

Climate Finance Needs Assessment: Milwaukee Region

June 2025



Introduction and Purpose

- This needs assessment evaluated the readiness of 5 metropolitan areas - including Milwaukee - to take advantage of funding and financing that is available for energy efficiency and clean energy investment
- Greenhouse Gas Reduction Fund (GGRF) financing - a federal source launched in 2024 - provided the initial impetus for this assessment, but its conclusions are broad and apply to other sources of financing as well
- Project goals included:
 - Identify areas of current strengths and policy alignment
 - Recommend particular areas of training needs and specific policy opportunities
 - Build relationships to advance energy efficiency and decarbonization projects
 - Identify a potential pipeline for short- and medium-term projects

Key Conclusions and Recommendations

- Recommendations are detailed later section in these slides, and some of the most important conclusions and recommendations - though not an exhaustive list - include:
 - Find sources of **supplemental funding and financing** that can overcome the challenge of construction costs exceeding sales costs for many developments
 - Provide **community developers with training** and general awareness-building on building decarbonization concepts and technologies, and help them make connections with the broader ecosystem of clean energy and decarbonization.
 - When designing any program that funds building decarbonization, address concerns about **displacement** and the ability of **community-based organizations to access the funds**.
 - Pursue **policy changes at the electric utility (We Energies)** to make renewable energy development more feasible.

Partners

- Local partners on this project included:
 - **Elevate** is dedicated to equity through climate action. Elevate advances energy efficiency in buildings through innovative policies, program design, and implementation; administers solar, energy efficiency, and resilience programs; and leads energy and health retrofits, solar deployment, real estate education, and contractor and workforce development.
 - **Northwest Side CDC** is a Milwaukee nonprofit that exists to create economic opportunities, build partnerships and strengthen communities on the Northwest Side of Milwaukee.



Partners, Continued

- This project was conducted in partnership with the **Relay Network**, a national network of energy efficiency implementers who promote knowledge sharing, facilitate collaborative partnerships, and encourage joint innovation. As an alliance of mission-based non-profit organizations, we leverage each other's expertise to extend our collective reach to the buildings, residents and communities that we serve. National partners who contributed to the Milwaukee needs assessment include **Institute for Market Transformation (IMT)** and **Building Energy Exchange (BE-Ex)**.



- Funding for this project was generously provided by **Invest in Our Future**.

Needs Assessment Findings: Regional Priorities



ELEVATE

Needs Assessment Components

This needs assessment included:

- Market research on demographics and housing
- Analysis of state and local policy context
- Surveys of key stakeholders
- In-depth interviews with key stakeholders
- Analysis of training resources
- Research into existing projects that already include building decarbonization

Overall Findings

- Retrofitting existing buildings and new construction in historically disinvested communities is a high need, especially in affordable housing, but financial barriers are significant
 - Policy barriers create challenges for clean energy finance, such as the outdated State Building Code, and utility policies that prevent adoption of clean energy infrastructure
 - Availability of workforce development and training for contractors in the clean energy sector needs to be improved
 - There is demand for technical assistance and capacity building to help navigate funding and implementation of projects, especially among smaller developers and CBOs
 - Stakeholders would benefit from a convening or a summit for Milwaukee area Lenders and Funders to talk about green lending opportunities, GGFRF, what programs exist, and what gaps exist
- Milwaukee has examples of projects that incorporate energy efficiency, renewable energy, electrification or EV infrastructure, but they are not widely known, and need to be promoted as case studies
 - Milwaukee's relatively small size means that most stakeholders know who to contact if they have energy or finance questions, and both City staff and knowledgeable people in the design profession are considered trusted sources
 - Wisconsin has a strong state incentive program (Focus on Energy) that provides incentives and resources for energy and electrification, and similar programs are offered by the City in Milwaukee
 - Milwaukee has a strong foundation of conservation being a priority, due to its leadership in the water sector

Market Research Findings

- The team researched local market conditions for a better understanding of market, policy, and community drivers which influence the creation and operation of resilient, energy efficient, and healthy buildings
- Local demographics
 - City of Milwaukee population: 563,305
 - Total Four-County Area population: 1.5 million
 - Total Seven-County Area population: 2 million
 - Income (Area Median Income): \$77,006
- Milwaukee has 61.2% homeownership; large single-family stock
- The majority of homes use gas heating (75%)
- There are strong existing programs that facilitate energy upgrades (Focus on Energy, PACE)
- Housing cost burdens and aging stock of housing (41.5% of homes were built in 1959 or earlier) create challenges to upgrades



