

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE
REGULAR MEETING
AUGUST 20, 2009**

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 Robert B. Rondini, Chair
Commissioner Lois A. Smith, Vice Chair
Commissioner Kenneth L. Johnson
Commissioner Bill Schwartz
Commissioner Nancy Hernandez

MEMBERS EXCUSED: Commissioner Kathryn M. West
Commissioner Alderman Willie C. Wade

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

After the Pledge of Allegiance and Roll Call, The Chair asked for a motion to adopt the Minutes of the July 14, 2009 meeting. Hearing no corrections or objection, the minutes were adopted by consent.

Ms. Miller reported that for the public hearing on the proposed tax incremental financing district, Class 2 notices were published in The Daily Reporter on August 6 and August 13, 2009, written notification was sent to the taxing jurisdictions prior to publication of the hearing notice and letters were sent to the property owners within the project boundary before the 15-day notice requirement. For hearings on blight designations, property owners were provided with the statutory 20-day notice, unless such notice was waived in writing.

Item 1, Public Hearing

Resolution approving the boundaries and Project Plan for the Reed Street Yards Tax Incremental Financing District. (12th Aldermanic District; submitted by Economic Development)

Dan Casanova introduced the proposal for a City-initiated office and business park that would focus on water-related businesses generally in the area between South 3rd and 6th Streets between the Menomonee River and West Florida Street. The \$6.4 million TID would be used for public improvements, extraordinary site costs and a fund to draw companies to the site. He also presented a revised feasibility study by S.B. Friedman & Company.

Peggy Coakley, owner of Coakley Moving & Storage, spoke and advocated that the boundary be expanded to include her property on the 6th & Virginia roundabout to facilitate future redevelopment. The chair responded that the plan could be amended in the future.

Randy Ness, owner of 193 South 2nd and president of the 5th Ward Association, spoke in support of the TID if the project stays true to the Near South Plan, ensures continuity of

the Riverwalk and provides adequate parking. Staff assured him that the TID extends on both sides of 6th Street and would provide a connection to the Hank Aaron Trail.

Michael Weiss of General Capital, project developer, said the TID is the first step in the project. They would then start marketing the project and have identified 120 water-related companies as the starting point.

In response to commissioner questions, Mr. Casanova stated the project would have 70% requirement for water-related businesses, restrictive covenants for an 8-year period, but with some latitude by the Executive Director. The subsidy/technology grant would provide extra support for marketing. He also stated staff was looking for ways to remove barriers to the densely populated areas across 6th Street and to connect to the neighborhood.

Commissioner Johnson moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10117.

Item 2, Public Hearing

Resolution designating property located at 716 East Clybourn Street as blighted and in need of substantial rehabilitation for purposes of providing financial assistance for redevelopment and borrowing purposes. (4th Aldermanic District; submitted by Economic Development)

Jim Scherer presented the finding of blight for the U.S. Bank parking structure. He also presented the proposed new structure and addressed how the project would incorporate greenspace.

Commissioner Johnson moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10118.

Item 3, Regular Business

Resolution relative to the amendment to the loan for the Ivory Retail/Office project at 555 North Plankinton Avenue and 101 West Wisconsin Avenue. (4th Aldermanic District; submitted by Economic Development)

Jim Scherer explained that it may be necessary to modify the Authority's loan for the retail component of the project as a condition of the bank renewal of the primary financing. If the actual terms need amending, the Authority will be notified of the changes.

Commissioner Smith moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10119.

Item 4, Regular Business

Resolution approving Grant Agreement with the City of Milwaukee for Tax Incremental District No. 71 (Mitchell Street/Modjeska Theater Project). (12th Aldermanic District; submitted by Economic Development)

Mr. Scherer presented the resolution and explained how funds would be used for emergency repairs to the Modjeska's roof and restaurant. The total grant is \$200,000. In response to commissioner questions, Mr. Scherer explained the theater is part of the Mitchell Street Historic District and if the building is demolished or converted to alternate use, the grant included a recapture provision.

Commissioner Hernandez moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10120.

Item 5, Regular Business

Resolution approving a Riverwalk Development Agreement with Schlitz Rivercenter, LLC and the City of Milwaukee to share in total eligible costs of constructing the Riverwalk adjoining the property at 1555 North Rivercenter Drive. (3rd Aldermanic District; submitted by Economic Development)

Alyssa Remington presented the resolution to facilitate reconstruction of the RiverWalk adjacent Schlitz Rivercenter to bring it up to code and to provide a public access easement. The item also authorizes a TID loan to cover the BID/owner costs. If the BID is not created, no loan would be made. An 18% EBE participation would be required. Ms. Remington also explained the proposed BID boundary is primarily the Rivercenter area from King Drive to the River.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10121.

Item 6, Regular Business

Resolution amending the terms of a note for \$425,000 to the Metcalfe Park Home Owner Initiative funded through Tax Incremental District #66. (15th Aldermanic District; submitted by Economic Development)

Maria Prioletta explained that in 2006, the Authority approved the TID note to support housing in the Metcalfe Park neighborhood by Gorman & Associates and the Milwaukee Urban League. She explained that 30 homes were constructed, but the developer experienced cost overruns due to such items as foundation problems and contractor issues. To cover the increased costs, the maturity date of the note needs to be extended to increase home values when they are sold after the 15-year required rental period.

Commissioner Smith moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10122.

Item 7, Regular Business

Resolution authorizing an Offer to Sell with the Federal Deposit Insurance Corporation as receiver for Indymac Bank for the property at 3525 North 1st Street. (6th Aldermanic District; submitted by Real Estate)

Elaine Miller presented a summary of the offer to acquire a property from the FDIC. The house had been foreclosed by a bank that was taken over by the FDIC. Given the difficulty in dealing with the FDIC, staff needs to move quickly to acquire this blighting property according to FDIC's conditions.

Commissioner Johnson moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10123.

Item 8, Regular Business

Resolution approving and authorizing the solicitation of proposals and entering into a contract for audit services. (submitted by Budget)

Sandy Rotar presented the authorization of a Request for Proposal for a new 3-year contract for audit services. The Authority is required to present audited financial statements to the City by June 30th of each year. 2008 was the last audit for the prior contractor. This contract would be for fiscal years 2009, 2010 and 2011.

Commissioner Smith moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10124.

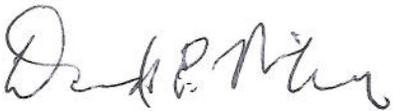
Item 9, Administration

Presentation of RACM Budget update. (submitted by Budget)

Joe'Mar Hooper presented the mid-year update of the 2009 RACM budget. He explained some expenditures were ahead of budget due to the acquisition of the Holocaust Museum, but would be repaid through the TID. RACM has benefited from increased revenue from property sales. One item with unspent amounts was Spot Acquisitions, but additional properties have been identified for acquisition, but have not closed. RACM has also been very successful in obtaining brownfield grants and has not needed to use its appropriation.

ADJOURNMENT

There being no further business to come before the Authority, a motion was made by Commissioner Johnson to schedule the next regular meeting for **September 17, 2009**, at 1:30 P.M., 1st Floor Board Room, 809 North Broadway, 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.