

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE
REGULAR MEETING
MARCH 21, 2019**

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 Frances Hardrick, Chair
Commissioner Bill Schwartz
Commissioner Jose Galvan
Commissioner Cavalier Johnson
Commissioner Monique Charlier

MEMBERS EXCUSED: Commissioner Lois A. Smith, Vice Chair
Commissioner Kathryn West

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 21, 2019 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 March 7th and March 14th. 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.

Item 1, Public Hearing

Resolution approving the boundary and Project Plan for The Avenue Tax Incremental Financing District. (4th Aldermanic District; submitted by Economic Development)

Dan Casanova of the Economic Development Team introduced the resolution where the area has 6 parcels, 21 tax keys, and \$36.4MM of base value. The 2010 Downtown Plan focused on West Wisconsin Avenue which resulted in the creation of Wisconsin Avenue Milwaukee Development Corporation (WAMDC). A great deal of redevelopment has occurred along W. Wisconsin Avenue since then including the Posner Building, Germania, Commerce Building, and the former Blue Cross/Blue Shield Building. The Night Markets have also been popular, activating the street several times per summer. Finally, the \$1.9MM Boston Store Loan was approved by the Authority and the Common Council two years ago. The company has since filed bankruptcy but the City funds have been in escrow with only \$600K used to date. No additional funds will be spent by the developer without City permission.

Mr. Casanova provided an overview of the two existing TIDs that overlap the proposed TID, 37 (ASQ Building, Infrastructure, MSO) and 46 (Plankinton Arcade), which were created in 1998 and 2001, respectively. Both are expected to pay off later in 2019.

Tony Janowiec of Interstate Development Partners further described The Avenue project including retaining the retail on the 1st floor and finishing the apartments on the 2nd floor

of the Plankinton Building, and creating the 3rd Street Food Market Hall on the 1st floor and office space on the 2nd and 3rd floors of the Former Arcade Building. The public will have an easement that will move between the 1st and 2nd floors to access all areas. Architect Chris Socha of Kubala Washatko provided additional comments on the redesign of the entranceway.

Mr. Casanova then explained the terms of the project including a \$9MM grant that is developer-financed. The terms of the grant include 25% SBE and 40% RPP with public access easements and will be paid off in 18 years.

Commissioner Galvan asked about the status of the Human Resource components to which Mr. Janowiec responded they are currently working with 3 contractors who have significant experience with the City's programs.

Commissioners Charlier and Johnson asked about the public space/easement areas from the developer who responded that there would be no breaks in the easement areas and it would be fully enclosed. Commissioner Schwartz asked about the obligation of the increment to which Mr. Casanova stated the apartments and food hall will be captured in the projections and the office would be fully leased in 2 to 3 years for the 18-year pay off. The office space is currently 55% leased with ~45k square feet of office space left to be leased.

Commissioner Schwartz asked about the ASQ Building to which Mr. Janowiec responded that his firm now owns the building which has 89% occupancy. Chair Hardrick asked how the \$9MM was derived. Mr. Janowiec stated the overall project is \$53MM with no tenant improvements but with \$12-\$13MM of public access movement. Mr. Casanova further explained the negotiations and how much increment would be available after all work was completed.

Commissioner Galvan wondered if there were synergies with the Milwaukee Symphony project. Mr. Casanova said the MSO project will be completed in 2020 with an Interstate Development Partners parking agreement, Further, the Food Hall will be complimentary to the MSO project.

Finally, Marty Wahl, citizen of Milwaukee, shared his concern with another project being presented at the Authority Board that is east of the freeway. Mr. Wahl stated the Authority should take the lead on blight elimination throughout the City.

Commissioner Galvan moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10760.

Item 2, Regular Business

Resolution authorizing the release of funds to Harbor District, Inc. for a 2018-2019 Wisconsin Coastal Management Program grant for the Grand Trunk Wetland Restoration and Habitat Improvement Project. (14th Aldermanic District; submitted by Environmental Team)

Benji Timm of the Environmental Team described the Grand Trunk Wetland Restoration Project including the identification of contamination in the channel and stormwater issues in the neighborhood. The Authority has partnerships with the USEPA, WDNR, Harbor District Inc. (HDI) and others to bring resources to the project including over \$3.5MM to date to design and build the wetland. This resolution would provide \$27K of match money from the Authority to HDI for State of Wisconsin funds. The match money would come from the Brownfield Capital Funds where we received \$500K in 2019.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10761.

Item 3, Regular Business

Resolution relative to application, acceptance, and implementation of a 2019 MMSD Green Infrastructure Partnership Program grant for the Grand Trunk Wetland Restoration and Habitat Improvement Project. (14th Aldermanic District; submitted by Environmental Team)

Benji Timm of the Environmental Team shared how this grant application is a partnership with the Department of Public Works, the US Fish and Wildlife Service, and the Milwaukee Metropolitan Sewerage District. The grant funds would be used to separate the sanitary sewer from the storm sewer in the residential neighborhood to the south of the Grand Trunk Wetland Restoration Project.

Commissioner Galvan moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10762.

Item 4, Regular Business

Resolution relative to application, acceptance, and funding of a Wisconsin Economic Development Corporation, Community Development Investment Grant grant for the redevelopment project located at the City-owned parcel, 8919 N. Granville Station Road, in the City of Milwaukee. (9th Aldermanic District; submitted by Environmental Team)

Mat Reimer of the Environmental Team provided background of the former Northridge Mall area including ownership of separate parcels in the area. The City acquired the subject parcel in December 2017 from Bill Penzey who attempted to redevelop the site for his company but could not reach an agreement with the former mall owner, Black Spruce, a real estate holding company from China. The cost to redevelop the City-owned parcel, the former Boston Store, is cost-prohibitive so the Authority is proposing to secure funds for demolition. The maximum grant for the WEDC program is \$250K but the Authority is waiting for cost estimates to know the total demolition project.

Commissioner Galvan asked whether this is demolition or deconstruction to which Mr. Reimer stated this is demolition; however, the concrete may be reused as fill. Commissioner Schwartz asked about the Black Spruce ownership group. Mr. Reimer responded the group has been difficult to connect with but the City will work on this subject parcel as we continue to reach out to the owners.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10763.

ADJOURNMENT

There being no further business to come before the Authority, a motion was made by Commissioner Johnson to schedule the next regular meeting for **April 11, 2019**, 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.