Photo Credit: Visit Milwaukee



Source: Milwaukee Neighborhood News Service

Market Research Findings, Continued

Building stock analysis

HOUSING TYPES	MILWAUKEE	MEDIAN
1, detached	56.20%	68.50%
1, attached	5.90%	5.90%
2 apartments	9.90%	3.00%
3 or 4 apartments	4.70%	2.90%
5 to 9 apartments	5.60%	3.70%
10 or more apartments	17.20%	13.90%
Mobile home or other type of housing	0.60%	3.00%
2020 or later	1.90%	1.30%
2010 to 2019	5.80%	5.20%
2000 to 2009	8.30%	8.30%
1980 to 1999	18.50%	18.50%
1960 to 1979	24.00%	24.00%
1940 to 1959	21.50%	23.60%
1939 or earlier	20.00%	20.00%

Race/Ethnicity	Population	%
Total:	1,574,731	
Hispanic or Latino	182,777	12%
White alone	1,009,707	64%
Black or African American alone	250,219	16%
American Indian and Alaska Native alone	5,124	0%
Asian alone	65,831	4%
Native Hawaiian and Other Pacific Islander alone	425	0%
Some Other Race alone	6,115	0%
Two or more races	54,533	3%

Housing Tenure (Owner vs. Renter)

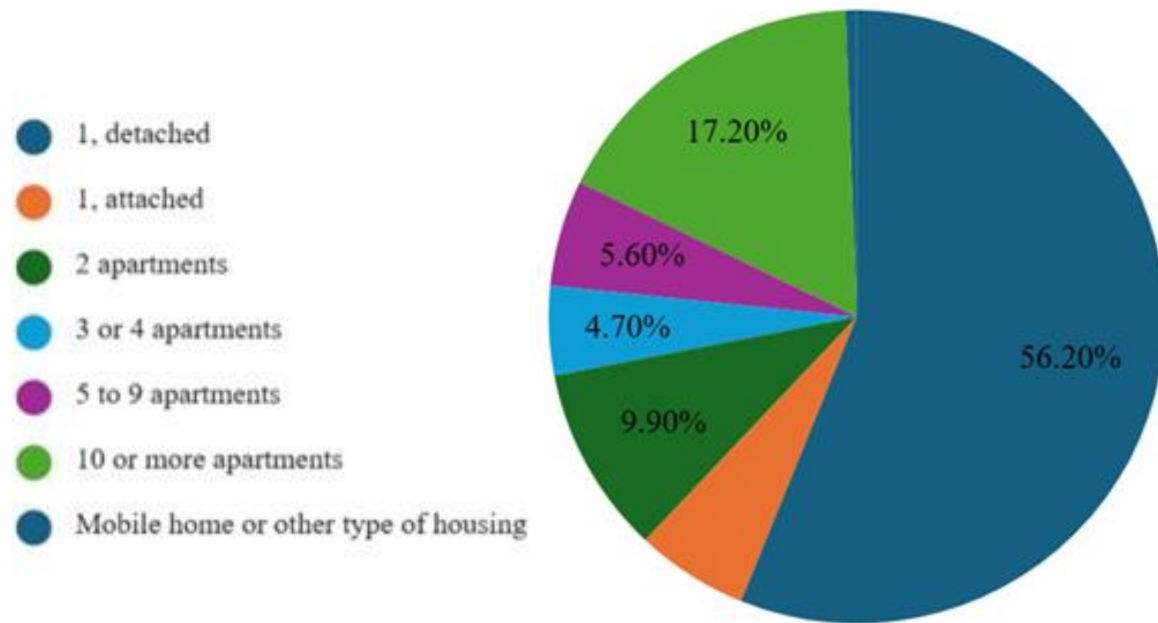
	Percent estimate occupied housing units	Percent estimate owner-occupied housing units	Percent estimate renter-occupied housing units
Occupied housing units	650,986	61.2%	38.8%

