

**REDEVELOPMENT AUTHORITY  
OF THE CITY OF MILWAUKEE  
REGULAR MEETING  
OCTOBER 20, 2016**

**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 Kathryn West, Vice Chair  
  Commissioner Robert B. Rondini  
  Commissioner Bill Schwartz  
  Commissioner Jose Galvan

MEMBERS EXCUSED:                 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 September 15, 2016 meeting. Hearing no corrections or objection, the minutes were adopted by consensus.

Mr. Misky reported that for today's public hearings regarding approval of a Project Plan and authorization of property dispositions, the required Class II notices were published in the Daily Reporter on October 6th and October 13th. Where required by Statute, letters were mailed to property owners and written notification was sent to the taxing jurisdictions prior to publication of the hearing. For today's public hearings on proposed blight designation, the owners of the properties waived their statutory right to receive the hearing notice by Certified Mail 20 days prior to the hearings.

**Item 1, Public Hearing**

Resolution approving an amendment to the lease of the Redevelopment Authority-owned parking lot at 401-41 West Wisconsin Avenue with ABM Onsite Services - Midwest, Inc. (4th Aldermanic District; submitted by Economic Development)

Dan Casanova of Economic Development provided some background on the Authority having leases with two different entities for the lot. Leases were in place with ABM on the western half and Central Parking Inc. on the eastern half. The Authority has been in litigation with the owner of CPI for the past three years using mediation and arbitration with no success. The courts have recently weighed in the Authority's favor and CPI's lease has been terminated for the eastern half. This resolution would approve a lease amendment for ABM to lease the entire lot. In addition, the Authority released an RFP for the lot, received two proposals, and is currently reviewing each.

Commissioner Schwartz asked about if the lease is for market rent and if the lease could be terminated to which Mr. Casanova confirmed that the lease is for market rent and can be terminated at any time with a 60-day notice. Commissioner Rondini asked about the number of parking spots had been resolved. Mr. Casanova stated the lease had been based on 118 spots but is now reflecting the accurate number of 143 spots for each half.

Commissioner West moved for adoption of the resolution and it carried by a vote of 4 ayes - 0 nays with Commissioner 1 in opposition with Commissioner Galvan abstaining. Adopted resolution is No. 10641.

**Item 2, Public Hearing**

Resolution authorizing the Redevelopment Authority of the City of Milwaukee, RACM to enter into a purchase and sale agreement with SOHI Corner, Inc. (SOHI) for a portion of the parking lot at 748 North 27th Street, in the 4th Aldermanic District. (4th Aldermanic District; submitted by Real Estate)

Yves LaPierre of the Real Estate Team reintroduced the item to the Board with the City selling a 30-foot wide piece of real estate to John Hennessy and the SOHI Building. Mr. Hennessy has invested a great deal in the area and has negotiated a long-term lease for a portion of the SOHI Building to Siebert Lutheran Services. The lease requires additional parking. The Authority purchased the adjacent parking lot in 2012 from Milwaukee County. Keith Stanley, Executive Director of Avenues West/Near West Side Partners/BID #10, spoke in favor of the sale to SOHI Corner, Inc. which would add a fantastic tenant to the district.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10642.

**Item 3, Public Hearing**

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

Maria Prioletta of DCD provided the background for the project that involves the former Garfield School, American Black Holocaust Museum, Grant's Soul Food, and three vacant RACM lots. The school would be renovated and the two other buildings demolished to create 71 housing units, 8,000 square feet of commercial space, and 6,000 square feet for the new museum. The new TID overlaps TID-59 and is for injecting \$1.435MM into the project to which the City gets new property taxes to pay off the TID, a façade easement, a training program for Northcott, SBE and RPP requirements, and a 50/50 cost sharing provision.

Developer Melissa Goins identified her partners and that the \$16.6MM project has had significant community engagement through a design charrette, an artist focus group, the Bronzeville Advisory Group, the BID, and human resource requirements. Ms. Goins also described the history of the development name, The Griot, and its genesis around "story-telling." Brad Pruitt of the museum stated his strong support for the project.

Commissioner Schwartz asked about the timing of the State legislation on the sale of MPS schools. Ms. Prioletta stated the City issued an RFP in 2012 prior to State legislation. Commissioner West asked about the overlapping TIDs to which Ms. Prioletta responded that the base value of a new TID is frozen and any increment generated up to that time is applied to the old TID and any new increment is applied to the new TID. Chair Smith asked about the Northcott training piece. Ms. Goins stated the training includes demolition, restoration, and new construction of commercial space. The white-box work will be the first for Northcott.

