

**REDEVELOPMENT AUTHORITY  
OF THE CITY OF MILWAUKEE  
REGULAR MEETING  
FEBRUARY 20, 2014**

**MINUTES**

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The Redevelopment Authority of the City of Milwaukee held a regular meeting at 1:30 p.m. in the 1<sup>st</sup> 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  
Commissioner Frances Hardrick

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

After the Pledge of Allegiance and Roll Call, the Chair asked for a motion to adopt the Minutes of the January 16, 2014 meeting. Hearing no corrections or objection, the minutes were adopted by consensus.

Mr. Misky reported that for today's public hearing on a Project Plan Amendment, the required Class II notice was published in the Daily Reporter on February 6th and February 13th. As required by Statute, written notification was sent to the taxing jurisdictions prior to publication of the hearing notice.

**Item 1, Public Hearing**

Resolution approving Amendment No. 3 to the Project Plan for Tax Incremental District No. 37 (Grand Ave.). (4th Aldermanic District; submitted by Economic Development)

Executive Director Rocky Marcoux provided an overview by describing the Bon Ton Headquarters building and the Boston Store being one of the last remaining department stores in a downtown city in the US. This resolution is about keeping 750 jobs at this location with most of them being corporate jobs. The amendment provides a financial incentive for the company to stay through 2018. This commitment coincides with the momentum being generated on W. Wisconsin Avenue.

Chair Schwartz asked for clarity on the agreement particularly on the lease terms and if the City did not have a TID already in place. Jim Scherer of Economic Development stated the building is broken into 3 sections including the retail lease, the office lease, and the condo/apartment complex. The TID would be used as a tax credit for the retail space since it is losing money. If the company retains the job numbers for the entire operation, there would be a return of money to the company. Mr. Scherer also stated that if there was no available TID, the State of Wisconsin was willing to contribute something because of the corporate jobs. The owners of the building are also reducing their rent to incentivize the company. The TID funds (\$1.2 million) will be used by the company for in-store advertizing, marketing, etc.

Beth Werick of the Downtown BID spoke in support of the resolution that would allow the Boston Store to grow. The amended TID will positively impact the quality of life issues in the area and provide support for other economic development initiatives in the immediate area.

Commissioner West moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays with Commissioner Hardrick abstaining. Adopted resolution is No. 10465.

**Item 2, Regular Business**

Resolution authorizing the execution of a Pedestrian Walkway/Utility/Transformer/ Loading Dock Access Easement and a Right-of-Entry for an area adjacent to the Manpower Parking Structure and further authorizing the Assistant Executive Director to approve plans and specifications for modifications to the Manpower Parking Structure. (6th Aldermanic District; submitted by City Attorney's Office)

Tom Gartner of the City Attorney's Office reminded the Board of this item that was heard at the January 2014 meeting. The resolution was for an easement area from vacated N. 2nd Street to MLK Drive. The easement area would be used for a loading dock, a transformer pad, and a walkway. Gary Grunau, developer of the Schlitz Brewery, provided additional background for the request. Chair Schwartz asked if this easement area was the best place for a transformer to which Mr. Grunau replied that the generator needs to be in close proximity to the building since it serves as a backup power source for the new tenant's data center. The loading dock would be on the Brewery property and the transformer would be on the Authority's property. The walkway from the parking deck to the building would also provide a third access point to the new restaurant (fka Libiamos).

Chair Schwartz asked why the developer doesn't just buy the property since he believes the easement area has value. Mr. Grunau disagreed with Chair Schwartz on the value of the easement area and stated the easement area has no value to the current owner. Commissioner Galvan asked about fencing along the MLK Drive. Mr. Grunau stated there will be a secured fence along MLK Drive that will be accessed only by delivery trucks. Commissioner West asked about the new loading dock that will be used off of N. 2nd Street. Mr. Grunau responded that the dock with a canopy will be used for high-quality paper deliveries that require delivery under roof.

Commissioner Wade moved for adoption of the resolution and it carried by a vote of 5 ayes - 1 nays with Commissioner Schwartz in opposition. Adopted resolution is No. 10466.

**Item 3, Regular Business**

Resolution approving an easement with WE Energies at 748 North 27th Street. (4th Aldermanic District; submitted by Real Estate)

Dave Misky, Assistant Executive Director, reminded the Board of the recent acquisition of the property at 748 N. 27th from Milwaukee County. The current reconstruction of N. 27th has required WE Energies to relocate a power pole from the public right-of-way to the Authority property. The pole will be moved approximately 24 feet east to accommodate the road rebuild.

