

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE
SPECIAL MEETING
MAY 4, 2017**

MINUTES

The Redevelopment Authority of the City of Milwaukee held a special 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 Kathryn West, Vice Chair
 Commissioner Robert B. Rondini
 Commissioner Bill Schwartz
 Commissioner Jose Galvan
 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 February 16, 2017 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 amendment, the required Class I notice was published in the Daily Reporter on April 27th and as required by Statute, written notification was sent to the taxing jurisdictions prior to publication of the hearing.

Item 1, Public Hearing

Resolution approving a First Amendment to the Project Plan for Tax Incremental Financing District No. 82 (East Michigan). (4th Aldermanic District; submitted by Economic Development)

Dan Casanova of Economic Development stated a TID amendment of \$2MM was needed to relocate a 48-inch combined sewer. The TID was created in 2015 for \$49,550,000 for the MKE Streetcar and the public amenities associated with the Couture. The TID includes the completed 833 E. Michigan which has an assessed value of \$70MM. Add the value of the \$122MM Couture project, the TID is projected to be paid off in year 18.

There is no recorded easement with the combined sewer but it is a public sewer on a private property. The least expensive option is to rebuild and relocate the sewer in the basement of the Couture building.

Commissioner Hardrick asked if the parking was the only thing being displaced to which Mr. Casanova stated yes. Approximately half of the 1,000 parking spaces are public and half are private for the residents.

Commissioner Schwartz asked how the sewer was discovered. Karen Dettmer of Public Works responded the sewer was permitted but an easement was never recorded. This new sewer will have a new life of 50 years. Commissioner Galvan asked about the cost of the parking in the third level. Mr. Casanova stated the 50 spaces displaced are about \$45k per space.

Commissioner West moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10663.

Item 2, 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)

Item held.

Item 3, Regular Business

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

Item held.

Item 4, Regular Business

Resolution relating to termination of the development agreement and other agreements between the City of Milwaukee, the Redevelopment Authority of the City of Milwaukee, Riverbend Place LLC, and The Brewery Works, Inc. related to the Manpower redevelopment project. (6th Aldermanic District; submitted by Economic Development/City Attorney's Office)

Alyssa Remington of Economic Development provided background for the project including the TID amendment of \$25MM that occurred to assist Manpower with constructing the parking deck. The Brewery Works is hoping to sell the Manpower building by June 1st to allow them to refinance all of their public debt. In order to accomplish this, the Authority needs to terminate the 2007 Development Agreement after agreeing all conditions have been satisfied. The only remaining item from the agreement to still be in force with the new ownership will be a new PILOT agreement to ensure taxes will be paid.

Gary Grunau, Principal at The Brewery Works, stated this part of their long-range planning that will allow them to pay off nearly \$5MM of public debt including a loan with the Milwaukee Economic Development Corporation.

Commissioner Rondini moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10664.

Item 5, Regular Business

Resolution authorizing a License Agreement with Clever Sauce Creative, LLC for the property at 401-41 West Wisconsin Avenue for special events. (4th Aldermanic District; submitted by Economic Development)

Dan Casanova of Economic Development stated this would be the fourth year of Night Markets. The resolution would allow for use of the Authority's lot for 1 day in June, July, August, and September. The agreement is with Clever Sauce, a subsidiary of NeWaukee.

Commissioner Hardrick moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10665.

Item 6, Regular Business

Resolution authorizing a License Agreement with Milwaukee Downtown (Business Improvement District #21) for the property at 401-41 West Wisconsin Avenue for special events. (4th Aldermanic District; submitted by Economic Development)

Dan Casanova of Economic Development introduced a new initiative to install 22 sculptures along Wisconsin Avenue from the Lakefront to the Downtown Library. The sculptures would be on loan from May 15th to October 31st with the artist hoping to sell each sculpture. The pieces would be protected by curb stops.

Commissioner Schwartz asked about the parking lot agreement for this site. Mr. Casanova stated the agreement allows us to occupy the corners of the lot and crediting the lease payment by the tenant.

Commissioner Galvan asked about insurance coverage. Matt Dornier of Business Improvement District 21 responded that the BID and the artists are required to carry insurance. In addition, Karen Dettmer of DPW stated her department is also examining the structural needs for each piece.

Commissioner West moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10666.

Item 7, Regular Business

Resolution authorizing a Certificate of Completion for the property at 511 West Freshwater Way. (12th Aldermanic District; submitted by Economic Development)

Dan Casanova of Economic Development provided an overview of the deal for Zurn including a \$900k loan and \$700k grant to deal with site conditions. Zurn invested \$15MM with a commitment of 120 employees. Current requirement for job numbers is 35 but the company will report on the job count on June 1st, per the requirement. The construction of the building attained 56% SBE and 29% RPP. CD Smith has committed to making up the difference in RPP with other projects in the City.

