

**REDEVELOPMENT AUTHORITY  
OF THE CITY OF MILWAUKEE  
REGULAR MEETING  
JUNE 17, 2010**

**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 Lois A. Smith, Chair  
Commissioner Bill Schwartz, Vice Chair  
Commissioner Alderman Willie C. Wade  
Commissioner Nancy Hernandez  
Commissioner Ken Munson

**MEMBERS EXCUSED:** Commissioner Kathryn M. West  
Commissioner Robert B. Rondini

**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 May 20, 2010 meeting. Hearing no corrections or objection, the minutes were adopted by consensus.

Mr. Misky reported that for today's public hearing designating properties as blighted for the purpose of providing financial assistance for redevelopment and borrowing purposes, State Statutes require written notice of the public hearing to the property owners by Certified Mail 20 days prior to the hearing. However, the property owners waived their right to receive such letters.

**Item 1, Public Hearing**

Resolution designating parcels identified as 1300-1314 North 7th Street, 623 West Vliet Street, 1347 North 6th Street, 724 West McKinley Avenue, 1325-1331 North 7th Street, and 1322 North 8th Street as properties in need of substantial rehabilitation for the purpose of providing financial assistance for redevelopment and borrowing purposes (North 6th Street and West McKinley / McKinley Avenue, L.L.C. project). (6th Aldermanic District; submitted by Economic Development)

Jim Scherer of Economic Development reintroduced this item. The Authority had given preliminary approval for the bond issuance of \$11 million in November 2009. This blight designation is necessary for the bond issuance. Dan Druml, the owner and developer of the properties, spoke briefly on the need for the bonds and the primary tenant, Everest College. In response to a question from Commissioner Schwartz, Mr. Druml stated his company and his bank were very comfortable with the amount of due diligence done prior to negotiating the lease with Everest. The tenant would use roughly 1/2 of the built-out space or 45,000 square feet. Alderman Wade asked what other city involvement is needed to move the development forward. Mr. Druml indicated no additional city approvals are needed. The development can work around the alley vacation request held over by the common council.

Commissioner Munson moved for adoption of the resolution and it carried by a vote of 4 ayes - 0 nays. Adopted resolution is No. 10209.

**Item 2, Regular Business**

Resolution Authorizing the Issuance of Redevelopment Revenue Bonds, Series 2010 (McKinley Avenue, L.L.C. Project). (6th Aldermanic District; submitted by Economic Development)

Jim Scherer of Economic Development stated that the Authority had given preliminary approval for the bond issuance in November 2009. The \$11 million of bonds would be purchased by TCF Investments, a subsidiary of TCF Bank. Approximately 45,000 square feet of the development space will be used by Everest College with approximately 45,000 square feet of space available for lease.

Commissioner Munson moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10210.

**Item 3, Regular Business**

Resolution relating to issuance of redevelopment revenue bonds with respect to the Next Door Pediatrics Project. (15th Aldermanic District; submitted by Economic Development)

Jim Scherer of Economic Development introduced the project whereby the Next Door Foundation would use \$2.5 million of bonding authority to construct a medical clinic on their campus at 2545 N. 29th Street. The expansion would involve approximately 7,700 square feet of new space with an unnamed operator of the clinic who currently has several other clinics throughout the community.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 4 ayes - 0 nays. Adopted resolution is No. 10211.

**Item 4, Regular Business**

Resolution authorizing and providing for the sale and issuance of revenue bonds for the Palermos Properties project. (8th Aldermanic District; submitted by Economic Development)

Tracy Luber of Economic Development introduced this resolution. The Authority would provide \$14 million of bonding capacity for an expansion that would employ an additional 92 people. US Bank will purchase the bonds in which MEDC's New Market Tax Credits will also be brought into the financial deal. The expansion efforts have already begun and will continue into 2011.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10212.

**Item 5, Regular Business**

Resolution authorizing the Executive Director to enter into contracts and make expenditures necessary to assure compliance with the City of Milwaukee MORE Ordinance in conjunction with the implementation of the Ingeteam, Inc. Project in the Menomonee Valley Industrial Park. (8th Aldermanic District; submitted by Commissioner's Office)

Executive Director Rocky Marcoux explained the need for an agreement between the Authority and MSI General, the contractor constructing Ingeteam's building. To achieve compliance with the MORE Ordinance, the Authority is working with MSI to achieve the needed EBE and RPP requirements. Since this is a RACM property sale and project, the way to accomplish that is through each individual bid. If MSI's bids come in with below the desired EBE and RPP requirements, approving this resolution allows the Authority to contract a piece of the bid work to attain the higher percentages. Mr. Marcoux stated that this has no financial impact on the TID and would be paid for by the RACM general fund and would not exceed \$350,000. His hope is that the cost to the Authority would be significantly less.

Commissioner Wade moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10213.

**Item 6, Regular Business**

Resolution approving the reacquisition of 502-04 West Cherry Street from the Milwaukee Economic Development Corporation for marketing purposes. (6th Aldermanic District; submitted by Real Estate)

Elaine Miller of Real Estate provided the background for this item. The Authority had transferred ownership to MEDC a few years ago to creatively finance the remediation of the contaminated parcel. The property has now been cleaned up and is ready for redevelopment. The Authority is in a better position to market the parcel through our standard RFP process. Commissioner Schwartz asked whether the parcel was vacant or the structure still existed. Ms. Miller state the parcel is vacant but there are significant grade changes around the parcel.

Commissioner Munson moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10214.

**Item 7, Regular Business**

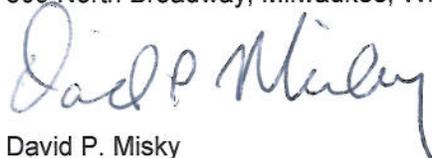
Resolution authorizing an amendment to a contract with Securitas Security Services, USA, Inc. (7th Aldermanic District; submitted by Real Estate)

Benji Timm of Real Estate described the work currently being done at the Century City site. The site preparation for Talgo is ongoing and they will be occupying the building July 1st as negotiated. Due to the work involved with preparing the Talgo building and the additional exposure to the building with open walls and doors, staff is recommending additional site security through the existing Securitas contract. The contract amendment is not to exceed \$65,000.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10215.

**ADJOURNMENT**

There being no further business to come before the Authority, a motion was made by Commissioner Schwartz to schedule the next regular meeting for **July 15, 2010**, 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.