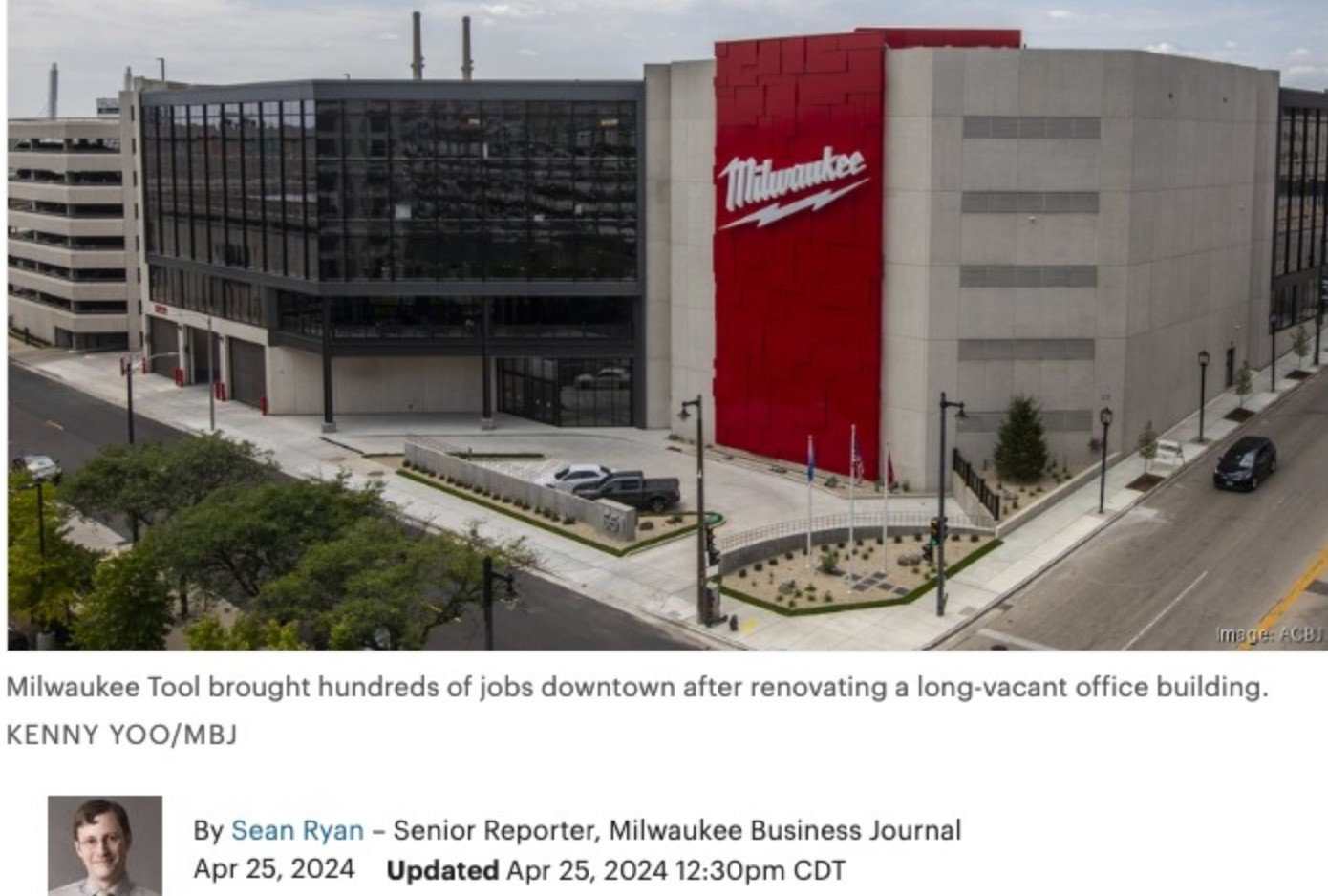


< REAL ESTATE AWARDS

Commercial Real Estate > Real Estate Awards

Milwaukee Tool's downtown office named Milwaukee Business Journal's Real Estate Awards Project of the Year

Project of the Year/Best Renovation – Office



Milwaukee Tool brought hundreds of jobs downtown after renovating a long-vacant office building. KENNY YOO/MBJ



By Sean Ryan – Senior Reporter, Milwaukee Business Journal
Apr 25, 2024 **Updated** Apr 25, 2024 12:30pm CDT