Commissioner West moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays with Commissioner Hardrick abstaining. Adopted resolution is No. 10467.

**Item 4, Regular Business**

Resolution authorizing the application to the U.S. Department of Commerce, Economic Development Administration for the Investing in Manufacturing Community Partnership designation. (City Wide; submitted by 30th Street Corridor)

Kein Burton, 30th Street Corridor Manager, introduced the Investing in Manufacturing Community Partnership program to the Board. Twelve manufacturing communities in the US will be designated as IMCP communities and, as the federal government appropriates funds through 10 federal agencies, will have priority for the funds. The EDA is the lead agency and they have been moving in this direction for ~1.5 years. Milwaukee has been preparing for this opportunity with an application that stresses workforce and economic

development. The EDA has requested that the Authority be the lead applicant that would grow economic production opportunities through our industry clusters and improve our workforce delivery systems. The main partners are the Water Council, M-WERC, Food and Beverage, MATC, MAWIB, and the Milwaukee-7.

Commissioner Galvan asked about the available funds to which Ms. Burton replied there are currently no funds available but, when the funds are appropriated, they will be available through the 10 federal agencies (DOT, EPA, DOL, EDA). Commissioner Wade asked about the number of other communities looking at this application. Ms. Burton stated she is unsure; however, the EDA has supported the Authority and Century City twice already and they have requested that the Authority be the lead applicant. Commissioner Wade followed that question with a statement of a Milwaukee contingency visiting Washington DC on March 8th and maybe his colleagues should discuss this with the federal delegation. Congresswoman Moore's office is already aware of the opportunity and is providing a letter of support.

Commissioner West asked about the program's timeline. The designation is for 4 years allowing the Authority to apply for funds or be a co-applicant with our partners. Commissioner Galvan wondered about local competition and if the Authority is missing any partners. Ms. Burton stated that it is unlikely there are other competitors in the State since this is a very challenging application and we have the main partners lined up already but the secondary partners are countless and will be brought to the team as opportunities arise.

Commissioner Rondini arrived during the presentation of this item.

Commissioner Smith moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10468.

#### **Item 5, Regular Business**

Resolution authorizing a Certificate of Completion to King Drive Commons IV, LLC properties in the vicinity of North Dr. Martin Luther King, Jr. Drive and West Hadley Street for development of the 4th phase King Drive Commons initiative . (6th Aldermanic District; submitted by Real Estate)

Matt Haessly of Real Estate provided the background for all phases of the King Commons projects since 2002 covering the area between N. 2nd and N. 6th and W. Hadley and W. Center. King Commons IV started in 2012 and involves the construction of 41 residential units. Mr. Todd Hutchison of Wisconsin Redevelopment and Impact 7 spoke on behalf of the development team. The \$10 million project included 6 residential units in a historic building and 35 units in duplexes, apartments, and single-family homes. The project attained 41% EBE and hired 14 local residents with 100% occupancy. The next phase of development may include the MEC Enterprise Building. Commissioner Wade asked about the older bus stop on the corner of the historic building to which Mr. Hutchison responded that a new bus stop would be a welcome addition.

Commissioner West moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10469.

#### **Item 6, Regular Business**

Resolution authorizing an amendment to a contract for unarmed security guard service at Century City. (7th Aldermanic District; submitted by Real Estate)

Benji Timm of Real Estate stated the current security guard contract is with G4S. There have been no major incidences to date and the company has achieved 40% RPP and 25% EBE. The company is also providing services to Talgo so it saves both contracting organizations money. Staff recommends approval of the contract extension not to exceed \$150,000 which is roughly 1/2 of the previous contract value. Commissioner Wade asked

what effect removing the fenceline and constructing the greenway may have on security to which Mr. Timm responded that there is a little buffer in the current scope of services to account for potential issues.

Commissioner Galvan moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10470.

**Item 7, Administration**

Resolution to approve amending the Procurement Policy and Procedural Manual for the Redevelopment Authority of the City of Milwaukee, pursuant to the attached amended language and as referenced herein. (submitted by Finance and Administration)

Scott Stange, Procurement and Compliance Manager for the Department, provided background on the changes to the City of Milwaukee's Small Business Enterprise Program over the past year. To reflect the recent changes to the City Ordinances in Chapters 360 and 370, staff is proposing an amendment to the procurement manual to follow the City's policy.

Commissioner West moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10471.

**ADJOURNMENT**

There being no further business to come before the Authority, a motion was made by Commissioner Galvan to schedule the next regular meeting for **March 20, 2014**, 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.