

MINUTES
REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY
Tuesday, July 23, 2013
City Hall, Room 604
1:30 p.m.

MEMBERS PRESENT: Harry Maier, Chair; Gary Delveaux, Vice-Chair; Jim Blumreich, Joe Moore, Tom Weber

MEMBERS EXCUSED: Matt Schueller, Melanie Parma

LIAISON REPRESENTATIVES PRESENT: None

OTHERS PRESENT: Rob Strong, Dawn Foeller, Diana Ellenbecker, Tony Wachewicz, Andy Rosendahl, Krista Baeten, Stephanie Schmutzer, Nic Sparacio, Ken Betsch, John Mehan, media

APPROVAL OF AGENDA:

Approval of the agenda for the July 23, 2013, meeting of the Redevelopment Authority.

A motion was made by J. Blumreich and seconded by T. Weber to approve the agenda for the July 23, 2013, meeting of the Redevelopment Authority. Motion carried.

NEW BUSINESS:

1. Review and discussion of the KI Convention Center Expansion Project financing, bond structure, and timeline.

A motion was made by G. Delveaux and seconded by J. Blumreich to open the meeting for discussion. Motion carried.

K. Betsch indicated that the conceptual plan is to expand the KI Convention Center over Adams Street, across the hotel parking lot, and to demolish the existing meeting room wing of the hotel and to end the building viewing and facing towards the river. The intention is to preserve the parking for the existing hotel so they can maintain their operations and create an enhancement that allows the City to create a better hotel package. He provided an overview of the project components.

H. Maier asked if there would be one or two main entrances. K. Betsch indicated two.

The design of the existing building will be complimented by using the same detail, brick, and cornice so the whole thing blends together. The details for the rotunda will be the same.

T. Weber questioned if there would be spaces available for convention attendees wanting morning coffee, newspapers, etc. as they walk from the hotel to the convention space.

K. Betsch indicated that space is being planned on the ground floor of the Clarion to have a coffee shop. Those needs would be accommodated by the hotels and probably not in the convention center. Kiosks could also be used rather than dedicated space and the hotels could be contracted to provide those services.

The overall floor plan of the second level was reviewed. They are trying to make sure meeting rooms are sufficient size for meeting planners needs. G. Delveaux questioned the meeting room square footage changes from what is currently there. K. Betsch indicated there is currently about 45,000 sq. ft. and about 30,000 sq. ft. will be added.

T. Weber asked if there is a staging and inventory area provided by the convention center for booths that are delivered by commercial carriers. K. Betsch stated there has been discussion with Hyatt and the intention is to use the existing exhibition space coming in off of Elm Street and using those spaces for large heavy exhibitions. Something else that could be looked at is eventually adding elevators on the outside of the footprint.

K. Betsch noted that most groups they have talked to are state associations and they have a relatively small number of exhibition booths.

H. Maier asked if these plans have been shown to Hyatt. K. Betsch indicated he meets with the Hyatt every time he comes to town.

J. Moore questioned if the expansion would be constructed in a way that additional stories could be added in the future. K. Betsch stated it would be way too expensive. Breakout meeting spaces are generally on the lower levels with 30-40 ft spans. With ballrooms on the upper level, there is generally nothing put above it because it is very expensive to deal with 120 ft. spans. There will be options to expand horizontally, which would be the best route. Further discussion occurred on future expansion options.

John Mehan, Robert W. Baird, provided information regarding the bonds and stated that the series 2006 bonds are not general obligation to the Authority. The City's rating is the one that is applied to the bonds when they are issued. Right now the City's general obligation is AA1. The structure is similar to what's been done for both the Resch Center and the previous KI bonds. The difference is that the lease is not between the RDA and the County, but instead between the RDA and the City. The City will be looking to use excess room taxes to help support the detriment payments as well as general funds from the City. The anticipated issue size is roughly \$25,000,000. It is a taxable issue. It will be structured around the payments that are still outstanding for the 2006 KI bonds and the 2012 Resch Center bonds. It will be a long structure with 2043 as the final payment. The structure is that the Authority issues the bonds, the investors provide the funds for the project, the Authority enters into a lease with the City, the City makes payment to the trustee who pays the bond holders. A draft timeline was reviewed. The Authority will have another opportunity to review the transaction as part

of a resolution which will be issuing the debt. The hope is to issue the bonds in 2013. It was clarified that the bonds are for the KI expansion project only.

G. Delveaux asked how the rates compare to the 2006 bonds. J. Mehan indicated that the previous issues were tax exempt, but this issue is taxable.

A motion was made by J. Blumreich and seconded by G. Delveaux to receive the report and place on file. Motion carried.

2. Review and approval of Resolution No. 639 Initial Authorizing Actions Necessary for the Sale and Issuance of Lease Revenue Bonds for the KI Convention Center Expansion.

A motion was made by T. Weber and seconded by G. Delveaux to approve Resolution No. 639. Motion carried.

R. Strong stated that on July 30 the City Council will be asked to adopt a similar resolution that will have Resolution No. 639 attached to it. That will move this project forward to be in position to do the bonding in fall.

Chair ruled for adjournment at 2:14 p.m.