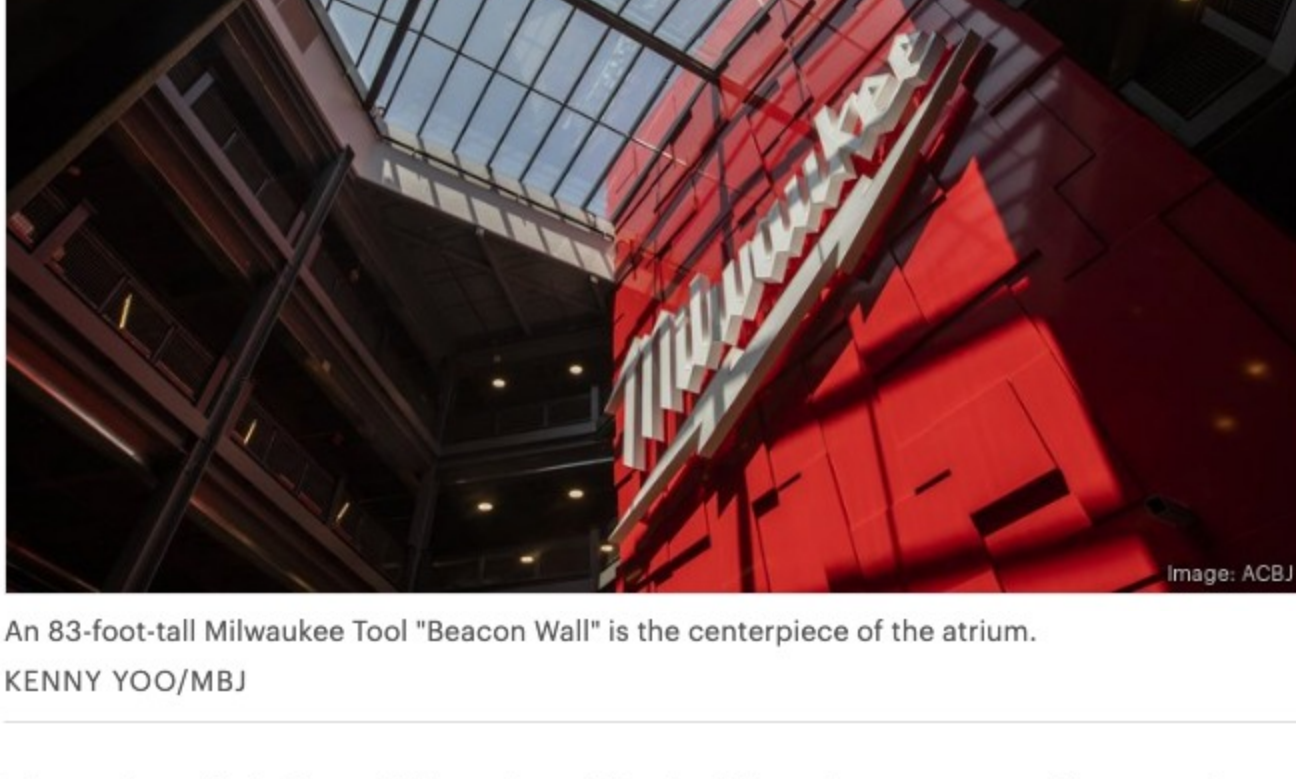
Listen to this article 6 min

The metaphor is used a lot for Milwaukee Tool's [renovation of a vacant downtown office building](#). The project was like building an airplane while it was flying.

The metaphor doesn't go far enough. It all had to be done amid a global pandemic that made it harder to meet in person and made ordering materials more challenging. Parts of the plane were broken, but builders didn't know which until after takeoff. New people boarded throughout the flight and couldn't be disturbed by the sound of ongoing work.

"That's why we're all in this business; it's fun to do things together," said Kurt Theune, vice president and general manager of lead contractor Mortenson.

"You couple that with the speed and the just-in-time design that this project had, and that's what made it super unique."



