

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE
REGULAR MEETING
MAY 15, 2014**

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
 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 20, 2014 meeting. Hearing no corrections or objection, the minutes were adopted by consensus.

Mr. Misky reported that for today's three public hearings regarding approving a Project Plan boundary, authorizing a brownfield cleanup grant application and authorizing a property disposition, the required Class II notices were published in the Daily Reporter on May 1st and May 8th.

Item 1, Public Hearing

Resolution approving the boundaries and Project Plan for the Posner Building Tax Incremental Financing District. (4th Aldermanic District; submitted by Economic Development)

Dan Casanova of Economic Development introduced the tax incremental district for the former Posner building offering some history of the site. The majority of the property has been vacant for many years. The downtown plan was updated in 2010 recommending improvements to W. Wisconsin Avenue and encouraging conversion of Class B and C office space to apartments. HKS Development is proposing to construct 105 apartment units and 20,000 square feet of commercial space. The \$23.5 million project will be funded by Historic Tax Credits, WHEDA, and WEDC. The \$2.5 million TID will be developer-financed with 4.5% interest and a 17-year payback. The project includes 25% SBE and 40% RPP. The project will result in a \$42 million tax base, street activation, and landmark building restoration.

Commissioner Galvan asked about the SBE to which Joe Klein of HKS responded that the general contractor, KBS, is very familiar with the program and has met goals. Chair Schwartz asked about the exterior which will be glazed brick and terracota to meet Historic Tax Credit requirements. Parking will be addressed through 40 spots under the building and the rest from the City-owned structure next door. The developer has an NOI for a bar and is working with a half-dozen other potential retailers. HKS has completed recent projects in Milwaukee including Dwell in Bay View and the Global Water Center.

Steve Looft, the Executive Director of the Downtown BID and representative of WAMDC, spoke in support of the project. Commissioner Wade asked about the boundaries of the WAMDC to which Mr. Looft stated the boundaries are Wisconsin Avenue.

Commissioner Smith asked about the occupancy rates for apartments. Mr. Casanova responded that Boston Lofts, Library Hill, and others are very strong with others proposed. Chair Schwartz asked if the TIF boundary is beyond Posner to which Mr. Casanova stated the TID is specific to the development but could be amended.

Commissioner Rondini moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays with Commissioner Wade abstaining. Adopted resolution is No. 10479.

Item 2, Public Hearing

Resolution authorizing the preferred remedial cleanup action option at the 2055-63 North 30th Street site where an EPA Brownfield Cleanup Grant will be utilized for remediation. (15th Aldermanic District; submitted by Environmental Team)

Tory Kress of the Environmental Team provided the history of the site whereby the Redevelopment Authority acquired the property from the City in 2009. The site has numerous historical uses including 5 underground tanks that were removed in 2006. The Authority has not determined an end-use for the property; however, staff has had discussion with Growing Power and UW-Extension for a possible use for urban agriculture. The grant is nearing an end so staff is requesting approval to excavate the hot spots and cap the site prior to an identified end use. Following excavation, groundwater monitoring would be performed with site closure to follow.

Commissioner West moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10480.

Item 3, Public Hearing

Resolution authorizing an Offer to Purchase with Impact Milwaukee, LLC for the property at 2212 West Brown Street for use as greenspace for its adjoining property. (15th Aldermanic District; submitted by Real Estate)

Yves LaPierre of Real Estate introduced the item stating that Impact 7 is working on a scattered site initiative for 23 properties. The program is a lease-to-own initiative. To assist the program, the Redevelopment Authority is offering this vacant lot to create a larger yard space adjacent to one of the homes. Chair Schwartz asked about a landscape plan for the lot to which Mr. LaPierre responded by saying that the \$1 sale would involve a plan with a seeded lawn and foundation plantings. Commissioner West asked about restrictions on the land. Mr. LaPierre stated the two lots will be combined into 1 tax identification number and the deed will have a restriction not allowing the buyer to sell the vacant lot.

Commissioner Smith moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10481.

Item 4, Regular Business

Resolution authorizing entering into a Program Management and Administrative Services Agreement with the Milwaukee Economic Development Corporation (MEDC). (All Aldermanic Districts; submitted by Real Estate)

Dave Misky, Assistant Executive Director, described the relationship between the Redevelopment Authority and the Milwaukee Economic Development Corporation. Through formal agreements, the MEDC currently provides assistance on TID loans and the Brownfield Revolving Loan Funds for the Authority. A recent financial audit

recommended a third agreement between the two agencies for program management and general administrative services.

Commissioner Rondini moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10482.

