

MINUTES
REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY
Tuesday, May 10, 2016
City Hall, Room 604
3:00 p.m.

*****For more detailed information regarding the meeting, please see the meeting video on our website at <http://greenbaywi.gov/events/2016-05-10/> and follow the time stamp listed on each item.***

MEMBERS PRESENT: Harry Maier, Chair; Gary Delveaux, Vice-Chair; Ald. Joe Moore, Melanie Parma, Matt Schueller, Tom Weber

MEMBERS EXCUSED: Jim Blumreich

LIAISON REPRESENTATIVES PRESENT: Jeff Mirkes, Leah Weycker, Brian Johnson

OTHERS PRESENT: Kevin Vonck, Cheryl Renier-Wigg, Krista Cisneroz, Billie Jo Horsens, Ken Rovinski, Dawn Foeller, Vanessa Chavez, John Bays, Jason Hager, Cora Haltaufderheid, Michelle Heeler, Scott Schoeneman, Garritt Bader, Ald. Dave Nennig, Steve Schneider, Ald. Bill Galvin, Ald. Randy Scannell, media, other interested parties

APPROVAL OF AGENDA:

Approval of the agenda for the May 10, 2016, meeting of the Redevelopment Authority. (00:50)

A motion was made by Ald. J. Moore and seconded by M. Parma to move Informational Item #15 up behind Item #4 and to approve the revised agenda. Motion carried.

APPROVAL OF MINUTES:

Approval of the minutes from the April 12, 2016, regular meeting of the Redevelopment Authority. (01:30)

A motion was made by G. Delveaux and seconded by Ald. J. Moore to approve the minutes from the April 2, 2016, regular meeting of the Redevelopment Authority. Motion carried.

COMMUNICATIONS:

None.

OLD BUSINESS:

None.

NEW BUSINESS:

1. Approval of Release of Mortgage for Washington Square Apartments, 118 S. Washington (Parcels 12-292, 12-301, 12-284-56, 12-332, and 12-284-59). (01:40)

K. Vonck stated the Development Agreement was recently amended to extend TID 4. The parcels have been changing over to condos and selling off. As part of the original agreement the RDA had a mortgage on the parcels as a guarantee on the increment. The increment is performing well and the request is to release the mortgage on the five (5) remaining units. Staff feels the City is at no risk in releasing the mortgages.

A motion was made by G. Delveaux and seconded by T. Weber to approve the release of mortgage for Washington Square Apartments, 118 S. Washington (Parcels 12-292, 12-301, 12-284-56, 12-332, and 12-284-59). Motion carried.

2. Approval of Parking Agreement with Bellin Building. (05:00)

K. Vonck distributed the development agreement and parking agreement. Safford Building, LLC, Developer and Owner of the Bellin Building, has requested financial assistance from the City via TID 5. They have created incremental taxes through the redevelopment of the property and would like to apply them towards incurred expenses and offset parking expenses. A development agreement with the City was drafted for this project, but was never executed so they have no contractual obligations with the City. An overview of the development/parking agreement was provided.

A motion was made by T. Weber and seconded by M. Parma to approve the Parking Agreement with Bellin Building. Motion carried.

3. Approval of Lease Agreement with Caraustar. (09:10)

K. Vonck explained that Caraustar (a/k/a Recycled Fibers and The Newark Group) had a lease with On Broadway, Inc. (OBI) to park semi-trailers on the northern portion of the Larsen Green. Since the RDA acquired the property from OBI, the RDA should redraft the lease agreement. The original lease with recommended changes was included in the meeting packet. The amended agreement was distributed.

A motion was made by M. Schueller and seconded by M. Parma to approve the amended Lease Agreement between the RDA and Caraustar, subject to minor legal and technical changes. Motion carried.

