

**REDEVELOPMENT AUTHORITY  
OF THE CITY OF MILWAUKEE  
REGULAR MEETING  
AUGUST 15, 2019**

**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 Frances Hardrick, Chair  
Commissioner Lois A. Smith, Vice Chair  
Commissioner Kathryn West  
Commissioner Bill Schwartz  
Commissioner Jose Galvan  
Commissioner Cavalier Johnson  
Commissioner Monique Charlier

**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 July 18, 2019 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 Project Plan Amendments, the required Class II notices were published in the Daily Reporter on August 1st and August 8th, and the required Class I notice was published in the Daily Reporter on August 8th. Where required by Statute, written notification was sent to the taxing jurisdictions prior to publication of the hearings. For today's public hearings regarding property disposition and Redevelopment Plan termination, the required Class II notice was published in the Daily Reporter on August 1st and August 8th.

**Item 1, Public Hearing**

Resolution approving a Project Plan for Tax Incremental Financing District No. 100 (Zillman Park). (14th Aldermanic District; submitted by Economic Development)

Alyssa Remington of Economic Development described the item where the district would include 5 properties (3 city-owned). New Land Enterprise is currently constructing "Kinetic," a large multi-unit development adjacent to Zillman Park. The 6-story, 140-unit building will provide new tax increment for the district that will then be used to enhance the park and provide other infrastructure improvements such as lighting and sidewalks. The TID would provide \$500,000 for playground equipment (replacing the nearby Allis tot lot) and the infrastructure, and would be repaid with increment in 5 years. Ms. Remington stated there are no unfunded paving projects within 0.5 miles.

Commissioner Galvan asked about the future of the Allis tot lot to which Ms. Remington stated nothing has been decided but it is likely the lot would become part of City real estate where DCD would issue an RFP for redevelopment. Commissioner Johnson asked about the current Zillman Park. The site is tree-covered, has several pathways that cross the park, an art sculpture, and a BublR Station. There is currently no activation on the site.

Commissioner Schwartz asked about the 3 City-owned residential parcels. Ms. Remington stated they would go through an RFP process for residential development. Commissioner Schwartz then asked if the Kinetic developer was asked to make a contribution to Zillman Park to which Ms. Remington said no financial contribution was requested.

Residents Christopher Miller and Stephanie Harling spoke in opposition to the TIF District stating the money should be spent equitably across the City.

Commissioner Galvan moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10786.

## **Item 2, Public Hearing**

Resolution approving a First Amendment to the Project Plan for Tax Incremental Financing District No. 98 (The Ikon). (15th Aldermanic District; submitted by Economic Development)

Dan Casanova of Economic Development reminded the Authority Board of the April 2019 TID approval that would preserve 200k square feet of the historical building. Developer Kalan Haywood stated the project has 3 components including the 82-room Ikon Hotel, office space, and the conference event space. The capital stack includes \$7MM of historic tax credits, \$12MM of Opportunity Funds, and a \$9MM TIF loan. The original terms of the City investment for the \$36MM project involved a \$4MM loan with a Human Resources agreement and a PILOT. The loan closed two weeks ago. This amendment would allow for the developer to borrow another \$5MM but it would be the last money in the deal. The TID also includes \$500k for public improvements and \$500k for Commercial Corridor Programs. The TID would be repaid in year 26 or 2045.

Rocky Marcoux, Commissioner of DCD and Executive Director of the Authority, gave his overview and support for the project.

Commissioner Galvan asked the extent of the Commercial Corridor grants to which Mr. Casanova responded within 0.5 miles of the TIF boundary. Commissioner Schwartz asked for an explanation of the revenue streams and, in particular, the \$3.2MM raised through events and the City's oversight on the business plan. Mr. Casanova referenced a market study conducted on event space showed a need on the north side. Mr. Haywood stated his firm is not a hotel operator but they have hired a proven national operator to manage the hotel and convention space. Both groups have been working on the concept for 18 months.