Housing Starts

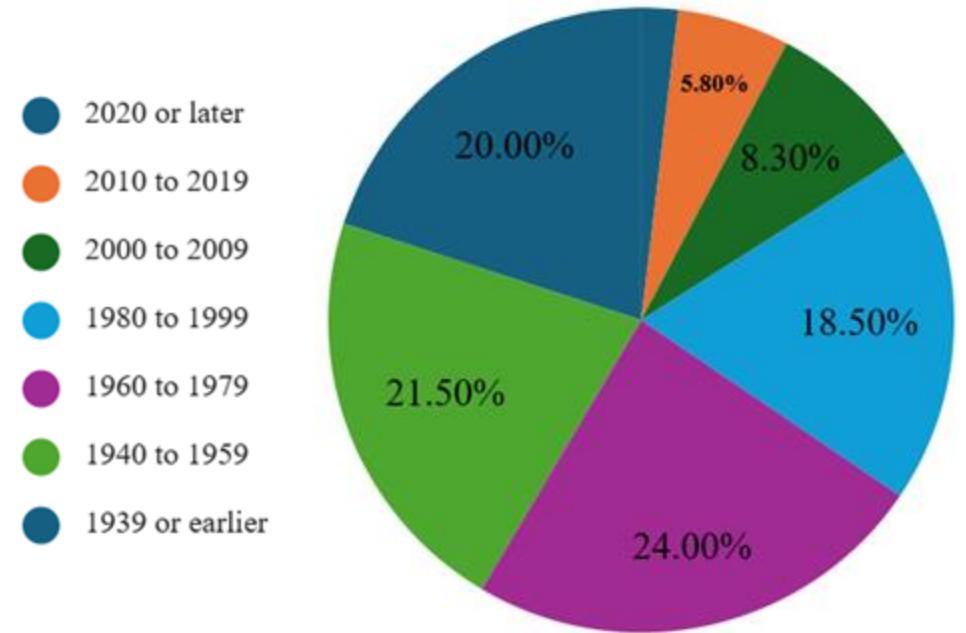
	2021	2022	2023	2024
Total	2,929	3,172	2,844	3,930