4. Approval of Agreement to Provide Stadium Entertainment District (a/k/a Uptown) Master Planning Services with Vierbicher Associates, Inc. (11:55)

K. Vonck stated that the City selected Vierbicher Associates, Inc. as the consultant who will complete the Master Plan process. Funding up to \$40,000 from TID 7 was approved by Council. The request is for approval of the negotiated contract, which stipulates the terms, conditions, and expectations. The process will begin within the next few weeks.

Ald. J. Moore commented that special studies such as environmental, blight, and infrastructure are not covered in the agreement. It was noted that those things would be looked at once the plan is completed. It was also noted that the Village of Ashwaubenon has been contacted and they will be consulted on the plan.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to approve the agreement to provide Stadium Entertainment District (a.k.a. Uptown) Master Planning Services with Vierbicher Associates, Inc., subject to minor legal and technical changes. Motion carried.

15. Discussion of potential development projects at and around 865 Lombardi Avenue (Parcel 1-1841-B) (Tundra Lodge). (15:05)

K. Vonck stated this is an informational item on the agenda. He explained that the City has been in discussions with Tundra Lodge on potential expansion and redevelopment. Their expansion plans are focused on what to do with the outside lots, from Ashland Avenue to Bart Starr Drive, which were recently acquired by John Bays, owner of the Tundra Lodge. Discussions have focused on outdoor facilities to compliment what they have at the Tundra Lodge. The first phase of development includes an outdoor Vegas-style pool facility. They would like to explore a possible partnership with the City in also building an Olympic size 50 meter pool that could be used for public purposes, swim meets, etc.

John Bays and Jason Hager from the Tundra Lodge were present to discuss their plans.

A motion was made by G. Delveaux and seconded by M. Schueller to open the meeting for public discussion. Motion carried.

J. Hager discussed the Tundra's mission to grow their recently acquired property into an entertainment area for the Tundra with outdoor aquatic facilities. Their proposed plans were shown for a leisure pool and a possible competition pool. They will be moving forward with the leisure pool and are willing to work with the City, if the City is interested, in building the 50 meter pool. Their vision for the other acquired parcels includes outdoor reception space.

J. Bays stated that the Tundra Lodge and Convention Center has been very successful and expressed concerns about the new hotel going in by the stadium. He feels their development plans will help secure their success, and that building an Olympic size pool on their property could save the City millions.

Mayor Schmitt provided more information on the timeframe and discussions that have occurred with the Tundra regarding their development plans and stated this could be the catalyst project needed in the Stadium District. There is a lot of interest from City administration.

K. Vonck presented financial information and comparisons between doing an Olympic size pool at the Tundra Lodge vs. Colburn Pool. Information presented included the TID

amount requested by Tundra Lodge, comparisons in costs to construct and payback information, annual debt service, annual operating expenses, and annual revenue sources. From an economic development standpoint, he stressed the importance of putting money back into the TID to do other projects in the TID. The only request the Tundra would have of the City is that the City not build an Olympic size pool at Colburn.

D. Foeller noted that current operating costs at Colburn Pool as it stands today were used in the calculations, which is conservative. A tentative plan was given to the Assessor's office for \$3.5 million value, which is also conservative.

Regarding the timeline, if there is interest from the City, a formal proposal could be submitted within a couple months. If an agreement was reached this summer, it could be open by next spring.

Ald. J. Moore pointed out that with the Tundra Lodge borrowing, the effect on property taxes for constituents is zero.

Discussion continued on the benefits to the City if the Tundra Lodge builds the 50 meter pool and the Tundra's commitment for this to work for the community, the swim clubs, and for the hotel. The intention is to drive economic development and increase potential room tax.

A motion was made by Ald. J. Moore and seconded by G. Delveaux to return to regular order of business. Motion carried.

Discussion followed on appropriate action at this time. It was the consensus of the RDA to continue efforts to gather more information.

5. Request by On Broadway, Inc. to sell 412 W. Walnut Street and use the proceeds to fund improvements in the Broadway District. (44:40)

C. Renier-Wigg stated that in 2001 the RDA entered into an agreement with On Broadway, Inc. (OBI) to create additional parking space at 412 W. Walnut Street. The agreement states the RDA will be reimbursed for the fair market value if property is sold. A request has been made by OBI to sell the property for \$60,000 and hold the proceeds in an escrow to use toward future development in the Broadway District.

