

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE
REGULAR MEETING
NOVEMBER 15, 2018**

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 Lois A. Smith, Chair
 Commissioner Frances Hardrick, Vice Chair
 Commissioner Kathryn West
 Commissioner Bill Schwartz
 Commissioner Jose Galvan
 Commissioner Monique Charlier

MEMBERS EXCUSED: Commissioner Cavalier Johnson

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 October 18, 2018 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 November 1st and November 8th. As required by Statute, letters were mailed to property owners and written notification was sent to the taxing jurisdictions prior to publication of the hearings. For the hearing regarding authorization of property dispositions, the required Class II notice was published in the Daily Reporter on November 1st and November 8th.

Item 1, Public Hearing

Resolution approving the boundary and Project Plan for the Komatsu Mining Corp. Tax Incremental Financing District. (12th Aldermanic District; submitted by Economic Development)

Dan Casanova of Economic Development introduced the resolution and provided an overview of the project. The proposed district is within the Southeast Side Area Plan (2008), the Port Redevelopment Plan (2010), the Refresh Milwaukee Plan (2013), the Growing Prosperity Plan (2014), the Walker's Point Strategic Action Plan (2015) and the Water and Land Use Plan (2018).

John Coates, President of Komatsu Mining, provided an overview of the company and its history in the surface mining industry. The \$285MM investment includes 170k square feet of office, 410k square feet of manufacturing, a parking deck, and 20k square feet of museum space and has a focus on sustainability.

Mr. Casanova then provided more specifics on the proposed TID with \$15MM going towards 4,300 linear feet of riverwalk. The funds would include design, construction, a pedestrian bridge, railroad crossing, harbor view plaza, and public art. The TID also includes an option on 302 W. Greenfield Avenue.

The overall project includes working with WE Energies, owner of the former Solvay Coke property, on expansion of the Confined Disposal Facility, and working with WE Energies and Komatsu on lowering E. Greenfield and S. Kinnickinnic to allow additional truck traffic. The \$25MM TID grant is incentivize job creation with the proposed 946 jobs providing over \$18MM as a forgivable loan. If the company exceeds 946, additional increment could be returned to the company. The company will be required to meet 25% SBE and 40% RPP with the TID being paid back in 25 years.

Executive Director Marcoux thanked the company for their commitment.

Commissioner Galvan asked about the Becher Street Bridge which will not be impacted and then about the jobs. Mr. Coates stated there are 700 existing jobs and 600 jobs will be created. Commissioner Galvan asked about the existing facility which will be used until the move. Mr. Coates stated the company has been in discussion with the Village of West Milwaukee about disposition.

Commissioner Galvan then asked about connections to the local high schools to which Mr. Coates responded the company will continue with its STEM, Junior Achievement, and Robotics programs with the local schools.

Commissioner West asked about the employment breakdown. Mr. Coates stated that 26% of the workforce is manufacturing making \$34-35/hour. The rest are considered corporate employees. Commissioner West asked about transportation needs to which Mr. Coates responded that the company uses truck, rail, and water which made this site very attractive. The company hopes to break ground in 2019 and be open in 2021. There is room for expansion on the site to the west of the manufacturing building and vertically on the office building. Commissioner West asked about the public improvements identified on the WaLUP. Mr. Casanova stated the riverwalk and public improvements have not yet been designed but canoe and kayak launches will be considered. There is a constraint with the former Solvay Coke site with the remediation and dockwall interface.

Commissioner Schwartz asked about the Kadinger Property to which Mr. Casanova responded it is not currently part of the project. He then asked about parking for the Harbor View Plaza which currently exists on E. Greenfield Avenue. Commissioner Schwartz asked about any nuisances. Mr. Coates stated the company has an enclosed workspace with much of the work being assemblage. He asked about other locations in the M7 region to which Mr. Marcoux explained the company looked at expanding their footprint in the Menomonee Valley and Century City. Commissioner Schwartz asked how this development fits into the WaLUP. Mr. Casanova stated the sites contemplated 1 single user with job counts that the company is meeting. Regarding the riverwalk, the proposed harbor riverwalk exceeds the downtown riverwalk width is between 10 and 20 feet wide and the Menomonee Valley planned riverwalk is 25 feet wide.

Commissioner Charlier asked about working with stakeholders. Mr. Casanova stated this is the beginning and the company and City will work with any and all partners to make this the best project for all. Ms. Charlier then expressed the need for safety to be considered when designing the public space. She then asked about maintenance of the riverwalk. Mr. Casanova said these issues will be resolved over the next year as it gets designed.

Commissioner West asked about the State of Wisconsin's involvement. Mr. Marcoux stated the State has agreed to a \$59MM incentive package to keep the company in Wisconsin and allow them to expand.

