

**REDEVELOPMENT AUTHORITY  
OF THE CITY OF MILWAUKEE  
REGULAR MEETING  
JULY 15, 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 Kathryn M. West  
Commissioner Alderman Willie C. Wade  
Commissioner Robert B. Rondini

**MEMBERS EXCUSED:** Commissioner Ken Munson

**ALSO IN ATTENDANCE:** Elaine M. Miller, Special Designee  
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 June 17, 2010 meeting. Hearing no corrections or objection, the minutes were adopted by consensus.

Ms. Miller 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 731 North Water Street and 733-743 North Water Street as properties in need of substantial rehabilitation for the purpose of providing financial assistance for redevelopment and borrowing purposes (Compass Properties project). (4th Aldermanic District; submitted by Economic Development)

Jim Scherer presented the findings to support the designation for substantial rehabilitation. The properties consist of the former 1st Wisconsin National Bank, which needs major roof and window repairs, and the building to the south, which has been vacant since the early 1970's and needs complete gutting.

Commissioner West moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10216.

**Item 2, Regular Business**

Resolution authorizing Redevelopment Authority of the City of Milwaukee Redevelopment Revenue Bonds, Series 2010 (Compass Properties Project) in an Amount not to exceed \$6,000,000. (4th Aldermanic District; submitted by Economic Development)

Jim Scherer presented the bond resolution that relates to the properties for the 1st agenda item. \$6.0 million in bonds are for a \$13 million project. The funds would be

used for exterior repairs, remediation and life and safety items. He stated the bond will not finance the health club expenses, which are not eligible items.

In response to a commissioner question regarding a TIF, Mr. Scherer explained that the TIF was amended for this project rather than housing. The TIF will fund different items such as the RiverWalk and cornice repairs.

Sheldon Opperman of Compass Properties made a brief presentation about the building renovation and health club tenant.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10217.

### **Item 3, Regular Business**

Initial Resolution Regarding Redevelopment Revenue Bond Financing for Ambassador Enterprise, LLC. (4th Aldermanic District; submitted by Economic Development)

Jim Scherer indicated this action sets forth the intent to issue up to \$25 million in bonds for renovations at the Ambassador Hotel. The proposed site plan was presented and showed the existing hotel and parking garage, the 60-unit apartment that will be converted to 46 hotel suites and a new multi-story connecting building. The hotel currently has 133 rooms and 350 parking spaces.

Rick Weigand, the hotel's developer and owner, provided additional project details such as the major upgrade of banquet facilities in the new building. A spa and fitness facility may be added in the future and would be available to the public. In response to commissioners' questions, he stated that he already owned the apartment and provided information on the current hotel market.

Commissioner West moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10218.

### **Item 4, Regular Business**

Resolution authorizing an expenditure and approving a Cooperation Agreement with the City of Milwaukee for Tax Incremental District No. 59, Bronzeville Cultural and Entertainment District / 642 West North Avenue Project. (6th Aldermanic District; submitted by Neighborhood Business Development Team)

Deshea Agee, Neighborhood Business Team, outlined the financial assistance for the first Bronzeville project. The sale to Inner City Arts, LLC was authorized at the last meeting and the property would provide offices for the Vanguard Group, Endeavour Company and contractors. \$171,000 from TID 59 would fill the gap for the \$500,000 project.

Commissioners asked questions regarding the bus shelter and existing mural. Kalan Haywood of the Vanguard Group responded to the questions and addressed parking and security issues.

Commissioner Rondini moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10219.

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

Resolution relative to application, acceptance, and funding of a Wisconsin Department of Natural Resources 2009 Brownfields Recovery Act Ready for Reuse Hazardous Substance grant for the remediation of Area F within the Century City redevelopment site. (7th Aldermanic District; submitted by Environmental Team)

Tory Kress of the Environmental Team explained that this action would allow application for and acceptance of a \$200,000 grant to remediate chlorinated solvents and VOC's at the Century City site. No match would be required. She indicated the prospects were good that the Authority would receive the grant. No picture was presented. She said the work would be in Area F.

Commissioner West moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10220.

**Item 6, Regular Business**

Resolution authorizing a License Agreement for filming of Transformers 3 Movie at Building 65, at 3533 North 27th Street. (7th Aldermanic District; submitted by Real Estate)

Benji Timm, project manager for Century City, outlined potential use by DW Studio Productions to film in Building 65. Only selected areas would be used because of health and safety issues. They negotiated a fee of \$10,000 plus cost reimbursements and credit in the movie.

Executive Director Marcoux responded to a question regarding the future of the building. He stated that there was no intention to demolish the structure. More needs to be known about the structure and a presentation will be made later to the board on a decision.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10221.

**Item 7, Administration**

Resolution approving an amendment to the 2010 RACM Operating Budget. (submitted by Human Resources)

Judy Allen of the Human Resources staff stated the amendment would add a environmental position that would be funded through grant funds. The position is needed for additional management duties and because a senior environmental engineer will be on leave shortly.

Commissioner West moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10222.

**Item 8, Administration**

Resolution authorizing an agreement to place a Marquette graduate student (a "Trinity Fellow") at the Redevelopment Authority for an approximately twenty-one month term. (submitted by Human Resources)

Judy Allen of Human Resources outlined the opportunity for the Authority to have a graduate fellow through a contract with Marquette University. The graduate student will assist with the brownfield property inventory and other environmental duties. The Authority's contribution would be \$29,400 over the 21-month period.

Commissioner West moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10223.

**Item 9, Administration**

Resolution to accept and approve the 2009 RACM audit and financial statements by Baker Tilly. (submitted by Finance & Administration)

Sandy Rotar, Director of Finance and Administration, presented the audit and introduced staff who helped ensure a timely audit report. She stated the audit is "clean" or free of

findings of material weakness and was presented prior to the City deadline. The audit reflected operation changes such as the adopted investment policy and grant acceptance policy.

Steve Henke, Senior Manager with Baker Tilly, presented a handout and discussed the audit. He stated an unqualified opinion was issued and the financial statements were fairly presented. He addressed the manager's analysis and documents that comprised the report.

Commissioner West moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10224.

**Item 9a, Regular Business**

Resolution authorizing a partial Certificate of Completion to Lisbon/North Community Development, LLC for the property at 4625 West North Avenue. (15th Aldermanic District; submitted by Real Estate)

Elaine Miller of the Real Estate staff explain a portion of the project has finally been completed. The former Playmakers store is to be sold and the partial certificate will allow conveyance of clear title. The performance deposit will not be returned until full completion.

Commissioner Rondini moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10225.

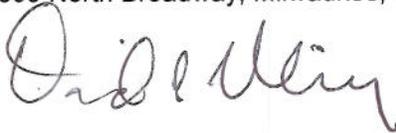
**Item 10, Closed Session**

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.

The Board thereafter reconvened into open session. No action was taken on Item No. 11.

**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 **August 19, 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