

MINUTES
REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY
Tuesday, August 9, 2016
City Hall, Room 604
1:30 p.m.

*****For more detailed information regarding the meeting, please see the meeting video on our website at <http://greenbaywi.gov/event/redevelopment-authority-meeting-52/> and follow the time stamp listed on each item.***

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

MEMBERS EXCUSED: Melanie Parma

OTHERS PRESENT: Kevin Vonck, Cheryl Renier-Wigg, Krista Cisneroz, Billie Jo Horsens, Ken Rovinski, