this involves managing the emotional landscapes of the cities, remaking how citizens and visitors feel about, and relate to, the downtown. Through their various street maintenance and security programs, for example, Business Improvement Districts have shown, according to MacDonald (1996: np) that they ‘understand that simple things – such as keeping sidewalks clean and safe – matter enormously to the urban quality of life’. With its Mayor, John Norquist, championing a particular vision of urban liveability through his leading role in the New Urbanism movement, it is perhaps no surprise that Milwaukee’s Business Improvement Districts have played an important role in the revalorization of the city’s downtown.

MILWAUKEE, WISCONSIN AND THE CITY’S BUSINESS IMPROVEMENT DISTRICTS

The recent history of Milwaukee, Wisconsin is much like many other US cities (Wilson and Wouters 2003). From the 1950s onwards the city exhibited the familiar symptoms of industrial recession and restructuring, together with retail suburbanization, ethnic and socioeconomic transformation, coupled with residential suburbanization, and deepening
inequalities, with an accompanying shrinking tax base. Manufacturing employment fell by almost 30,000 during the 1980s (Norman 1989) with service sector employment growth over the same period failing to compensate for the job losses (Levine 2002; Pawasarat and Quinn 1994). The wider metropolitan area lost almost one in five of its pre-recession jobs, a rate three times that of the US economy as a whole (Binkley and White 1991; Kenny 1995; Norman 1989). While some areas of the city have experienced an economic upsurge in recent years, as we shall see, others, such as Grandview/Walnut Hill, Metcalfe Park, and the Near Northwest have not (Levine 2006a). The restructuring of the city’s population was as profound. Milwaukee’s population fell by over 16% during the 1970 to 2000 period, with two neighborhoods – Midtown and Waico/YMCA – experiencing drops of over 50% (Levine 2002).

In the run up to 1970 Milwaukee experienced a significant change in its racial composition. The most rapid growth in Milwaukee’s black population … occurred between 1956 and 1960 - from 22,000 to 62,000 - and the combined effect of a growing black population and a corresponding decline in the white population through suburbanization altered the city’s racial composition’ (Kenny 1995: 452), so that in 2005 the city’s three largest ‘racial populations’ were ‘white non-Hispanic’ (45.4%), ‘black’ (37.3%), and ‘Hispanic’ (12%). In some neighborhoods, such as Grandview/Walnut Hill, Lincoln Park, Sherman Park, and the near Northwest side the ‘black’ population rose from less than 5% in 1970 to over 75% in 2000 (Levine 2003). Over the same period Milwaukee became a profoundly unequal city.1 Across a range of indicators inequality within the city and between it and its surrounding suburbs deepened over the 1990s. For example, between 1990 and 2004, the income of residents in inner city neighborhoods, adjusted for inflation, declined by between 2.8% and 8.6% in

1 I acknowledge that I don’t deal with the environmental inequalities produced under this particular form of urban revitalization. Heynen et al. (2006) detail some of the environmental consequences for low income families in Milwaukee.
neighborhoods on Milwaukee’s Northwest Side. By 2004, inner city income per taxpayer was only 41% that of income in the exurban ‘WOW’ counties (Waukesha, Ozaukee, and Washington), and less than half the income level in the Milwaukee County suburbs (Levine 2006b). The inequality is perhaps not surprisingly racially inflected. One in four of the city’s residents lived in ‘poverty’ compared to 36% of ‘black’ residents. Of the US’s 100 largest metropolitan areas Milwaukee had the lowest rate of ‘black’ suburbanization (Levine 2003). The effect of all of this has been to produce one of the most unequal cities in the US, where improvements have been limited to a few inner neighborhoods (Parker 2005).

In response to this series of social and economic transformations city government, together with host of different public and private agencies, have undertaken a series of projects designed to revitalize the city as a whole. Boutique retail centers, gentrified warehouses, new build-condominiums and convention centers, refurbished downtown hotels, revitalized walk-ways and parking lots have all been built, examples of the attention to the political economy of place under entrepreneurial urbanism that Harvey (1989b) wrote about almost twenty years ago. Alongside this physical redevelopment schemes, since the early 1990s Milwaukee’s economic and political leaders have led a systemic attempt to re-make the city’s image (Kenny 1995; Kenny and Zimmerman 2003). From promotional and marketing campaigns through to the hosting of concerts, festival and markets, a range of strategies have been pursued around the creation and maintenance of downtown Milwaukee as series of sites for middle-class conspicuous consumption (Harvey 1989a, 1989b; Zukin 1995, 1998). It was in this context, of ‘a new urbanist vision for Milwaukee’ (Kenny and Zimmerman 2003: 80), that the first Business Improvement District was established in the city in the Third Ward District in 1988. As Table 1 reveals, others followed, the growth in numbers being steady rather than explosive, with 2006 seeing four more created, to bring the city's total
to forty. The table also reveals the diversity of levy rates, reflecting the differences in land value across the city.

*Table 1 about here*

While Business Improvement Districts were established in different types of neighborhoods, industrial and residential, on the outskirts and the inner areas of the city, their highest concentration was to be found in and around the city’s downtown, as Figure 1 reveals. Over a third of Milwaukee’s Business Improvement Districts were established within three kilometers of the central district, reflecting both how the city government envisaged the program contributing to the city’s revitalization and the types of businesses and areas out of which there emerged a commitment to establish a BID.

*Figure 1 about here*

Instrumental in the production of what Florida (2002: 7) calls a good ‘people’ or ‘creative’ climate – or what Harvey (1989a: 47) termed a ‘good living environment’ -- these Business Improvement Districts have set about re-making – literally when it comes to the physical revalorization of the center’s brown-field sites – Milwaukee’s urban core. In particular, two aspects of Milwaukee’s Business Improvement Districts are of particular interest in this paper. The first is their role in the redrawing of the boundaries between the state and the market in the governance of the city. The formation of Business Improvement Districts did not just stem from the concerns of local business and property owners. City government played its role, both directly supporting their establishment and indirectly encouraging them through the actions, comments and presentations of its senior figures:
But I know from the rush of BIDs that were formed in the ‘90s, and then-Mayor John Norquist was very supportive of that kind of local organization, local control, matching their effort with our effort ... You know, his philosophy, he was also, obviously, very sensitive ... he was very sensitive to the urban animal and what a ... should be, and that the neighborhoods were going to make the City that much more vital (Interview #10, Milwaukee, July 2005)

Within Milwaukee there was an acknowledgement that Business Improvement Districts appeared to be more than a simple public-private partnership. They appeared to be located in-between the public and private sectors:

There's this grey area. Are we part of the city [government] or not? And we've had legal opinions saying, we're actually an arm of the City. Whereas, if you talk to all ... of us, out here doing this work we don't think and operate that way. I mean, you know, we're not under any public ... consideration, for instance. Bidding, you know, if we bid a small project, I don't have to do a public bid on it. I can go to a few private contractors I know and let them bid on it (Interview #10, Milwaukee, July 2005)

This senior figure in one of Milwaukee's longest established Business Improvement District went on to explain how the services they performed were once delivered by city government:

Well, I think we're filling in the gap of what the City can't, Milwaukee, afford to do because of rising costs. The tax burden and things like that, the City is just stretched to its limit. Because some of the programs we're involved with are litter maintenance, which involves some of what the City is, quote, unquote, supposed to be doing, but we do it more, because otherwise, we would look like hell (Interview #10, Milwaukee, July 2005)

His views about the ways in which in some cases Business Improvement Districts ate into the existing remit of city government were echoed by a senior figure in another Milwaukee BID:

The major concern, why our property owners petitioned the City to create a BID was because they felt that they needed to do something to become more
competitive in the marketplace. Leases were coming up, they wanted to ensure that those leases were going to be renewed with, given the current fiscal constraints on local government, both city and county, more and more services were being cut. You know, you no longer had a police officer on every street corner. You no longer had your downtown street sweeper … The frequency of garbage cans being emptied was being decreased because of budget cuts, because of fiscal constraints (Interview #12, Milwaukee, July 2005)

The second issue explored in this paper is the policies pursued by Business Improvement Districts. Studies of US Business Improvement Districts have documented the types of activities they have performed across a range of cities (Clough and Vanderbeck 2006; Hoyt 2005; Justice and Goldsmith 2006; Meek and Hubler 2006; Mitchell 2001, 2001b; Morçöl and Zimmerman 2006; Ward 2007). In Milwaukee, while each BID claimed to be pursuing a subtly unique strategy, it is possible to identify a number of common themes pursued by Business Improvement Districts across the city. These came under three headings: physical infrastructure, such as capital improvements (e.g. lighting, street furniture, shrubbery and so on), economic development (e.g. offering incentives to businesses) and maintenance (e.g. collecting rubbish, removing litter and graffiti and so on), promotional infrastructure, such as consumer marketing (e.g. organizing and advertising events, producing and distributing maps and newsletters), and policy advocacy (e.g. lobbying government and other stakeholders, liaising with other Business Improvement Districts and so on) and, surveillance infrastructure, such as public space regulation (e.g. regulating traffic flow, discouraging on-sidewalks selling and so on) and security (e.g. ambassadors, security guards, CCTV cameras). Appearing to embody Florida’s (2002) emphasis on both the good business and people climate, senior figures in Milwaukee’s Business Improvement Districts explained what they did in the following ways:

Well, again, we’re selling ourselves as a maintenance organization, a marketing organization. You know, we have to make sure that we’re on top of that though,
the place isn’t looking crappy, we remove graffiti from buildings as well, which is
common in this area. We’ve got a lot of kids who think they’re cute by putting
their tag on the building. So we’re cleaning that up all the time. So it is things
like that, and whatever marketing efforts and promotional event efforts we do.
We do a farmer’s market every weekend. We do one major block festival, street
block festival or a block party festival. We just did it in June. You know, that’s
the kind of stuff that people... want us to do. Day-to-day, are they looking for
me to drive traffic to their door? Well, no, not necessarily. But, yeah, business
climate (Interview #10, Milwaukee, July 2005)

I think it was an image of poor, edge of downtown, needing a lot of attention. I
mean, and the Association was trying to do some stuff, but they had very little
funding. Their wherewithal was not much ... So part of what we’ve tried to do
since ... is create a sense of place and create name identification, an identification
for the area. You’ll see, if you look, and several of the places along Wisconsin
Avenue and some of the other streets, there are these little metal signs. Avenue
West and it has a little logo, which is a three-part, meaning parts of the
community working together, you know, education, and business, and
government. Some people, when they put banners or signs up, they’ll put the
houses, and the trees, and all this to try to create an image ... (Interview #11,
Milwaukee, July 2005)

But in our first year, what we found out is that there were a lot of negative
perceptions that existed about downtown. ‘No place to park’, ‘parking is too
expensive’, ‘I lack information about things to do’, ‘it’s dangerous downtown’, ‘I
don’t know enough about the arts to come downtown’ ... ‘I don’t piggyback it
with dinner or going to a bar or going to a festival. I just come downtown, do
that one thing, and then I leave’. So what we realized from our first go-around
on our market research was that, you know what, yeah, it’s wonderful. We’ve got
these quality of life programs in place; everything is clean, safe, and friendly
downtown. But you know what? Nobody out there knows about it (Interview
#12, Milwaukee, July 2005)

In the remainder of this paper I focus on two of the city’s Business Improvement
Districts: BID #21, the Downtown Business Improvement District, and BID #2, the
Third Ward Business Improvement District, and the roles they have played in the
revalorization of the central area of Milwaukee. The first has been particularly concerned
on reinforcing its place in the wider economic imaginary, as the center of economic
activity. It has pursued this end through a range of representational strategies. The
second, BID #2 has focused on emphasizing its place as a ‘chi-chi’ neighborhood,
overseeing the gentrification of the area, though both the refurbishment of its warehouses and the constructing of new condominiums.

**DOWNTOWN (BID #21)**

If the city ‘is to remake itself as a centre of cultural and economic wealth, that goal is specifically to make the downtown the symbolic heart’, according to Kenny and Zimmerman (2003: 81). As an executive director of one of Milwaukee’s Business Improvement Districts reaffirmed, ‘the creative class wants to be where there is the arts, where there is culture, where there is nightlife, where there is dining, where there is outdoor, urban kind of adventures to experience’ (Interview #12, Milwaukee, July 2005). The Business Improvement District has been central to the achievement of this goal, of the centering of the downtown as ‘everybody’s neighborhood’. Milwaukee’s Downtown BID is the largest in the state of Wisconsin. It has an annual budget of $US 2.4 million, covers 120 square blocks and consists of just over 400 tax paying properties.

Like many other downtowns around the state – and the wider Mid West region (Wilson and Wouters 2003) – Milwaukee’s exhibited many familiar symptoms: empty factories, lots, residencies and warehouses. During the 1960s and 1970s the combined effects of global restructuring, with a decline in manufacturing employment and retail suburbanization, with the opening up of out of town malls, led to the creation of a devalorized urban landscape (Levine 2002). The double-movement of capital out of the centre and into the suburbs created ‘the economic opportunity for restructuring the central and inner cities … [t]he devalorization of capital in the center create[d] the opportunity for the revalorization of this ‘underdeveloped’ section of urban space, as Smith (1986: 24, original emphasis) put it two decades ago. ‘The recovery of the … 1980s was strong enough to support a rebirth of downtown development’ according to Norman (1989:
The center-piece was the Grand Avenue Mall, which was opened in August 1982. Built in response to the competition posed by the suburban malls, after a few years it began to struggle, like the shops it had been built to replace. While it may have once been interpreted as ‘the piece of downtown development … that changed downtown Milwaukee from a stagnating environment to one that was rejuvenating’ (Norman 1989: 193), the 1990s were less kind to it. It was not alone – many downtown malls built around the state of Wisconsin during the late 1970s and early 1980s endured similar fates (Ward 2007). By the mid 1990s, just after a decade after its opening, the Mall had lost its ‘anchor store’:

When The Shops of Grand Avenue opened, and at that time it was called Grand Avenue Mall, you know, retail was up here at the top of the circle. And then, you know, mid-80s, it started coming down. End of ‘80s, you know, ‘90s, we hit rock bottom. And then in mid-90s, our large anchor store, Marshall Field’s, left. And once they left, a lot of the other nationals that were inside the mall, their lease agreement was contingent upon the large anchor staying. So they started to just go (Interview #12, Milwaukee, July 2005)

The Downtown BID was established in 1998. The impetus behind its creation was both a critique of existing city government policies and practices, and an understanding that more could be done collectively by downtown business and property owners. The reference points were not only past service levels and provision by city government but the types of services provided at the suburban malls, against which cities were now competing for a share of what has been termed by Harvey (1989a, 1989b) as the ‘spatial division of consumption’.

The invoking of the notion of the ‘downtown as mall’ (Mallett 1994: 282; see also Christopherson 1994), an important example of the ways in which the urban realm has been divided up in to ‘a patchwork quilt of islands of relative affluence struggling to
secure themselves in a sea of spreading decay’ (Harvey 2000: 152), was evident in Milwaukee’s downtown:

... To make the analogy to a shopping center ... You know, that’s the way I look at downtown. We’re 120 square blocks ... we just don’t have ... the sky serves as our roof. So all of a sudden, your services are being cut, your quality of life issues are being diminished because of these fiscal constraints, where local government in the past has stepped in. In addition to that, more and more office parks and suburban developments were doing their own branding, were doing their own marketing. And what was marketing downtown? There was nothing! There was no single entity that was saying, hey, we’ll be in charge here. You know, we’ll send a message to the public and create a brand for downtown. So our property owners said, we need to take control of the situation. We need to make our marketplace more competitive (Interview #12, Milwaukee, July 2005)

Much of what this Business Improvement District has been about is acknowledging how the material and the emotional are intertwined. So, it has worked with government agencies, property owners, real estate developers and urban designers to improve its urban built environment. The BID has emphasized the importance of the emotional economy. Many of its programs have been about how citizens and tourists feel about the downtown. Manipulating emotions – creating senses of belonging to historic sites through to playing on individual’s sense of civility and security – are just two of the ways in which the Business Improvement Districts has set about changing how people feel about downtown Milwaukee. Through a combination of images, maps and narratives, which have been reinvested meanings that meld together aspects of its past, present and future, the BID has strived to invoke a sense of a ‘personality’ for the neighborhood:

So there is a little bit of work that was, well, there was a lot of work that was being done in the ’80s and ’90s to start creating a personality for downtown. And, I think, it helped people to realize, when you look at downtown, it’s not just this big, huge blob that they were overwhelmed with. These activities and events, particularly in these green spaces, created a sense of neighborhood (Interview #12 Milwaukee, July 2005)
This sense is actively produced and reproduced by members of the Business Improvement District staff. Providing ‘additional eyes and ears to the Milwaukee Police Department’ (2006: 1), the Public Service Ambassador Program puts bodies on the streets, as ‘each employee of these enterprises has the maintenance of security as an objective, the other side, so it seems, of delivering quality service to the customer’ (Rose 1999: 252):

And that really plays into the safe and friendly, our Public Service Ambassadors. Because you know what, they’re out there, they don’t carry weapons, they’re not out there, if you see their uniforms, they’re bright, friendly blue, khaki pants. And, you know, they only thing they’re armed with is brochures. So clean, safe, and friendly were our initiatives, clean, safe, and friendly. So we looked at cities that had successful clean, safe, and friendly programs. What does that mean? That means our Public Service and Master Program. They are our walking concierges. We have 28 Public Service Ambassadors. You’ll see them, blue shirts, clearly identified. They’re out there, basically serving as walking concierges (Interview #12, Milwaukee, July 2005)

Of course this attention to the emotional and symbolic urban economies has gone hand in hand with an attention to the material registers of assessed values. Reference to beautification schemes and promotional campaigns have only gone so far in keeping property owners convinced of the value added of the Business Improvement District. At their annual meetings what those with an economic stake in the downtown built environment have wanted to see was the value of their investment increasing: And they have not been disappointed. The assessed value has almost doubled in the Business Improvement District’s nine years – from US$26 million to over US$50 million.

THIRD WARD (BID #2)

Billed by the Business Improvement District as ‘Milwaukee’s Best Kept Secret’, the recent history of the Milwaukee’s Third Ward district is one of significant reinvestment
by capital in high-end housing and associated cultural infrastructure. The BID claims the ‘The Historic Third Ward boasts the highest concentration of art galleries in the city, numerous restaurants, unique specialty stores, architects, advertising agencies, graphic designers, artists’ (http://www.historicthirdward.org/). Its longer history is one of decline and neglect, in common with many other cities’ ‘inner city’ neighborhoods (Kenny and Zimmerman 2003). By the early 1970s the Ward was such a devalorized landscape that a local Alderman wanted to turn it in a ‘red light district’:

They were trying to clean up Wisconsin Avenue and the rest of downtown. So they said, well, why don’t we make the district over in the Third Ward? Because basically, this is, it was all empty warehouses, because they built the expressway back in ’67, and all the Italians had their homes back there. And, you know, once they built the expressway, the Italians moved out (Interview #13, Milwaukee, July 2005)

From the perspective of those interest groups eager to further commodify urban land use, such neighborhoods represented ‘dead zones’, in the words of Doron (2000). The initial reaction against this proposal was by those who still had an economic stake in the neighborhood.

The Historical Third Ward Association was formed in 1976 and named as a Historic District in 1984. The BID was established in 1988, and has subsequently overseen the creation of two Tax Increment Districts within its jurisdiction. In 1991 an Architectural Review Board was formed to regulate the details of the revitalization. Or, as it puts it, the ordinance was passed ‘to preserve the Third Ward’s heritage, history, and its superb collection of period architecture, while encouraging innovative mixed-use development’ (http://www.historicthirdward.org/bidinfo/ARB.php#Ordinance). This ordinance undoubtedly slowed the transformation of the neighborhood. However, it also raised its profile, differentiating it from surrounding areas and giving it a clear and
marketable ‘brand’ – the type of internal differentiation of urban space highlighted by Smith (1986). The Ward was now on the National Register of Historic Places.

In many ways, the recent history of the Third Ward District has been a classic case of gentrification. Run-down warehouses, widely lauded architecture and a large ‘rent gap’ in Smith’s (1979) formulation. In moved the artists, as they had done in other US cities, most notably New York, although of course, as Zukin (1982) details, the story was one of the mutual reinforcement between ‘urban pioneers’ and of capitalist reinvestment:

Yeah, we had a lot of artists down here. Milwaukee’s Institute of Art and Design came down, and they bought the big Terminal Building here. But it was basically a lot of artists. The rents were really cheap. I mean, we’ve got, you know, six big buildings, so they could rent really cheap. The artists are all of our here now, and they’ve all moved down to Walker’s Point. It’s the liberal attract. I mean, we’ve become, you know, hip and trendy and . . . across the River is Walker’s Point. And now it’s taken off over there too. There are all these condos, and they’re fixing up the big buildings, and it’s really unbelievable! (Interview #13, Milwaukee, July 2005)

Over the last decade the Ward has, in the words of local commentators, been transformed from ‘funky warehouse and factory district to booming condo and office zone dotted with chi-chi shops and stylish restaurants’ (Gould 2006: np). As Kenny and Zimmerman (2003: 86) put it, the success of the Third Ward is ‘an example of effective marketing of ‘authenticity’’. The chair of the Business Improvement District, Einar Tangen, has reflected that:

You had all these great buildings that would clean up nicely. People who were already starting to develop lofts in them could see the urban lifestyle as a good counterpoint to sprawl. You had water everywhere, easy access to the downtown. It was a slam-dunk (quote in Gould 2006: np)

Anointed as ‘cool’ by Richard Florida when he visited the city of Milwaukee in 2001 (Gertzen 2001:np), in recent years the Ward’s Business Improvement District has
worked with city agencies and private developers to revitalize large swaths of its built environment, including shops and warehouses, as well as the spaces between buildings, such as the walkways along the lake and the river.

In order to maintain its reputation as a ‘cool’ place to ‘live, work and play, this Business Improvement District took a clear stance on the presence of multi-national retailers within its area:

We don’t want big chains. And the only chain that’s down here right now is Starbucks, and it’s the only one that we have. We want everything special (Interview #13, Milwaukee, July 2005)

As part of the Ward’s revitalization, and to increase the amount of retail within the area while adhering to its ‘chi chi’ feel, the Milwaukee Public Market was opened at the end of 2005. For Goss (1996: 235, 240), courtesy of its restored physical location, architecture, interior design, and retail concepts, these sorts of developments contrive to recover a nostalgic sense of history and of a lost civic urban ideal. Through deploying this ‘mythical spirit of the marketplace’, developers:

… reshap[e] the inner city as a stage and staging urban life as a drama of conspicuous consumption ... The festival marketplace [being] a phantasmagoria of capitalist production that marks the threshold to a dream world of utopian images and imaginings of a mythical natural urbanism.

The market has an ambivalent relationship with its many pasts. On the one hand, the labor of the city’s working classes is aestheticized and preserved in material culture, images of the working waterfront, and employment of ‘street artists’ – the original ‘street people’. The Market’s website connects the Commission Row of the 1880s with the Market of today. As it puts it ‘The modern-day Milwaukee Public Market preserves the nature of this historical neighborhood and capitalizes on the history of an area that native
Wisconsinites associate with fresh food’

On the other hand, evidence from other similar developments suggest that the contemporary working and marginal classes will be conspicuously absent from this spectacle of consumption. As the site goes on to explain, the Market is part of a new urban vanguard, as ‘public Markets are ... revitalized and new Markets are ... developed in cities across the United States’

With its emphasis on the gourmet, organic and specialty foods, the Market clearly differs from its predecessors, as an interviewee confirmed:

This is a different market. It’s going to have wine and cheese, and, you know, fish. It’s more like Pike’s Place in Seattle. It’s going to be a year-around market. It’s indoors. And the outdoor market is just from June until November. That’s where you just can buy the vegetables and fruit. But the indoor market will have everything (Interview #13, Milwaukee, July 2005)

Most recently a competition was held for the right to design the Erie Street Plaza in the Third Ward. Financed through a Tax Incremental Financing (TIF) district, this Plaza will link the Milwaukee Riverwalk with the Lakefront Walk. As Mayor Tom Barrett put it when in June 2006 he announced the winning design:

The new energy and excitement about Milwaukee has captured the attention of the international design community, as the tremendous response to this competition shows,” said Mayor Tom Barrett. “I am grateful to all of the firms that competed for the chance to create a unique Milwaukee landmark. Erie Street Plaza’s sustainable garden will add to Milwaukee’s ‘cool’ factor as it offers significant public access to our Riverwalk and Lakefront trail
This latest development builds on the area’s revitalization projects of the last two decades. Figure 2 maps out condominium developments in the two BID areas since 2005, during which over $1 billion in investment has flowed into the wider ‘Greater downtown’ area.

CONCLUSION

When a senior figure, reflecting on his role at one of Milwaukee’s Business Improvement Districts, commented, ‘this is like running a small city’, this was more than bravado. They are part of an assemblage of architects, civil engineers, economic consultancies, government agencies, retail developers, public-private partnerships, and urban designers, who have brought their expertise, and knowledge to bear on a range of sites and spaces around the city of Milwaukee. The consequences for the city, its citizens and its visitors have been far-reaching. A walk around central Milwaukee reveals how the re-envisioning of the city a la new urbanism has transformed the urban landscape. Boutiques, cafes, cinemas, condominiums, convention centers, museums, parks, and theatres puncture the urban landscape of the city’s downtown and bordering neighborhoods. Kenny and Zimmerman (2003) captured these consequences. This constitutes a massive movement back to the city by people and capital: the population of the downtown area has risen by 20% in recent years, albeit from a low base, while over $2 billion has been invested in residential refurbishments and new buildings.2