A motion was made by T. Weber and seconded by M. Schueller to open the meeting for public discussion. Motion carried.

Garritt Bader explained that he is a licensed real estate broker and did a Broker Opinion of Value to determine the value of the property to be \$60,000. Details were provided on his research to determine the value. Discussion followed on the "Love Here Live Here" campaign being launched by OBI. They would like to use proceeds from the sale towards infrastructure and public improvements to increase property values in the near-Broadway residential neighborhoods.

A motion was made by G. Delveaux and seconded by T. Weber to return to regular order of business. Motion carried.

T. Weber expressed support of the request, but commented that the original agreement was for funds to be reimbursed to the RDA. Upon discussion, it was recommended that the distribution of the funds come back to the RDA for approval.

A motion was made by Ald. J. Moore and seconded by M. Parma to approve the sale of 412 W. Walnut Street for \$60,000 with proceeds being held in an escrow account to be used for eligible Block Grant activities in the Broadway District, with all projects and disbursements to be requested by the On Broadway Board of Directors and approved by the RDA. Motion carried.

6. Request to execute development agreement with Habitat for Humanity for single-family housing development project at 1300 Block E. Walnut Street. (52:32)

Billie Jo Horsens stated a six-month planning option was granted to Habitat for Humanity to construct three twin-homes with six single family units. They have done their due diligence and are ready to enter into a Development Agreement. In March, the RDA allocated \$240,000 in HOME funds for the project. They will be ready to start construction in September with completion in spring 2017. The site plan was shown and discussion occurred regarding the design.

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

Cora Haltaufderheid and Michelle Heeler answered questions regarding assessed value, construction cost per unit, and design options to provide uniqueness to each unit. The Authority would like to see each unit look different.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to return to regular order of business. Motion carried.

A motion was made by Ald. J. Moore and seconded by M. Parma to approve the Development Agreement with Habitat for Humanity for single-family housing development project at 1300 Block E. Walnut Street. Motion carried.

7. Discussion and action on future of 100 W. Walnut Street (Parcel 4-180). (1:00:25)

The Authority may convene in closed session pursuant to Sections 19.85(1)(e), Wis. Stats., for purposes of deliberating or negotiating the sale of public properties, investing of public funds or conducting other specified public business as necessary for competitive or bargaining reasons. The Authority may thereafter reconvene in open session pursuant to Section 19.85(2), Wis. Stats., to report the results of the closed session and consider the balance of the agenda

K. Vonck stated this pertains to the River's Edge apartments. The Development Agreement has been reviewed and he recommended going into closed session to get direction from the RDA with respect to negotiating a selling price.

The closed session notice was read from the agenda. Roll call was taken. Present were H. Maier, G. Delveaux, Ald. J. Moore, M. Parma, M. Schueller, T. Weber.

The Authority returned to regular order of business. Roll call was taken. Present were H. Maier, G. Delveaux, Ald. J. Moore, M. Parma, M. Schueller, T. Weber.

A motion was made by Ald. J. Moore and seconded by T. Weber to direct staff to proceed as discussed in closed session. Motion carried.

8. Request to use \$20,000 of Neighborhood Enhancement funds and deed 308 S. Quincy Street to Integrity Home Builders under the New Homes in Your Neighborhood Program. (1:03:03)

K. Rovinski stated a three-month planning option was granted to Integrity Home Builders in January 2016. They are ready to move forward with a Development Agreement and use \$20,000 of Neighborhood Enhancement funds for the project.

A motion was made by Ald. J. Moore and seconded by M. Parma to use \$20,000 of Neighborhood Enhancement funds and deed 308 S. Quincy Street to Integrity Home Builders under the New Homes in Your Neighborhood Program. Motion carried.