Market Research Findings, Continued

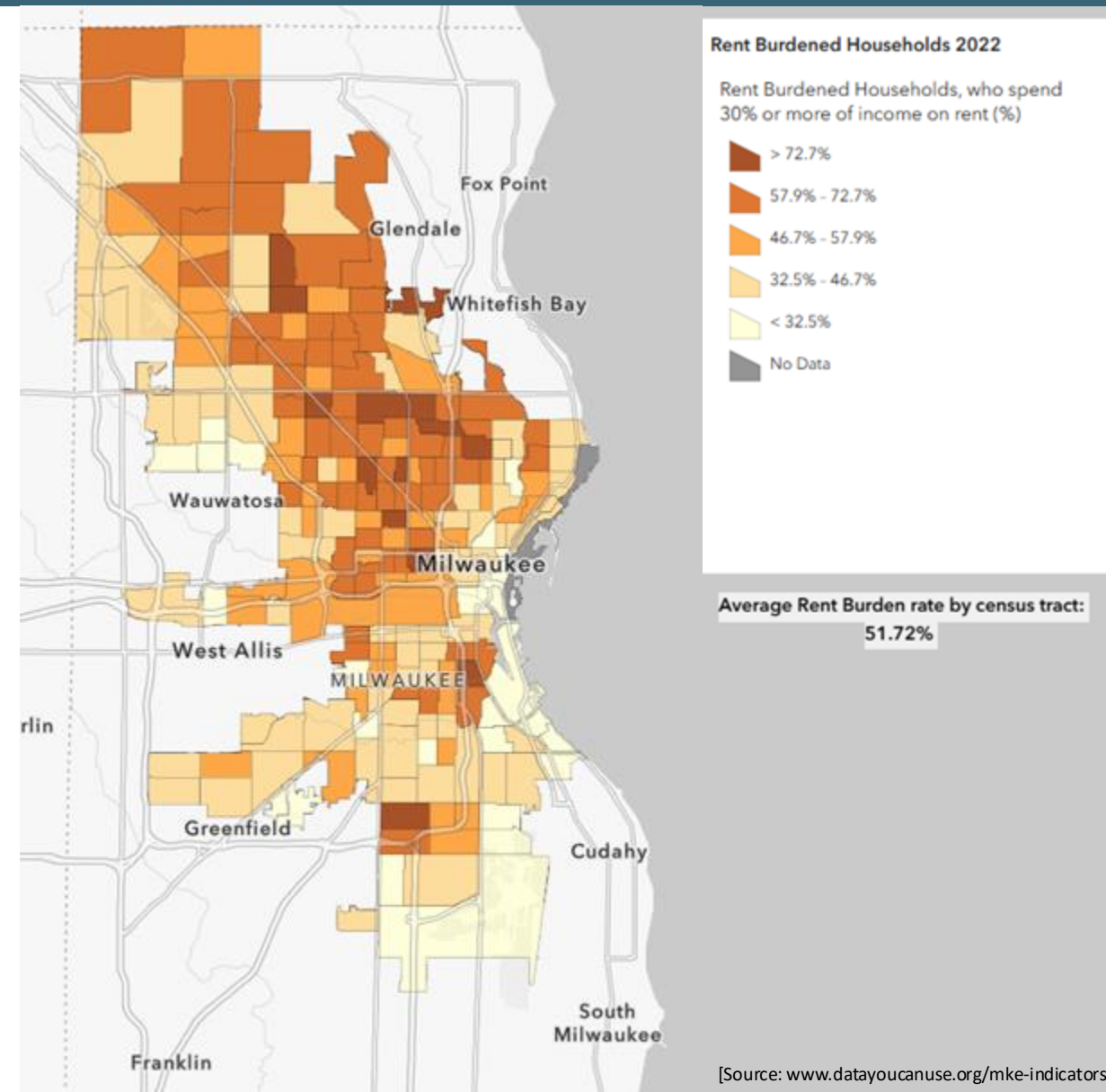
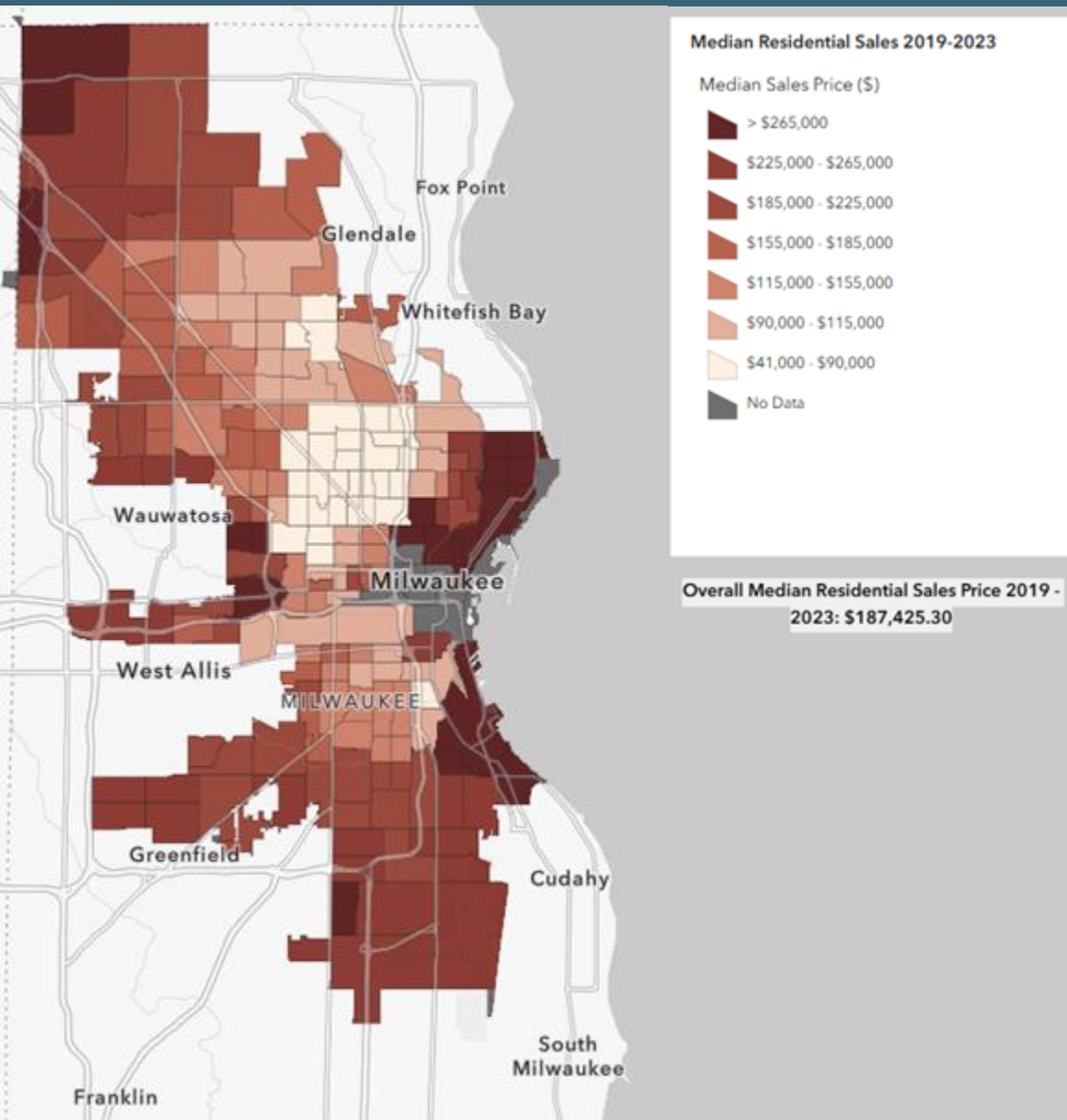
Milwaukee: Housing Types