Item 5, Regular Business

Resolution authorizing the application, acceptance, and funding of a grant for the Freshwater Way Permeable Pavement Project from the Fund for Lake Michigan. (12th Aldermanic District; submitted by Economic Development)

Dan Casanova of Economic Development introduced the item with some history of the Reed Street Yards project. The \$20,000 grant would provide pervious pavement from Span-Crete in the parking areas between S. 2nd and S. 3rd Streets. Commissioner Smith asked about the water feature/sculpture. Mr. Casanova stated the sculpture and riverwalk will open in June 2014. In addition, the Authority plans to bring an amendment to the board next month or two for additional infrastructure work.

Commissioner West moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays with Commissioner Galvan abstaining. Adopted resolution is No. 10483.

Item 6, Regular Business

Resolution authorizing License Agreements with Clever Sauce Creative, LLC for the property at 401-41 West Wisconsin Avenue for special events. (4th Aldermanic District; submitted by Economic Development)

Dan Casanova of Economic Development introduced the item. NEWaukee and the Greater Milwaukee Committee were awarded a national grant to install art pieces on the 4th and Wisconsin parcel and to host events on the 3rd Wednesday of each month which would activate the street. Jeremy Fojut of NEWaukee provided additional background for use of the art piece. The pavilion concept would allow live art, performances, and fashion shows. Chair Schwartz asked about the Indy Car event to which Mr. Fojut stated the Indy Car event would not be disrupted since it is earlier in the summer. This art piece is temporary and would be from July through October 31st. Commissioner Galvan asked about the plan for the other spaces on the lots. Mr. Fojut and his group are currently working on it. Commissioner Wade asked about music at the site. Mr. Fojut stated that plans are forming for several music events to occur on the site.

Commissioner West moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10484.

Item 7, Regular Business

Resolution authorizing an easement with Wisconsin Bell, Inc. -- AT&T at the 3024 and 3034 West Lisbon Avenue for temporary relocation of utility lines required for the Lisbon Bridge reconstruction. (15th Aldermanic District; submitted by Real Estate)

Dave Misky, Assistant Executive Director, provided background for the project. The City of Milwaukee and the State of Wisconsin are reconstructing the Lisbon Avenue bridge at N. 30th Street. The work interferes with the AT&T utility lines and a temporary easement is needed. The Authority owns property at 3024 and 3034 W. Lisbon where the utility lines could be relocated for the next two years. The easement area covers a width of 12 feet and is ~75 feet long. AT&T will manage any impacted soil that is encountered.

Commissioner Hardrick moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10485.

Item 8, Regular Business

Resolution authorizing a new contract for Investment Management Services. (submitted by Finance & Administration)

David Schroeder of the Authority's Finance group shared with the board that a "Request for Proposal" was issued recently with 5 respondents. A review committee made up of representatives from DCD, MEDC, Budget, Treasurer, and ERS selected US Bank as the firm to provide investment management services. Commissioner Rondini asked about the total investment that will be managed with Mr. Schroeder stating the total is \$5 million. Chair Schwartz asked about the fees. Mr. Schroeder responded that US Bank had the lowest fees at 0.1%. Commissioner Galvan asked about the duration of the contract with Mr. Stange from the Authority responding that the contract is for 3 years.

Commissioner Galvan moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10486.

Item 9, Regular Business

Resolution authorizing proper officials to enter into a contract for landscape maintenance services in the Menomonee Valley Industrial Center and Community Park. (8th Aldermanic District; submitted by Real Estate)

Scott Stange, Contracts Administrator, described the process of bidding out a scope of work for one contractor to take care of the MVIC stormwater park landscape area. The bid was broken into 8 unit costs with All Seasons Lawn Care and Landscaping Company submitting the lowest bid of \$22,325. This contract is a not to exceed amount for 1 year and two 1-year extensions. The contractor is an SBE and currently has a contract with DPW. The source of funds for the work is the stormwater fees collected from each of the property owners in the business park.

Commissioner West moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10487.

Item 10, Closed Session

Upon motion duly made and carried, the Board convened into closed session, pursuant to s. 19.85(1)(g), Wis. Stats., for the purpose of conferring with legal counsel for the Redevelopment Authority who is rendering oral or written advice concerning strategy to be adopted by the Board with respect to litigation in which it is or is likely to become involved.

Upon motion duly made and carried, the Board reconvened in open session.

Item 11, Regular Business

Resolution approving final close out of the Cathedral Place Parking Structure conveyance to Monroe Building, LP. (4th Aldermanic District; submitted by City Attorney's Office)

After reconvening into open session, the Board approved the final close out of the negotiated settlement with Monroe Building, LP.

Commissioner Galvan moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays with Commissioner Wade abstaining. Adopted resolution is No. 10488.

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 **June 19, 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.