

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE
REGULAR MEETING
APRIL 18, 2013**

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 Bill Schwartz, Chair
 Commissioner Lois A. Smith, Vice Chair
 Commissioner Kathryn M. West
 Commissioner Alderman Willie C. Wade
 Commissioner Robert B. Rondini
 Commissioner Jose Galvan

MEMBERS EXCUSED: Commissioner Frances Hardrick

ALSO IN ATTENDANCE: David P. Misky, Assistant Executive Director-Secretary

After the Pledge of Allegiance and Roll Call, The Chair asked for a motion to adopt the Minutes of the March 21, 2013 meeting. Hearing no corrections or objection, the minutes were adopted by consensus.

Mr. Misky reported that for today's two public hearings regarding a Project Plan and a Project Plan Amendment, the required Class II notices were published in the Daily Reporter on April 4th and April 11th. As required by Statute, written notification was sent to the taxing jurisdictions prior to publication of these hearing notices.

Item 1, Public Hearing

Resolution approving the Second Amendment to Project Plan for Tax Incremental Financing District No. 53 (Menomonee Valley Business Park). (8th Aldermanic District; submitted by Real Estate)

David Misky, Assistant Executive Director of the Authority, provided an overview of the project area to the Board and described the creation of the TID in 2003-04 and the first amendment which was approved in 2011. The centerpiece of the original TID was the redevelopment of the former Milwaukee Road Shops property into the Menomonee Valley Industrial Center and Community Park. The Authority has approved the sale to 8 businesses totalling over 1,200 jobs. Three sites remain unsold but we have interested groups for each of them. Approximately 100,000 cubic yards of surcharge (piles of dirt) are placed on the three parcels to provide the settlement needed for future building construction. Additionally, some additional environmental issues remain including soil capping and groundwater investigation.

The resolution is to amend TID-53 to provide an additional \$1.3 million of increment to fund the remaining geotechnical and environmental issues on the site. The amendment would increase the length of the TID by 2 years but would still be paid back in 25 years, within the 27-year State of Wisconsin requirement.

Chair Schwartz asked about the soccer fields in the middle of the business park. Mr. Misky stated it is a process in determining the best course of action to activate that space

whether it be with MPS, the County, a soccer club and that we are still working on the right course of action. Chair Schwartz then asked about capping the Airline Yards park. It has been completed to a large degree but additional grading is required in 2013 with final seeding.

Chair Schwartz and Commissioner Wade asked for clarification on the Department of Revenue's error on assessing the industrial properties a few years ago. The State undervalued the properties causing the payback of the TID to be lengthened. The State has since corrected the mistake and stabilized the TID payback period. For example, the overall value of the assessments was \$17 million in 2010 when it should have been closer to \$42 million but then assessed the properties to \$67 million in 2011 to make up for their mistake in 2010. The properties are currently valued at \$58 million.

Commissioner West moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10415.

Item 2, Public Hearing

Resolution approving a Project Plan for Tax Incremental Financing District No. 79 (North Water Street Riverwalk). (3rd Aldermanic District; submitted by Economic Development)

Alyssa Remington of the Economic Development team introduced the resolution for a Riverwalk TID. The riverwalk program has been in existence for 22 years and, when completed, will connect the former North Avenue Dam to the harbor (approximately 3 miles). This TID would be used to provide the City funding for a riverwalk at the undeveloped former Gallun Tannery and the property at 1887 N. Water Street, a 4-story, 87 unit apartment building. The \$16 million investment has ~315 linear feet of riverwalk.

According to City policy, the TID would contribute \$1.5 million to the project at 1887 N. Water Street which would be paid off in 10 years. Commissioner Wade asked if this was the last piece to North Avenue. Ms. Remington stated this is the last piece that does not have a TID associated with the property.

Chair Schwartz asked where the budgets for the estimates come from. Ms. Remington stated the budgets are set by the developers but the contribution is arrived at by combining the \$2,700/linear foot and the developer's budget. Commissioner Galvan asked about the staircase further upriver at Riverbridge and whether that has been addressed. Ms. Remington said the City is still looking into this issue.

Commissioner Smith moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10416.

Item 3, Regular Business

Resolution approving a Riverwalk Development Agreement among Tomich Riverfront Properties, LLC, the City of Milwaukee and the Redevelopment Authority of the City of Milwaukee to share in total eligible costs of constructing the Riverwalk adjoining the property at 1887 N Water Street, TID #79 (North Water Street). (3rd Aldermanic District; submitted by Economic Development)

Alyssa Remington of the Economic Development continued on with the development agreement discussion and introduced Ryan Schultz of HSI, the developer for the project at 1887 N. Water Street. Mr. Schultz stated this will be their 4th project in the City of Milwaukee including Derse, East Library, Junior Achievement, and Riverpoint (1887 N. Water Street). He discussed the history of the site and their role as the owner's representative. The challenge with the riverwalk connections to the Gallun and Riverbridge properties is due to the grade differentials. They intend to break ground in June or July with a 15-month construction time period.

Commissioner Wade asked about the possibility of a green roof. Mr. Schultz stated there will be a green area above the parking lot but that the cost of a green roof would not even provide a 50% payback. In addition, the building will be with precast construction that would not be suitable for the additional weight.

Commissioner West expressed concern over the density of this area with N. Water Street's ability to handle the increased traffic. Ms. Remington stated that Public Works has been at the table regarding density and believes the street can safely handle the increased traffic.

Commissioner Rondini moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10417.

Item 4, Presentation

Century City Overview (7th Aldermanic District; submitted by 30th Street Corridor)

Will be held over until either May or June to also include the human resources summary from Prism.

ADJOURNMENT

There being no further business to come before the Authority, a motion was made by Commissioner Rondini to schedule the next regular meeting for **May 16, 2013**, 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.