Commissioner Galvan asked about the 10% contingency in the riverwalk costs to which Mr. Casanova stated this is a typical contingency number. Commissioner Schwartz asked about the Comptroller's position on the TID. Mr. Casanova said the company has not rendered an official opinion but will be before the ZND meeting in mid-December. Finally, Commissioner Schwartz asked about the local Alderman's position on the project. Mr. Marcoux stated Alderman Perez is on the Harbor District Board and has had some discussion with DCD about the project. The Department hopes and expects that Alderman Perez will be in full support by the time the ZND committee hears the item on December 11th.

The TID boundary has a current base value of \$3.7MM

Chair Smith was excused prior to votes being taken on this item.

Commissioner Galvan moved for adoption of the resolution and it carried by a vote of 4 ayes - 0 nays with Commissioner Hardrick abstaining. Adopted resolution is No. 10745.

Item 2, Public Hearing

Resolution approving the Land Disposition Report for the Redevelopment Authority properties at 1025-27 North 26th Street and 2612-16 West State Street and the City of Milwaukee property at 2600 West State Street for conveyance to New State MKE LLC for assemblage and development, in the 4th Aldermanic District. (4th Aldermanic District; submitted by Real Estate)

Matt Haessly of Real Estate introduced the item for a \$2.6MM project at a former theater that has recently suffered fire damage. Janice Vogt of the Free Space and the project team then described the overall project including an all-ages music hub that would seat 450 people in the theater space and include 2 recording studios. The team believes they will host 150 events per year.

Dima Pochrarev of the project team then introduced the other partners; John Hennessy, Allyson Nemeč, and Andy Parker. The neighborhood leaders are partnering with several small non-profit businesses to make this project a reality.

Commissioner Galvan asked about hours of operation with Ms. Vogt responding that weekdays would be from 10am to 9pm and weekends would be from 10am to 11pm. Commissioner Galvan then asked about connecting to schools including the High School of the Arts. Ms. Vogt stated those connections have already been made.

Commissioner Schwartz asked about the property between the portions of the proposed project, "Mike's A Little Bit of Country." Ms. Nemeč stated the bar has a regular clientele and the overall project could one day include this property.

Assistant Executive Director Misky described the Authority's contribution to remove asbestos from the fire-damaged building that has just begun.

Commissioner Charlier asked about the timing to generate revenue to make the project successful. Ms. Vogt stated the project includes 2 years of reserves to get the concept up and running.

Commissioner West moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10746.

Item 3, Regular Business

Resolution Authorizing the Execution of a HUD Amendment to Regulatory Agreement Regarding the Highland Park Apartments Project located at 1110 North 17th Street. (4th Aldermanic District; submitted by City Attorney's Office)

Assistant City Attorney Jeremy McKenzie described the owner of the Highland Park Apartments request to refinance the debt including the use of HUD to insure the debt. The 2008 bond issuance through the Authority was for a Low-Income Housing Tax Credit project. The refinancing of the remaining debt with HUD's backing requires the Authority to amend the regulatory agreement. The Attorney's Office and Authority Staff do not have issues with the requested amendments.

Commissioner West moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10747.

Item 4, Regular Business

Resolution approving the application for and acceptance of grant funds to support community engagement for the Fond du Lac and North Area Plan Update. (15th Aldermanic District; submitted by Planning Administration)

Kyle Gast of Planning introduced the item. The Fond du Lac/North Area Plan is the oldest of the 14 area plans and is due to be refreshed. The Common Council has already authorized the use of \$50k from the advanced planning account and the hope is to fundraise an additional \$50k from the private sector. The monies would be used to contract community-based organizations for community outreach to supplement the DCD planning staff rather than contract a consulting firm to complete the planning efforts.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10748.

Item 5, Regular Business

Resolution authorizing the Executive Director to enter into a contract amendment for Snow and Ice Removal services at the Century City Business Park site. (7th Aldermanic District; submitted by Finance & Administration / Real Estate)

Scott Stange, Contracts Administrator, presented the item for a single-source contract with Ray Hintz Inc. The company will meet SBE and RPP requirements on the \$30,115.25 contract which will cover the 2018-19 winter season. The contract covers over 10,000 linear feet of sidewalk.

Commissioner Schwartz asked about salt prices to which Mr. Stange responded that the proposed work includes a slight increase in salt costs.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10749.

Item 6, Administration

Resolution approving the 2019 meeting schedule.

The proposed meeting schedule for 2019 was presented with meetings continuing to be held on the third Thursday of each month. The only exception in 2019 is April where the meeting will be held on the second Thursday of the month due to Spring Break schedules.

Commissioner West moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10750.

ADJOURNMENT

There being no further business to come before the Authority, a motion was made by Commissioner Galvan to schedule the next regular and annual meeting for **December 20, 2018**, at 1:30 P.M., UW-Milwaukee School of Freshwater Sciences, 600 East Greenfield Avenue, Room 3080., 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.