Milwaukee: Building Age



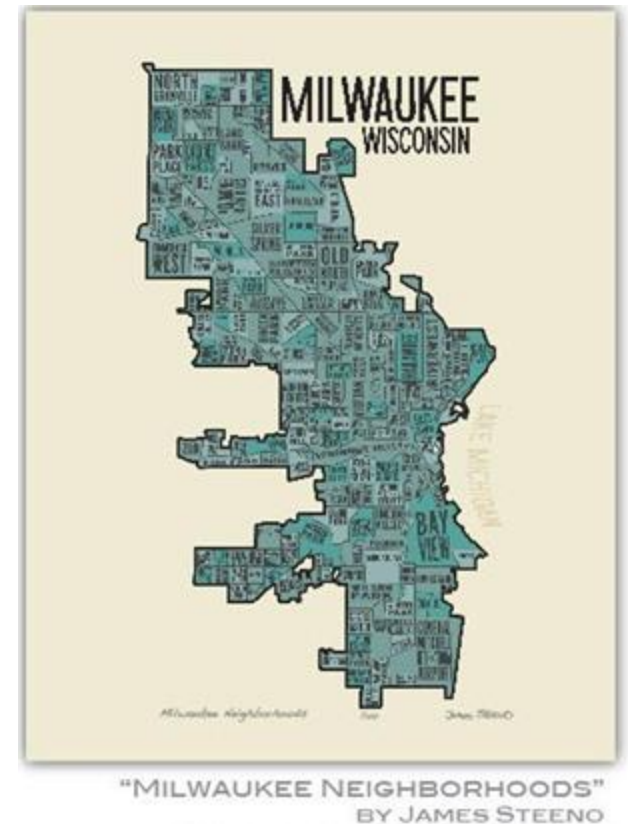
Market Research Findings, Continued



Market Research Findings, Continued

Communities in Milwaukee were identified as low-income and disadvantaged communities (LIDAC) by the Climate and Economic Justice Screening Tool and the Environmental Justice Screening and mapping tool.

- The community organizations listed are all based in LIDAC communities:
 - Metcalfe Park Community Bridges
 - Midtown Neighborhood Association
 - Rooted & Rising (formerly Washington Park Partners)
 - Reclaiming our Neighborhoods (RON) Coalition
 - Walnut Way/Lindsey Heights (North Division)
 - Sherman Park Community Association
 - Muskego Way
 - VIA CDC (formerly Layton Boulevard West Neighbors)
 - Clarke Square Neighborhood Initiative
 - Sixteenth Street Community Health Centers



State and Local Policy Context

Local priorities include:

- Having anti-displacement strategies in place alongside energy upgrades
- Prioritizing affordable housing preservation and repair
- Ensuring equity in access to green funding
- Collaborating with existing resilient redevelopment efforts in areas like the 30th Street Corridor

The City of Milwaukee Department of City Development's *Anti-Displacement Plan for the Neighborhoods Surrounding Downtown Milwaukee* identified an approach to balance the goal of preventing displacement with the need to attract new investment and increase socioeconomic integration within neighborhoods.

The City of Milwaukee's Climate and Equity Plan supports Milwaukee's goals to reduce community greenhouse gas emissions 45% by 2030. The Climate and Equity Plan also calls for development of a new benchmarking ordinance that would require large commercial buildings to report annual energy use.