Commissioner Schwartz asked how comfortable the development team is in the \$21MM construction number to which Mr. Haywood stated they are very comfortable. In addition, the construction firm has provided a Guaranteed Maximum Price. The developer agreed to provide an update on the capital stack when everything is locked in.

Commissioner Charlier asked about the state of the design. Mr. Haywood responded the construction documents are 95% complete and with the City for review. Commissioner Johnson thanked the developer for their investment from the human element standpoint. This development will provide hope for the kids in the neighborhood.

Chair Hardrick wanted additional information on the small business investment to which Mr. Haywood stated they have received some letters of interest for the office space including LISC.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 7 ayes - 0 nays. Adopted resolution is No. 10787.

**Item 3, Public Hearing**

Resolution authorizing Redevelopment Authority sale of a 7-acre portion of 6767 N. 60th Street in the Green Tree Business Park Project Area and in the 9th Aldermanic District. (9th Aldermanic District; submitted by Real Estate)

Amy Turim of Real Estate described the location of the property, the former Bacher Farm, in which the Authority purchased 65 acres in 2006 through receivership with 25 acres sold to the federal government for the Job Corps. The Authority still owns 40 acres and has granted a garden permit and a stage for a concert series to the Havenwoods Economic Development Corporation (HEDC).

The department has been meeting with the Veterans Outreach of Wisconsin (VoW), a non-profit providing homes and services to homeless veterans, and has visited their tiny-homes campus in Racine. The VoW organization would like to construct a similar project on 7 acres of the former Bacher Farm by purchasing the property for \$35k, installing utilities, and paying for a PILOT of \$2,700 per year. The concept involves a community center in the middle of the tiny homes for dining and showering. The proposed tiny homes would be 240 square feet with toilet and sink facilities.

Ms. Turim stated VoW and Alderwoman Lewis have conducted outreach for the project including a public meeting on July 11th. In addition, Community Design Solutions (CDS) has developed plans for the site that include the tiny homes initiative and still leave 30+ acres of light industrial land for redevelopment. Ms. Turim then shared a slide indicating the need for housing homeless veterans in Milwaukee.

Jeff Gustin, Executive Director of VoW, then introduced a video of the Racine facility and the impact the facility has had on veterans in the Racine area. Alderwoman Lewis spoke in favor of the proposed development stating this is permanent residency and is not transient living.

Commissioner West asked if this was available for women and if it was near a bus stop. The answer to both questions was yes. Chair Hardrick wanted clarification on the number of tiny homes to which Mr. Gustin stated 42 tiny homes over two phases.

Commissioner Galvan asked about the former use of Bacher Farm with Ms. Turim stating it was originally a farm with no environmental issues associated with the site. A Phase I Environmental Site Assessment shows no historical issues. Mr. Galvan then asked about the differences between the Racine site and the proposed Milwaukee site. Ms. Turim responded that the Racine homes did not have toilets or sinks. Finally, Mr. Galvan asked about the financial sustainability of the model. Mr. Gustin of VoW stated the project is independently funded with grants and corporation donations.

Commissioner Schwartz asked about mental health and addictions. Mr. Gustin responded the community is dry and all residents must be sober 30 days prior to residency. If a resident has trouble while living in the community, VoW provides the resident the resources needed.

Alderman Johnson asked if there were any problems with the Racine facility. Mr. Gustin stated the community center is too small. Chair Hardrick asked about referrals to which Mr. Gustin stated VoW has applications on file.

Stephanie Harling, Executive Director of HEDC, stated her organization's opposition to the project which will create a conflict of use that will hinder future development on the former Bacher Farm site. Ms. Harling stated the site has not been marketed enough to gauge interest in the site. HEDC's assessment is the broker community could find end users if given some assistance from the City. Commissioner Schwartz agreed that not

having infrastructure to the site will turn brokers and developers on to other sites but this development would not adversely impact the remaining site and the utilities brought to the tiny homes project would benefit the remaining land's need for utilities.

