

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE
REGULAR MEETING
NOVEMBER 15, 2007**

MINUTES

The Redevelopment Authority of the City of Milwaukee held a regular meeting at 1:30 p.m. in the 1st Floor Board Room, 809 North Broadway, Milwaukee, Wisconsin.

MEMBERS PRESENT: Commissioner Kathryn M. West, Chair
Commissioner Robert B. Rondini, Vice Chair
Commissioner Kenneth L. Johnson
Commissioner Alderman Willie Wade
Commissioner Sernorma Mitchell
Commissioner Lois A. Smith
Commissioner Bill Schwartz

ALSO IN ATTENDANCE: Elaine Miller, Special Designee to the Executive Director-Secretary

After the Pledge of Allegiance and Roll Call, The Chair asked for a motion to adopt the Minutes of the October 18, 2007 meeting. Hearing no corrections or objection, the minutes were adopted by consent.

Ms. Miller reported that the public hearings for the blight designations and property acquisitions required certified letters to the property owners 20 days in advance of the hearing, unless the property owner waived its right to receive such notice. The City of Milwaukee waived its right to the statutory notice. Two of the blight designation hearings would concurrently address the disposition of the properties and Class 2 Notices for such conveyances were published in The Daily Reporter on November 1, 2007 and November 8, 2007.

Item 1, Public Hearing

Resolution approving the blight designation and acquisition of the privately owned property at 3916 West Lisbon Avenue and the City-owned property at 3910 West Lisbon Avenue and authorizing subsequent conveyance to United Methodist Children's Services of Wisconsin, Inc. for housing development. (15th Aldermanic District; submitted by Real Estate)

Dwayne Edwards of the Real Estate staff presented the item and stated that these acquisitions and redevelopment by United Methodist Children's Services will add vitality to the Washington Park neighborhood. He also stated how the properties meet the statutory blight definition. Funding for the acquisitions will be provided by Block Grant funds and the redevelopment will be funded through the WHEDA tax credit program and through a local bank. The project will be a mixed-use development with 24 affordable housing units and 10,000 square feet of community space at a cost of about \$6.57 million. Teig Whaley-Smith of Community Development Associates, representing the buyer, explained that the building addition will provide permanent housing to families in UMCS's target market. He said that UMCS is confident that they will be approved for the housing tax credits and that the application will be submitted to WHEDA in February once they gain site control.

Commissioner Johnson moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 9964.

Item 2, Public Hearing

Resolution approving the blight designation and acquisition of the privately owned property at 2736-38 North 26th Street and the adjacent City-owned properties and authorizing subsequent conveyance to United Christian Church, Inc., or assigns, for housing development. (7th Aldermanic District; submitted by Real Estate)

Dwayne Edwards of the Real Estate staff that the Authority would acquire one private lot that met the statutory definition of blight and the surrounding City lots to provide 22 to 24 scattered site, affordable housing units. The housing will be developed by the church, which has been in the neighborhood for over 30 years. The cost for the project is \$4.4 million. Teig Whaley-Smith, Community Development Associates, represented the buyer at the hearing. He explained how the church was taking a campus approach to development with the first phase being United House, a special needs housing effort at 25th & Center.

Commissioner Wade highlighted many enhancements to the neighborhood that represented \$30-\$35 million investment and were the result of collaboration of the City, County and neighborhood partners. Phyllis Woolford, a neighborhood resident, asked about the use of Emerging Business Enterprises and residential preference for employment for project. Commissioner Wade explained that the EBE program was not race based, but the City would study the program in the future. Mr. Smith explained that WHEDA's has a 20% EBE requirement, but his experience has been about 35% to 45% EBE use on other tax-credit projects because of developer demand. The developer will host an open house for potential subcontractors.

Commissioner Wade moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 9965.

Item 3, Public Hearing

Resolution approving the blight designation and acquisition of the privately owned properties at 2211 West Wells Street, 326 East Center Street and 1638-40 North 31st Street and of the adjacent City-owned lots. (4th, 6th & 15th Aldermanic District; submitted by Real Estate)

Dwayne Edwards of the Real Estate staff presented details on each property to be acquired, how the lots qualify as blighted and that acquisition will allow assemblage with City-owned property to allow future development. The private acquisitions would be funded with Block Grant funds.

Alvin Eisenberg, owner of 2211 West Wells Street, stated his objection to the acquisition. He does not feel the project qualified for the blight designation and should not be singled out for acquisition. Commissioner Wade made mention of the need to contact his respective alderman on his concerns. Commissioner Smith raised a question about the other two parcels and future plans for them. Mr. Edwards stated that some inquiries had been made and that he was hopeful to make them marketable to developers.

Commissioner Johnson moved for adoption of the resolution and it carried by a vote of 4 ayes - 1 nays with abstentions by Commissioners Wade and Rondini. Adopted resolution is No. 9966.

Item 4, Regular Business

Resolution authorizing the issuance of Redevelopment Revenue Bonds for Wisconsin Community Services, Inc. for the property at 3716-34 West Wisconsin Avenue. (15th Aldermanic District; submitted by Economic Development)

Jim Scherer of the Economic Development team stated that this project was discussed at the October RACM meeting. This is now the final resolution to authorize \$1.7 million in

bond financing to refinance the debt for the building redevelopment. The Authority is not guaranteeing the bonds, but is acting as a conduit for a low interest rate.

Commissioner Johnson moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 9967.

Item 5, Regular Business

Presentation of the Northwest Side Area Plan. (1st, 2nd, 5th & 9th Aldermanic District; submitted by Planning)

Maria Pandazi of the Planning Staff briefly introduced the comprehensive planning process. The northwest side includes some redevelopment project areas and tax incremental districts so the Authority assisted in funding the planning process. She then gave a presentation of the plans. Chair West mentioned that she would have liked to review the full plan and not just the summary in advance of the presentation. Ms. Pansazi said in the future, advance copies of the full plan would be provided or the plans will be posted on our website and the commissioners would be provided with a link to the full plan.

Item 6, Administration

2006 audited financial statements. (Submitted by Budget & Administration)

Tom Croasdaile of the Budget & Administration section introduced the auditors, Steve Henke, CPA, and John Knoepel, CPA, from Virchow Krause. Mr. Knoepel presented the general financial position and indicated an unqualified opinion will be issued. Mr. Henke discussed audit details and indicated some delay was encountered due to changes in accounting practices that did not allow the auditors to prepare financial statements.

Mr. Croasdaile discussed internal changes to address changes in audit practices such as bringing a CPA onto RACM staff to prepare financial statements in the future. Staff is also reconciling acquisition and sale expenditures at the time properties are sold. Staff is also developing policies that will be presented with the budget for a loan loss reserve and for investments.

The 2006 financial statements were then accepted by the Authority.

ADJOURNMENT

There being no further business to come before the Authority, a motion was made by Commissioner Johnson to schedule the next regular meeting and the annual meeting for **December 13, 2007**, at 1:30 P.M. The meeting will be held off-site on the Milwaukee Intermodal Station (former Amtrak Station), 433 West St. Paul Avenue, Suite 300, Milwaukee, Wisconsin, and, to adjourn. The motion carried without objection.



David P. Misky
Assistant Executive Director-Secretary

NOTE: A verbatim transcript of the public hearing is incorporated and made a part hereof by reference as if fully set forth herein. A copy is available upon request.