Survey Results

We surveyed nearly 50 Milwaukee stakeholders, primarily developers and building owners

- Respondents were focused in the multi-family building sector, with also many in single-family
- Respondents were highly familiar with many sustainability initiatives - but least familiar with net zero emissions targets
- Most respondents saw local government as the greatest leader in this work - and utilities as the greatest barrier

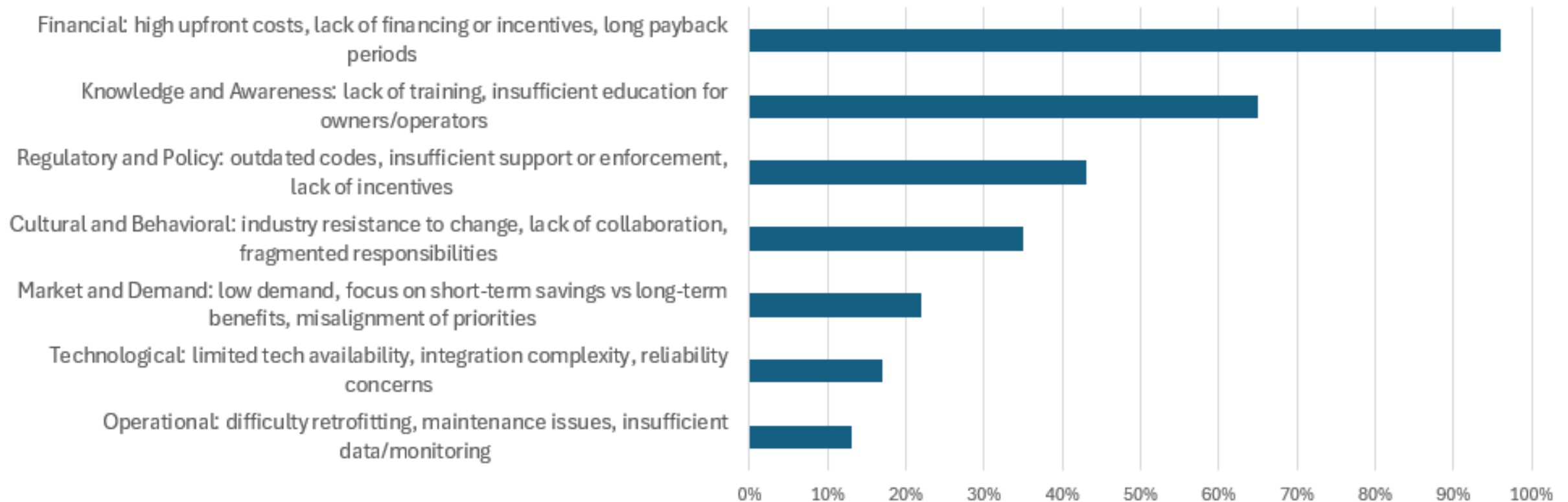


Source: Urban Ecology Center

Survey Results, Continued

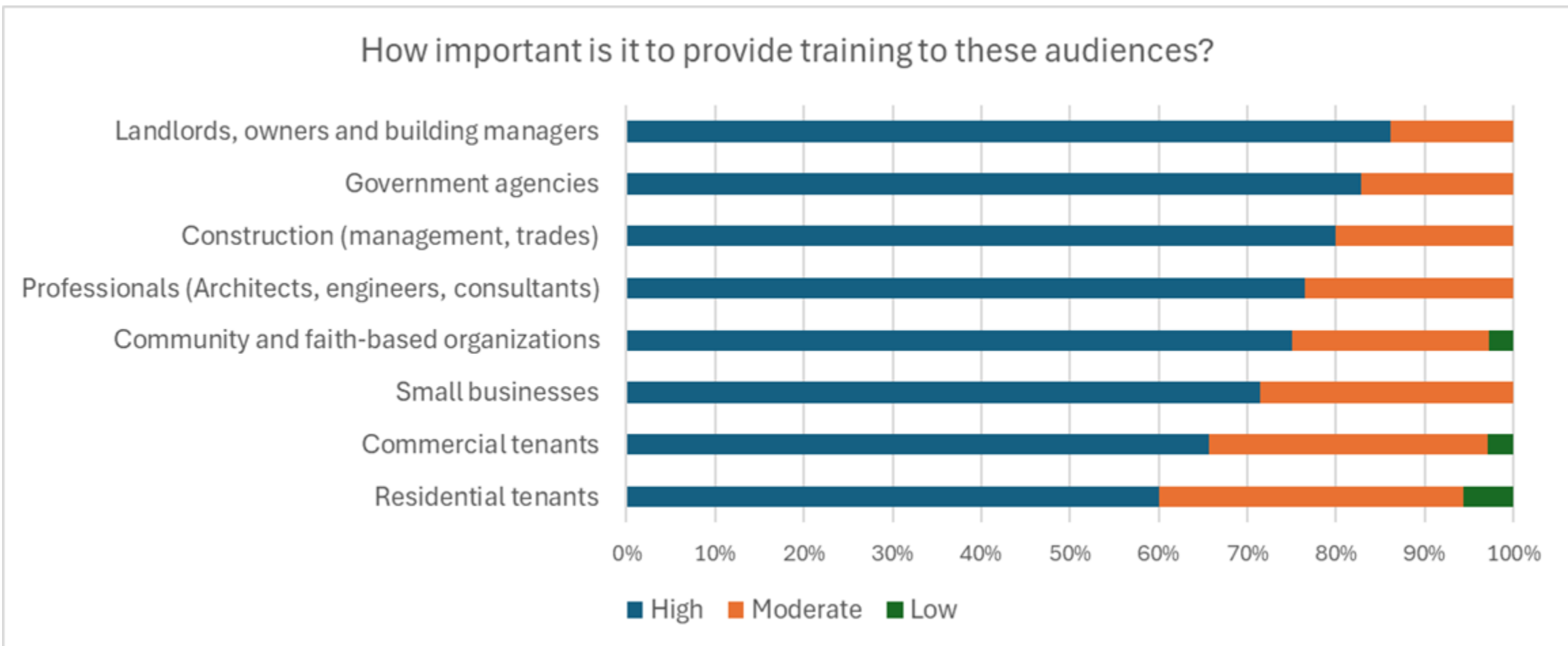
- The top barrier to building decarbonization was financial - high costs, limited funding, and long payback periods - followed by knowledge and awareness.