Commissioner Schwartz asked if the SBE and RPP were requirements. Both are requirements based on the ordinance. Commissioner Galvan asked about the apprenticeship hours and if that translated into journeyman hours. Mr. Casanova was unsure.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10667.

Item 8, Regular Business

Resolution authorizing a Certificate of Completion for the property at 408-438 West Florida Street. (12th Aldermanic District; submitted by Economic Development)

Dan Casanova of Economic Development indicated 98 market rate apartments were completed in 2015 along with the parking structure and ramp. The project received a \$660k grant from the City which provided the City with some public parking spaces and the possibility of a skywalk north to Reed Street Yards.

Commissioner Schwartz asked about the process for Certificates of Completion to which Mr. Casanova stated it is generally based on occupancy permits and site visits. Commissioner West asked about the connection of the skywalk. It would ideally connect to a building/parking deck on Reed Street Yards.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10668.

Item 9, Regular Business

Resolution relative to entering into an Aid Agreement with the Wisconsin Department of Natural Resources to utilize Great Lakes Restoration Initiative funding at the Bay View Wetland/Grand Trunk site located in the Harbor District (14th Aldermanic District; submitted by Environmental Team)

Benji Timm of the Environmental Team provided background of the Grand Trunk area including describing the last wetland in the harbor. The Southeast Side Plan in 2008 stated a need to restore ecological areas in the harbor. The Authority has been using Fund for Lake Michigan grant dollars to design the wetland and this \$250k grant comes through EPA's Great Lakes Restoration Initiative through the DNR to the Authority. The grant will bring the project to final engineering, permitting, and some construction.

Commissioner Galvan asked about the status of the GLRI funding. Mr. Timm stated that this funding is the current fiscal year and is still available. No one is sure what the federal government will decide on funding going forward.

Commissioner Schwartz asked about the total budget for the project to which Mr. Timm stated between \$2.5MM to \$3.0MM, similar to the costs of the MVIC stormwater park.

Commissioner Rondini moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10669.

Item 10, Regular Business

Resolution authorizing the application, acceptance, and funding of a Wisconsin Department of Natural Resources 2018 Urban Nonpoint Source & Storm Water Program Planning Grant for the Grand Trunk Area of the Harbor District. (14th Aldermanic District; submitted by Environmental Team)

Benji Timm of the Environmental Team stated the stormwater management portion is part of a larger project in the harbor area. The project compares to the stormwater park in the Menomonee Valley Industrial Center. The \$100k planning effort includes this \$50k grant request, and requires a \$50k match that would come from the Authority's capital funds from the City, Harbor District, Inc., and possibly the Business Improvement District.

Commissioner Rondini moved for adoption of the resolution and it carried by a vote of 0 ayes - 6 nays. Adopted resolution is No. 10670.

Item 11, Administration

Resolution authorizing an amendment to a contract for unarmed security guard services at the Century City Business Park. (7th Aldermanic District; submitted by Finance and Administration)

Scott Stange, Contract Administrator, requested the extension of the current security contract until the end of 2017. The limited extension of time is due to unknowns with the 2018 budget. The current contractor, Per Mar Security has attained 27% SBE and 73% RPP.

Commissioner Schwartz asked about the budget from one year to the next to which Mr. Timm of the Authority responded that security costs have been declining since we have less area to secure due to demolition of the site.

Commissioner Hardrick moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10671.

Item 12, Administration

Resolution authorizing proper officials to enter into a contract for landscape maintenance services in the Menomonee Valley Industrial Center and Community Park. (8th Aldermanic District; submitted by Finance and Administration)

Contract Administrator Scott Stange stated the previous contract expired recently after 3 years and the Authority issued an RFP. After reviewing the 6 responses, the committee decided to award the contract to Smithstonian Materials. The company has committed to 25% SBE and 40% RPP with a total contract value for year 1 of \$20k. The funds are derived from the stormwater management fees collected from the 10 business owners.

Commissioner Hardrick asked if the contract was for more than mowing to which Mr. Stange responded that the majority of the work is mowing but other line items include pruning, fertilizing, applying herbicides, and cleaning out the fore bays.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10672.

Item 13, Administration

Resolution authorizing entering into a contract that will piggyback off the City of Milwaukee's contract for Bond Counsel services. (City Wide; submitted by City Attorney's Office)

Assistant City Attorney Jeremy McKenzie described the possible need for the Authority to use bond counsel for certain bond issuances. The borrower would normally hire bond counsel since the majority of bond deals have the Authority act as a conduit. However, there have been a couple of instances (e.g. MPS and UWM) where the Authority should have access to bond counsel and this resolution allows the Authority to use the City contract. The costs for bond counsel would still be borne by the borrower.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10673.

ADJOURNMENT

There being no further business to come before the Authority, a motion was made by Commissioner West to schedule the next regular meeting for **May 18, 2017**, 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.