In conclusion I want to emphasize four points. First, that although this paper was about two particular areas in central Milwaukee it has sought to emphasize the ways

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2 There are now 125 Condominium Associations in the downtown of Milwaukee covering five and a half thousand residential units.
in which these sites are connected to places elsewhere. That is, it has highlighted both the territorial and relational geographies at work in producing both the Downtown and the Third Ward District. Nowhere is this territorial and relational constituting of these two spaces clearer than in how the experiences of spatially distant but socially proximate places have been folded into ‘local’ policy and practice. When the downtown BID was first established and envisioning its future strategies where did it look? No real surprises – it looked to ‘the Manhattans, the Philadelphias, the Seattles of the world … [that] … were really remaking themselves’ (Interview #12, Milwaukee, July 2005). While it might have had more in common with other mid-Western cities (Wilson and Wouters 2003), the casting of these places within cities as ‘models’, for others to replicate, is reflected in the general imaginary and narrative that has accompanied the revitalization strategies pursued by both Business Improvement Districts. It is also embodied in particular projects, the most obvious being the Milwaukee Public Market, which was opened at the end of 2005.

Second, in the case of the Downtown and the Third Ward District the activities of the Business Improvement Districts have contributed to the creation of what Mitchell and Staeheli (2006: 153) refer to as ‘pseudo-private spaces’: ‘spaces that are formally owned by the state, by the public, but that are subject to control and regulation by private interests.’ Under these conditions, where accumulation – the increase in exchange values – is the main reason for improving public spaces in the downtown, the very nature of the downtown is itself transformed. They move from being places in which ‘people can learn to live with strangers, to enter into the experiences and interests of unfamiliar lives’ (Sennett 2001: np), to increasingly resembling selectively exclusionary spaces, where the emphasis is on celebrating a highly commodified version of ‘difference’ (or ‘unfamiliarity’), as architects, planners and policy-makers produced interdictory and securitized urban landscapes. As part of this re-making of the city’s downtown property
regime it the poorest who have been most affected, not least the homeless, of which there are currently 2,000 individuals on any given night, about 500-800 of whom are chronically homeless (The Open Gate 2004). With condominiums being built all around the area and starting prices at hundreds of thousands of US dollars the inequalities could not be starker.

Third, Business Improvement Districts are about more that just a new way of governing spaces within cities. As this paper and others have argued, they appear to constitute an example of the neo-liberalization of the city. That is, they seem to speak to the general qualitative restructuring of the state as it performs its roles in the area of urban redevelopment. It is possible to understand the various ambassadorial, appearance, marketing, promotional and security strategies of Milwaukee’s Business Improvement Districts in light of Harvey’s (2004: 10) claim that the ‘fundamental mission of the neo-liberal state is to create a ‘good business climate’ and therefore to ‘optimize conditions for capital accumulation’. Business Improvement Districts constitute a licensed and parameterized handing over to business elites of parcels of the city. They are both a contributing factor to, and a consequence of, the ways in which creative class, new urbanism and quality of life policies have been received across many US cities. Business Improvement Districts are agents in the delivery of cool cities. As Peck (2007: np) puts it: ‘whereas the entrepreneurial cities chased jobs, the creative cities pursue talent workers; the entrepreneurial cities craved investment, now the creative cities yearn for buzz; while entrepreneurial cities boasted of their postfordist flexibility, the creative cities trade on the cultural distinction of cool.’ Both the Downtown and the Third Ward District BID were in the market of making downtown Milwaukee cool and hip, a place in which to be seen, while around them many in Milwaukee struggled. As Levine (2006a: 6) notes: ‘inner city economic improvements have been limited to a few neighborhoods, chiefly those ringing downtown, where substantial gentrification has
occurred. Other neighborhoods in the inner city continue to experience falling incomes and a shrinking employment base ... Decline on the Northwest Side suggests that Milwaukee is experiencing a territorial “rearrangement” of economic distress, with some inner city neighborhoods showing gains, others still declining, and still other neighborhoods on the Northwest Side falling into deep economic difficulty. Two sides of the same transformation perhaps, as whether it’s the ‘creative cities’ of Florida (2002) or the ‘cool communities’ of Johns (2007), the prescription is for ‘urban leaders to contemplate new forms of fiscally modest, supply-side investment, mostly targeted at economically secure residents of neighborhoods in which property prices are already on the up’ (Peck 2007: np). Cool for some, for sure, but not for most.