What are the top barriers to advancing energy efficiency?



Survey Results, Continued

- The most important audiences for training were landlords, property owners and building managers, followed by government agencies and contractors in the construction trades.



Stakeholder Interviews

- City of Milwaukee Department of City Development (DCD)
- Fix Development
- Redevelopment Authority of the City of Milwaukee (RACM)
- Housing Authority of the City of Milwaukee (HACM)/Travaux
- Habitat for Humanity
- Scott Crawford Inc.
- Ramboll
- Milwaukee Public Schools
- Northwest Side Community Development Corp.
- Center Street BID
- Greater Milwaukee Foundation
- Quorum Architects
- The Corridor Corp



Photo Credit: Eppstein Uhen Architects, Inc.

Stakeholder Interviews, Continued

Interview findings included:

- Many stakeholders knew of energy efficiency, renewable energy and net-zero measures but noted that they would reach out to trusted partners for more information
- The need for information before beginning a project (to be fully aware of costs, O&M and any staff training needed) was mentioned as a need
- Developers often take advantage of PACE financing, TIDs, Focus on Energy (state rebate program), Brew City Match, and the City's STRONG Homes loan program
- Limitations and challenges:
 - Dealing with a ten year old building code with 2015 references
 - Challenges working with We Energies and its interconnection policies
 - The cost for organizations to build a house in Milwaukee is more than what it can be sold for
 - Both real and perceived issues associated with how easy it is to understand and ultimately utilize existing programs; i.e. red tape, overly complicated criteria, need for technical expertise, being able to figure out eligibility, etc.

Stakeholder Quotes

“The biggest barriers to achieving energy upgrades include (1) **Funding**: basic access to capital is always more difficult in communities with larger financial barriers, so getting any projects done in [Milwaukee] is a challenge - let alone projects that improve the environment. A way to help solve this is by creating targeting funding to areas of greatest need; and (2) **Perception**: this work is often perceived as "extra" and expensive - in fact, both are often true, but not always. A way to combat this would be not merely by education - but better would be by "showing" examples. Actually execute projects and then provide informative tours, presentations and "how-to" sessions to encourage replication.” (MKE Developer)

“One of the challenges we have is financing projects – whether single family or multi unit affordable housing – because of the market rate for houses in Milwaukee compared to construction costs.” (Local Government)

“Knowing more about the challenges of any energy upgrades would be helpful, such as what are the long term costs of these upgrades, would there be any increased utility bills for LIDAC communities if there were electrification upgrades, or what is the cost of O&M.” (Affordable Housing Agency)

“Make it [GGRF funding] as simple as possible for people who are using the funds; include wraparound services & education.” (MKE Developer)

Existing Training and Resource Landscape

Strengths	Weaknesses
<ul style="list-style-type: none">• Entry-level workforce training for green infrastructure and stormwater management jobs	<ul style="list-style-type: none">• Trainings exist around energy efficiency and renewable energy in Milwaukee, but are primarily focused on apprenticeship pathways
<ul style="list-style-type: none">• Mainly utility/public sector funded training programs	<ul style="list-style-type: none">• Few in-person trainings for solar and energy efficiency locally offered in Milwaukee
	<ul style="list-style-type: none">• Professionals don't always know who to turn to for information on energy efficiency and sustainability

