

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE
REGULAR MEETING
MAY 19, 2016**

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 West, Vice Chair
Commissioner Robert B. Rondini
Commissioner Bill Schwartz
Commissioner Jose Galvan
Commissioner Frances Hardrick

MEMBERS EXCUSED: Commissioner Lois A. Smith, Chair

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 April 21, 2016 meeting. Hearing no corrections or objection, the minutes were adopted by consensus.

Mr. Misky reported that for today's public hearing regarding approval of a Project Plan, the required Class II notice was published in the Daily Reporter on May 5th and May 12th. As required by Statute, letters were mailed to property owners and written notification was sent to the taxing jurisdictions prior to publication of the hearing.

Item 1, Public Hearing

Resolution adopting the boundaries and Project Plan for the Welford Sanders Lofts Tax Incremental Financing District. (6th Aldermanic District; submitted by Commissioner's Office)

Maria Prioletta of the Commissioner's Office provided background on the project where the development team would use historic and low-income housing tax credits to renovate the former Nunn-Bush shoe factory building into 58 housing units and 38,000 sf of office. The \$19.9MM investment will utilize \$1.2MM of TID contribution that is developer-financed and include 25% SBE and 40% RPP. The project would also utilize \$550k from the CDBG Office.

Ben Johnson, Board Chair of the MLK EDC, and Leo Reis, Interim Executive Director of MLK EDC, both spoke in favor and stated the impact Welford Sanders had in the neighborhood (>\$50MM invested). Bill Krugler, Markita Edwards, Susan Kissinger, Deshea Agee, and Lafayette Crump all spoke in favor of the development.

Commissioner Schwartz asked about the use of space with the apartments and commercial. Developers Bob Lemke and Todd Hutchison stated that 1/5 of the space will be for underground parking. Commissioner Hardrick asked about payments made to the developer to which Ms. Prioletta responded that they get paid back through the increment generated by new property taxes.

Commissioner Rondini moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10616.

Item 2, Regular Business

Resolution approving First Amendment to Completion Note between RACM and Milwaukee Moderne Residences LLC and Milwaukee Moderne LLC. (4th Aldermanic District; submitted by Economic Development)

Lori Lutzka of Economic Development stated that the Authority reached an agreement with the developer in 2009 which included a \$9.3MM loan of which \$2.8MM was a mezzanine loan and \$6.5MM was a completion loan. The mezzanine loan is paid off and the completion loan has \$3.1MM remaining with \$1.1MM of interest paid to date. Thirteen of the 16 condos have been sold with 1 closing tomorrow and 1 with an option. The remaining loan will be paid back through the condo sales and surplus cash on the apartments. The amendment would extend the note to December 31, 2017.

Commissioner Rondini asked about the occupancy rate of the apartments to which Rick Barrett, the developer, stated it is at 95%. Mr. Barrett also mentioned the property went from a tax bill of \$18k per year before the development to over \$1.5MM.

Commissioner Galvan moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10617.

Item 3, Regular Business

Resolution authorizing the application, acceptance, and funding of a grant for the Greenfield Avenue Gateway Water Feature Project from the Fund for Lake Michigan. (12th Aldermanic District; submitted by Real Estate)

Dave Misky, Assistant Executive Director, described the project including \$450k set aside in the TID to help pay for a stormwater feature in a 40-foot easement area along East Greenfield Avenue. The proposed stormwater feature is being designed by Jim Wasley of UWM in concert with Wangard & Associates. This grant application would help pay for additional amenities to the feature which handles all the stormwater from the new mixed-use building.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10618.

Item 4, Regular Business

Resolution authorizing a Certificate of Completion to Century City 1, LLC and its successors and assigns for its development of Century City 1 at 3945 North 31st Street in the Century City Business Park. (7th Aldermanic District; submitted by 30th Street Corridor)

Kein Burton of the 30th Street Corridor Team described the successful completion of the Century City 1 building. The building is completed, with the exception of a landscaping contract, and there has been significant interest in leasing the building. To date, there is not a tenant but the Authority feels confident a tenant will sign on soon.

Commissioner Hardrick moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10619.

Item 5, Regular Business

Resolution to approve and authorize entering into a contract for Lender's/Owner's Representative Services. (City Wide Aldermanic District; submitted by Finance and Administration)

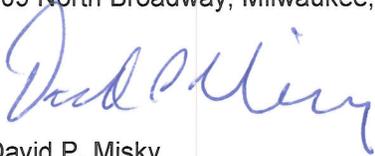
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Scott Stange, Contract Manager, introduced the item stating the contract is similar to the financial feasibility contract the Authority has with SB Friedman. The RFP received 5 proposals and the selected firm is The Sigma Group. The firm will be hired when opportunities arise and the Authority requires a lender's or owner's rep on the project. Sigma has agreed to 18% SBE participation.

Commissioner Rondini moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10620.

ADJOURNMENT

There being no further business to come before the Authority, a motion was made by Commissioner Hardrick to schedule the next regular meeting for **June 16, 2016**, 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.