Commissioner West asked if there could be synergies between the area employers and the veterans need for jobs. Ms. Harling responded the area already has that with the Job Corps.

Resident Bob Maas asked if this was for veterans only to which Mr. Gustin confirmed. Resident Cheryl Gilliam asked about the economic impact of the project to which the site will only use 7 of the 40 acres, have infrastructure brought to the site, and require a PILOT payment. Business owner and BID President Steve Hentzen stated his organization's opposition. Resident Beverly Gilbert wanted clarification on the PILOT which will be \$2,760 per year in perpetuity.

Resident Karen Mendelson asked about other sites in the area where this development could occur such as the Veterans Administration grounds. Mr. Gustin stated the VoW did look at other sites but arrived at this site due to its proximity to job opportunities, bus lines, and how it could be part of the neighboring community. Resident Marcel Parrish asked if the VoW would be using the remaining 33 acres to which Mr. Gustin stated the VoW would not.

Resident Carrie Maas asked about the price of the land only being \$5k per acre and Resident Liz Hammer stated the City would be taking the land for anything but light industrial is wrong.

Commissioner Charlier was excused during presentation of this item.

Commissioner West moved for adoption of the resolution and it carried by a vote of 6 ayes - 0 nays. Adopted resolution is No. 10788.

#### **Item 4, Public Hearing**

Resolution authorizing amendment, modification and termination of Green Tree Business Park Project Area Redevelopment Plan, in the 9th Aldermanic District. (9th Aldermanic District; submitted by Real Estate)

Amy Turim provided the background of the Green Tree Business Park Project Area Redevelopment Plan that was created in 2003 and amended in 2006. The Plan is to expire in 2023; however, the approval of RACM Resolution #10788 requires the Plan be amended. The recommendation is to amend the Plan to expire on November 1, 2019 since the underlying zoning still controls the use of the remaining parcels in the plan area.

Commissioner Johnson was excused during presentation of this item.

Commissioner Smith moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10789.

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

Resolution authorizing a 3-month License Agreement with Cristo Rey High School for using the property at 212 South 36th Street for soccer programming. (8th Aldermanic District; submitted by Real Estate)

Dave Misky, Assistant Executive Director, stated the Cristo Rey High School soccer team would like to practice twice a week and host home matches on the fields. The school used the fields last year but is building a new facility at 17th and National Avenue that will have soccer fields for future practices and games. Currently, the Menomonee Valley

soccer fields are being used by several Boys and Girls Club branches and several soccer clubs from the City. In addition, there is an adult league twice per week.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10790.

**Item 6, Communication File**  
Bike Pedestrian Plan Presentation

Item held until September meeting.

**Item 7, Administration**

Resolution approving the 2020 Redevelopment Authority of the City of Milwaukee Operating Budget. (submitted by Finance & Administration)

David Piedt, Finance and Administration, provided an overview of the 2020 budget. Mr. Piedt stated that little has changed from 2019 to 2020. The proposed reserve use is \$434k; however, this is a very conservative estimate. The Authority has not had to dip into the reserves the past two years. The current balance of the reserves is \$5.5MM and is tied up in investment accounts. The only additions of note to the budget are the additions of Century City properties that now collect rent from T-Mobile and Talgo. The rental incomes for these properties go into Century City maintenance.

Commissioner Schwartz moved for adoption of the resolution and it carried by a vote of 5 ayes - 0 nays. Adopted resolution is No. 10791.

**Item 8, Administration**

Acceptance and approval of the 2018 RACM audit and financial statements by Clifton Larson Allen LLP. (submitted by Finance & Administration)

Jamie Wadlington of Finance and Administration and Jake Lenell of Clifton Larson Allen presented the 2018 audit which was considered a "clean" audit.

Commissioner West moved for acceptance and approval of the 2018 RACM audit and financial statements and it carried by a vote of 5 ayes - 0 nays.

**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 **September 19, 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.