Deshea Agee, Executive Director of the Historic King Drive BID, spoke in favor of the project. Commissioner Rondini expressed concern that the project was not "big" enough and needed to be even more catalytic. Mr. Agee and Rhonda Manuel, project manager for Bronzeville, agreed that more work for the area is needed but did reference recent projects like Pete's Fruit Market, Welford Sanders Lofts, and the future extension of the street car as positives.

Commissioner Rondini moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10643.

**Item 4, Public Hearing**

Resolution approving the blight designation of the City-owned brownfields at 1843 N. 30th Street and 1330 W. Center Street for acquisition and remediation as a condition of EPA grants. (6th Aldermanic District; submitted by Environment Team)

Tory Kress of the Environmental Team described the blighting nature of each of the two properties through their historical uses. The property at 1843 N. 30th Street was foreclosed on in 2011 after uses as an automotive and truck repair. The Center Street property was foreclosed on in 2009 and had been used as a manufacturing facility for Briggs & Stratton for 50 years and has been vacant ever since. The transfer of land from the City to the Authority is in preparation for grant applications due in December. Commissioner Galvan asked about the use of the property north of the Center Street parcel. It is a parking lot for the nearby church.

Commissioner Galvan moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10644.

**Item 5, Public Hearing**

Resolution Facilitating the Renovation of Various Milwaukee Public Schools by Approving the Blight Designation of These Schools and Authorizing an Amended and Restated Cooperation Agreement with the City of Milwaukee and MPS providing for the Sale and Issuance of additional Lease Revenue Bonds by the Authority and the Execution of Necessary Documentation, including an Amended and Restated Ground Lease and an Amended and Restated Lease for Such Schools. (City Wide; submitted by City Attorney's Office)

Mary Schanning, Deputy City Attorney, reminded the Board of the 2015 Cooperation Agreement between the Authority and MPS. The Agreement was for a ground lease between the entities which would allow MPS to leverage revenue bonds to repair a number of MPS facilities. This resolution would add two more schools to the list of blighted properties, Roosevelt Middle School and River Trail School. John Linn of MPS provided additional detail on the schools including the age and need for >\$1MM of deferred maintenance on each. Commissioner Galvan asked Mr. Linn about contracting the work to which Mr. Linn stated that MPS does engage in a public bidding process that follows federal, state, and MPS rules for contracting. The hiring of contractors does include student employment opportunities.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10645.

**Item 6, Regular Business**

Resolution authorizing the issuance and sale of revenue bonds and matters related thereto for Milwaukee Public Schools. (City Wide; submitted by City Attorney's Office)

Deputy City Attorney Mary Schanning stated the bonds are not to exceed \$30MM with a sale date of December 1, 2016. Ms. Schanning reminded the Board that these are lease revenue bonds and there is no Authority obligation. This resolution along with the previous one would add two schools to the original list of MPS schools from 2015.

Commissioner West moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10646.

**Item 7, Regular Business**

Resolution authorizing a Right of Entry Agreement for 300 West Juneau Avenue with Deer District LLC. (6th Aldermanic District; submitted by City Attorney's Office)

Deputy City Attorney Mary Schanning provided some background for the Sydney Hih building whereby the Authority agreed to sell the parcel to Deer District LLC for the overall arena project. As part of the agreement for sale, the Authority agreed to Deer District use of the lot for staging or temporary parking. This right of entry allows the entity to use the lot until sale for a lease payment of \$500 per month. Commissioner Schwartz asked when the conveyance would occur to which Ms. Schanning responded that it would follow the County's conveyance of the other portions of the former Park East.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10647.

**Item 8, Regular Business**

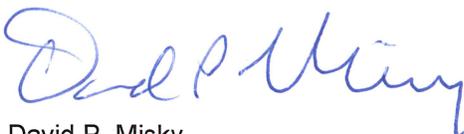
Resolution authorizing a Certificate of Completion to Heartlove Place, Inc. for the property at 3229 North Dr. Martin Luther King Jr., Drive (6th Aldermanic District; submitted by Real Estate)

Matt Haessly of Real Estate described the sale of Authority land in 1999 to Heartlove Place Inc. for a \$5MM facility. The organization met all of the requirements of the Purchase and Sale Agreement with the exception of the Small Business Enterprise Program (not finding the information) and requesting their performance deposit in a timely manner (<6 months). The organization requested the Certificate of Deposit in exchange for forgoing their \$3,000 performance deposit.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10648.

**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 **November 17, 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.