9. Request by homeowner of 815 Division Street for consideration of a short sale and forgiveness of Down Payment Assistance Loan. (1:05:07)

K. King reviewed the request as detailed in the staff report and recommends not agreeing to loan forgiveness and instead entering into an unsecured repayment plan and satisfy the loan obligation to allow the sale to proceed. The repayment obligation is approximately \$2,500 and would be repaid over a few months time.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to not agree to loan forgiveness and authorize staff to enter into an unsecured repayment plan and satisfy the loan obligation to allow the sale to proceed. Motion carried.

10. Request by Realtor to accept a short sale offer for 923 Langlade Avenue. (1:08:55)

K. King reviewed the request as detailed in the staff report. The homeowner has applied for assistance through the Homeowner Affordable Foreclosure Alternative (HAFA) program. If approved for the program, the second and third position lien holders (RDA and NeighborWorks Green Bay) would split \$12,000 upon approval of the sale. Staff recommends approval of the short sale and to negotiate the split with NeighborWorks Green Bay in an amount proportionate to the lien, which would be \$10,000 minimum to the RDA. If the homeowner is not approved for the HAFA program, the home will likely go into foreclosure. There was brief discussion on alternative options.

A motion was made by Ald. J. Moore and seconded by G. Delveaux to approve the short sale and authorize staff to negotiate the split with NeighborWorks Green Bay with minimum of \$10,000 to the RDA. Motion carried.

11. Request to execute a redevelopment contract with NeighborWorks Green Bay for disposition and rehabilitation of 828 Lark Street. (1:14:25)

K. Rovinski stated that in October 2015, the RDA approved the purchase of 828 Lark Street with the purpose of putting it out for RFP. The RFP went out in March and two valid proposals were received. There were two other proposals that did not meet the criteria of the RFP. The two valid proposals were reviewed and graded by staff. Staff recommendation is to award the RFP to NeighborWorks Green Bay. Details of the proposal were provided.

The Authority made a suggestion for NeighborWorks to consider replacing the siding rather than painting it.

C. Renier-Wigg noted that as part of the RFP, the purchase price of the home is \$10,000.

A motion was made by Ald. J. Moore and seconded by M. Schueller to execute a redevelopment contract with NeighborWorks Green Bay for the disposition and rehabilitation of 828 Lark Street. Motion carried.

*Ald. J. Moore was excused at this time to attend the Finance Committee meeting.

12. Request to divide and sell 413 Fourth Street (Parcel 2-183) to adjacent property owners. (1:18:08)

K. Rovinski stated the RDA owns Parcel 2-183 and was approached by the owner of Richard Craniums Bar to purchase the property for expanded parking. City staff approached other surrounding property owners to see if they had interest in expanding their property as well. Parcel 2-183 would be divided into three even sections and sold to adjacent owners of Parcel 2-190, 2-185, and 2-184 for \$2,500 per section.

A motion was made by G. Delveaux and seconded by M. Parma to divide and sell 413 Fourth Street (Parcel 2-183) to adjacent property owners for a sum of \$7,500. Motion carried.

BILLS:

13. Request for approval of final payment to Martell Construction, Inc., in the amount of \$31,766.67 for contract "CD 15-01: Part A Dousman Street Improvements". (1:21:25)

A motion was made by M. Parma and seconded by M. Schueller to approve final payment to Martell Construction, Inc., in the amount of \$31,766.67 for contract "CD 15-01: Part A Dousman Street Improvements". Motion carried.

14. Acceptance of financial report and check register as provided. (1:22:05)

A motion was made by G. Delveaux and seconded by M. Schueller to approve the financial report and check register. Motion carried.

INFORMATIONAL:

16. Director's Report and Project Updates. (1:22:27)

K. Vonck stated he is bringing a proposal to Personnel Committee to reorganize the Community Services Agency and Economic Development Department and combine them into a Department of Community and Economic Development. Details of the reorg plan were provided.

H. Maier provided an update on the Northland Hotel project.

Chair ruled for adjournment at 4:35 p.m.