Fourth, and finally, although it has not been a central feature of this paper, it is important to hold sight of the underlying logic behind the establishment of Business Improvement Districts, which is the enhancement of exchange values. The act of establishing a Business Improvement District constitutes an example of the ‘internal differentiation of geographical space’ at the urban scale (Smith 1984: 18; see also Smith 1982). This is the contemporary means through which economic expansion is performed. Once established, a Business Improvement District’s overarching objective is to increase assessment values. Subject to annual performance reviews, and to periodic – normally between five and ten years – votes on their very existence, Business Improvement Districts have to deliver results. While as we have seen, there are a range of strategies pursued by Business Improvement Districts, the process of beautification is not an end in itself. In the case of the Downtown and the Third Ward Business Improvement Districts, recent years have witnessed strong growth in assessed values. In the Downtown BID it has almost doubled. The growth for the Third Ward Districts is even more staggering (Kenny and Zimmerman 2003), with the assessed value increasing six-fold over the 1995-2005 period, from $40 to $240 million. While accounts
commonly emphasis how the Ward has become populated by ‘chic’ and ‘creative’ professionals, an equally important aspect of the story of re-differentiation of urban space is the role played by banks, real-estate companies, the state, and other agencies, such as Business Improvement Districts in making the current social and economic transformation underway in central Milwaukee possible, and perhaps, probable. There is much capital to be accumulated through the ‘production of preconditions’, in the words of Harvey (1989a: 157).


Harvey, D. 1989b. From managerialism to entrepreneurialism: the transformation in urban governance in late capitalism. Geografiska Annaler 71B: 3-16.


Parker, B. (2005) This land is our land: the battle for a Community Benefits Agreement in Milwaukee, mimeograph, Department of Geography, University of Wisconsin-Madison.


Table 1: Milwaukee Business Improvement Districts

<table>
<thead>
<tr>
<th>BID (local population)</th>
<th>Year of formation</th>
<th>Levy rates ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Milwaukee #3</td>
<td>N/A</td>
<td>Formula based on 15,766 total</td>
</tr>
<tr>
<td>Milwaukee #2</td>
<td>1988</td>
<td>Formula based on 200,000 total</td>
</tr>
<tr>
<td>Milwaukee #4</td>
<td>1989</td>
<td>4/1000 based on 84,386 total; Min. 400; Max. 2500</td>
</tr>
<tr>
<td>Milwaukee #5</td>
<td>1989</td>
<td>0.9/1000; Min. 210/parcel; Max. 12,600/parcel</td>
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<tr>
<td>Milwaukee #8</td>
<td>1993</td>
<td>4/1000 based on 102,921 total</td>
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<tr>
<td>Milwaukee #9</td>
<td>1993</td>
<td>Formula based on 32,905 total</td>
</tr>
<tr>
<td>Milwaukee #10</td>
<td>1993</td>
<td>3/1000 based on 100,116 total; Max 6000</td>
</tr>
<tr>
<td>Milwaukee #11</td>
<td>1993</td>
<td>5.15/1000 based on 77,698 total</td>
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<tr>
<td>Milwaukee #13</td>
<td>1994</td>
<td>Formula based on 43,500</td>
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<tr>
<td>Milwaukee #15</td>
<td>1994</td>
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<td>1996</td>
<td>4.5/1000 based on 54,593 total</td>
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<td>Milwaukee #17</td>
<td>1996</td>
<td>435/parcel based on 33,434 total; Max. 2000</td>
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<td>1997</td>
<td>Formula based on 120,391</td>
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<td>1997</td>
<td>Formula based on 2,186,533 total</td>
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<td>1998</td>
<td>Formula based on 4,441 total</td>
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<td>1999</td>
<td>5/1000; Min. 1,500 (industrial); Max. 3,500 (if retail)</td>
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<td>2002</td>
<td>3.9/1000</td>
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<td>4/1000; Min. 125; Max. 1,500</td>
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<td>1.2/1000 for retail; 1/1000 for industrial</td>
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<tr>
<td>Milwaukee #40</td>
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Source: Law (2007) and Business Improvement District websites
Figure 1: The location of Milwaukee’s Business Improvement Districts
Figure 2: Condominium developments in the Downtown and the Third Ward Business Improvement Districts, 2005-