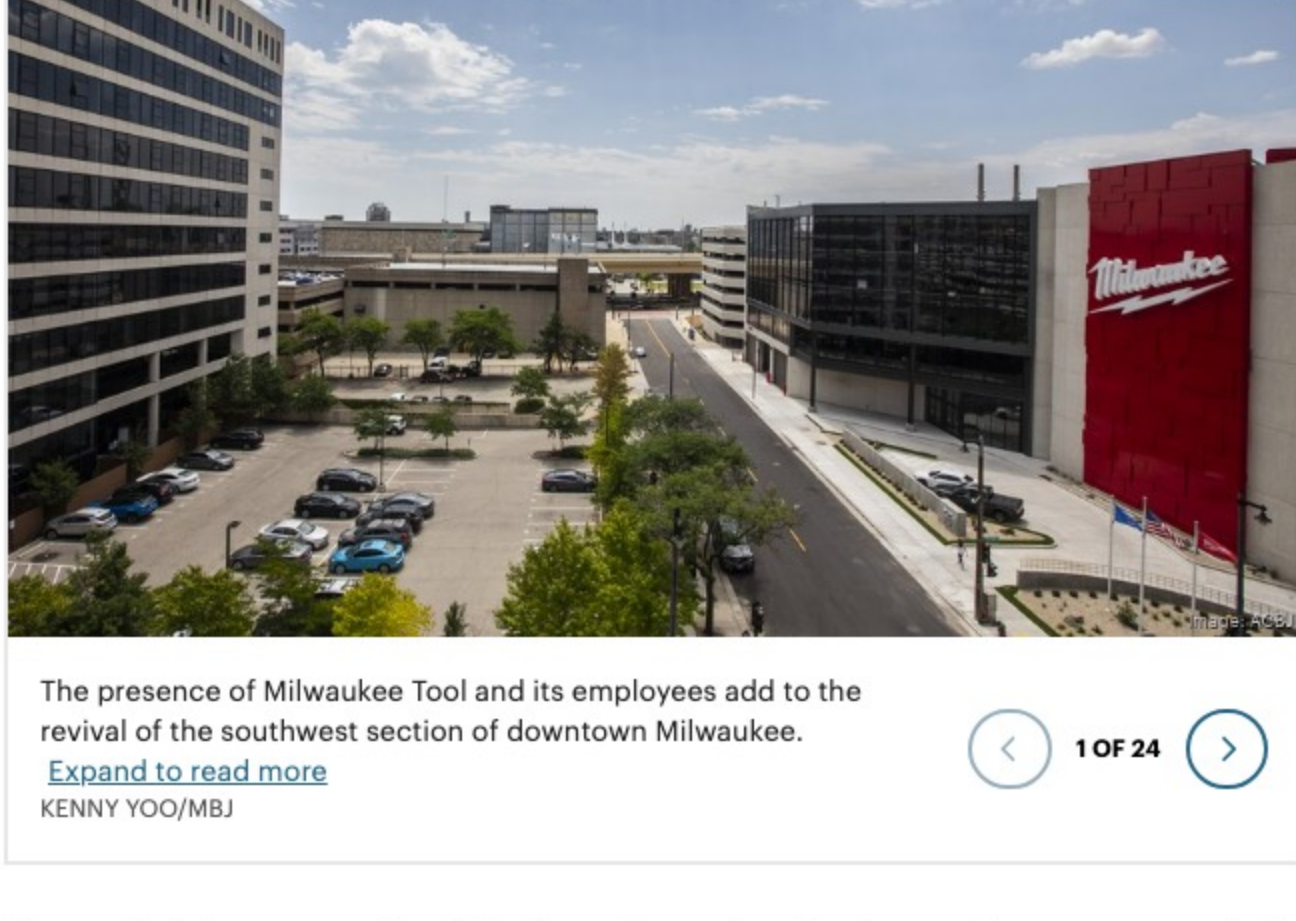
An 83-foot-tall Milwaukee Tool "Beacon Wall" is the centerpiece of the atrium. KENNY YOO/MBJ

The end result is that a Milwaukee office building that sat empty for several years now houses more than 900 jobs, with more than 1,200 expected in total over time. The pace of Milwaukee Tool's job growth in southeast Wisconsin drove the need for its project, dubbed "Red Beacon," to move swiftly.

Milwaukee Tool has its headquarters offices in Brookfield and a [campus of land for new buildings in Menomonee Falls](#). But the pressure to hire more talent meant there wasn't enough time to develop a new office building from the ground up.

Jeremy Ferch, senior vice president of business operations, said Milwaukee Tool has added 1,500 jobs in the last three years in southeast Wisconsin. It needs seats for those people, Ferch said.

Ferch and Milwaukee Tool started a site search and looked downtown because a survey found its younger current employees were largely living in that area. It looked at 22 buildings in the downtown area and in March 2021 decided to pursue the [long-vacant former Assurant Health building](#).