- Key Takeaways
 - The trainings focused on energy efficiency and renewable energy are primary focused on union jobs
 - There are few local opportunities for trainings in the Milwaukee area
 - There are a lack of trained professionals to both install and maintain systems

Example Project: Clock Shadow Building

Standing on the site of a former junkyard, the Clock Shadow Building is an innovative real estate and community development project that pushes the envelope for sustainability, design, social equity, and local economic development in Milwaukee

- Four-story commercial building of approx. 30,000 sq ft in Milwaukee's historic Walker's Point neighborhood
- Project includes:
 - The nation's first regenerative elevator
 - Milwaukee's first commercial application rainwater harvesting system for flushing toilets
 - A green roof complete with garden beds that provide fresh produce for the community
 - Use of salvaged materials, including cream city brick, reclaimed wood siding and pickle vats, and steel panels that were incorporated into the design of the exterior
 - Development of a former brownfield site
 - Utilizes a geothermal heat pump system to supplement the building's HVAC system and improve energy efficiency
- Project was funded primarily by equity investors



Source: Fix Development

Recommendations



Recommendations Outline

Recommendations are designed to support the overall climate finance ecosystem in the Milwaukee region:

- Project pipeline: provide funding and financing support to overcome the cost challenges of new construction in Milwaukee
- Policy solutions: leverage citywide efforts around the Climate & Equity Plan, and push for changes at the utility to enable clean energy development
- Training and resource delivery: coordinate training and technical assistance across sectors, with focus on basic education about building decarbonization and associated funding and financing
- Market coordination: host Green Lending Summit for Milwaukee area lenders and developers, with City as key partner

Project Pipeline

- Stakeholders ready to lead: Scott Crawford, Fix Development, Gorman & Company, Dominion Properties LLC
- Community organizations: Northwest Side CDC, Walnut Way, VIA CDC, Community Development Alliance
- Government: City of Milwaukee, MMSD, BIDs
- Lenders: Summit Credit Union, Self-Help Credit Union, WWBIC, CDFIs
- Overall challenge: in many parts of Milwaukee, construction costs exceed plausible sales costs, which means supplemental funding is needed to make developments pencil out



Source: Milwaukee Journal Sentinel

Policy Solutions

- Advocate for the State to upgrade commercial and residential building codes to the most recent International Energy Conservation Code (IECC) standards and ASHRAE Standards 90.1 without amendments
- Incentivize equity-focused energy and EV infrastructure upgrades by the City, State and Utility
- Advance anti-displacement protections within the City
- Pursue net metering, interconnection, solar & storage, and community solar policy changes for We Energies with the Public Service Commission



Photo Credit: NRDC



Photo Credit: Layton Boulevard West Neighbors

Training and Resource Needs

- Technical assistance for grant navigation
- Green construction
- Energy auditing
- Solar installation
- HVAC
- Community outreach skills for CBOs
- Priority is 101 Level Training

	Target Audience	Delivery Org	Reason
Case Studies	Landlords Owners Building Managers Construction Firms Design Consultants Government	Slipstream Focus on Energy City of Milwaukee PACE Wisconsin	Case studies needed particularly on commercial building projects
Webinars & In-Person Events	Landlords Owners Building Managers Construction Firms Design Consultants	Slipstream Office of Sustainability & Clean Energy Faith-based Organizations AIA BOMA USGBC	Fill knowledge gaps in the region on building electrification, renewable energy, and energy efficiency

Training and Resource Delivery

- Providers:
 - MATC, MREA, W RTP | Big Step, Slipstream
- Audiences:
 - General public, contractors, youth
- Delivery methods:
 - In-person, online, pre-apprenticeships
- Training Partners
 - The City of Milwaukee
 - Architects and Design Professionals
 - Milwaukee area CDFIs



Photo Credit: Milwaukee Environmental Youth Collaborative



Photo Credit: Midwest Renewable Energy Association

Market Coordination

- The organization cited most frequently as the best group to bring stakeholders together around GGRF was the City of Milwaukee (DCD, RACM, ECO)
 - The City of Milwaukee would be the best choice for convening developers and funders around a GGRF Green Lending Summit



Photo Credit: Milwaukee Independent



Photo Credit: Urban Milwaukee



Photo Credit: OnMilwaukee.com

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