The presence of Milwaukee Tool and its employees add to the revival of the southwest section of downtown Milwaukee. [Expand to read more](#)

KENNY YOO/MBJ

The project team moved swiftly from there. An offer to purchase was accepted by the end of March and closed in May. Work started immediately to remove the 2,000 cubicles on the building's interior. Mortenson was selected as the general contractor June 15 and by Aug. 1 was working on site. To achieve in months what usually takes more than a year, Milwaukee Tool began designing the building rehab before owning it, and it sought contractors at the same time.

"We had drawings being run while we were still trying to secure the building," Ferch said. "We're not going to spend three years thinking about what it needs to be. We're going to start building it, and as we're going, we're going to start making changes we know are the best for what the building needs to be."

The decision to cut a broad atrium through the center of the building came later. Called "The Hive," that space means people on different floors can all see each other as they go about their workday, said Tim Brasher, senior vice president of brand marketing. It also has a large row of stadium-style seating for meetings.

The first office workers started moving into the building in February 2022, while parts were still under construction. Crews were still cutting out sections of concrete floor to create The Hive during off hours.

There were some unexpected challenges.

For example, the parking deck's concrete structure relies on a system of structural steel cables that are hidden from sight. More than 180 of about 1,000 structural cables were cut and paved over by maintenance contractors working for a previous owner. When Milwaukee Tool discovered the issue, it had to replace them, and it used the process as a training exercise for city building inspectors, Ferch said.

The roof also needed a complete replacement.

The project was complete in summer 2023. Located there are business units handling engineering, industrial design and product management for hand tools, lighting, lifestyle, vacuums and lasers. There are also marketing, manufacturing and supply chain operations.

The company recruits across more than 50 U.S. college campuses and designed its Red Beacon to attract that talent that could otherwise go to companies such as Google.

"This is a big draw for us, to be able to help establish Milwaukee as a credible destination for some really tough jobs that are hard to attract to the Midwest," Brasher said. "In 2007 when I joined, I think we had less than 10 electrical engineers in the company. We literally have hundreds of them today."

The finished building has drawn attention for its large red sign that has become a selfie spot for people visiting the nearby downtown convention center. But there's more subtle detail as well.

Milwaukee Tool picked the address number for its building on the 500 block of North Fifth Street. It chose 551 to commemorate Milwaukee Tool's invention of the Sawzall in 1951. The laser-cut steel "Milwaukee Tool" sign in its lobby weighs 12,000 pounds, including the dot on the "i" that weighs 60 pounds on its own. Elevator cabs have different interior designs commemorating different construction trades.

The building also proudly displays its inner workings and the craft that goes into electrical, plumbing and ventilation systems that are often hidden behind drop ceilings. Visitors looking up can see welded steel structural beams and stainless steel conduits running symmetrical routes just under the ceiling.

"Here, we had an opportunity to really highlight all of the different trades and leave that exposed," Theune said. "There was a much higher degree of focus and diligence about routing and finishes for things that normally you wouldn't see."

The approach brought out a sense of pride for project subcontractors whose work is usually hidden from view, Brasher said. It's there to be seen during the almost 300 annual tours Milwaukee Tool hosts for its users, including other contractors.

"Our intent around it is to use that as a piece of artwork to celebrate the trades," Brasher said.

PROJECT CREDITS

- Owner/developer: Milwaukee Tool
- General contractor: Mortenson
- Architect: Stephen Perry Smith Architects
- Engineers: Graef, main building engineer; ZS LLC, parking structure engineer; IBC Engineering, mechanical
- Lead finance: Self-financed
- Lead legal counsel: Reinhart Boerner Van Deuren SC
- Completion: June 2023
- Project cost: \$40 million

RELATED ARTICLES

- [Milwaukee Tool helped drive downtown Milwaukee momentum](#)
- [Employers like Fiserv drawn to downtown Milwaukee's momentum](#)
- [See the Milwaukee Business Journal's 2024 Real Estate Award winners](#)
- [Milwaukee Downtown BID honors Milwaukee Tool, Lupi & Iris: Slideshow](#)
- [Milwaukee Tool unveils new downtown offices: Slideshow](#)

MORE FOR YOU

More >

MORE FOR YOU

More >

MORE FOR YOU

More >

MORE FOR YOU

More >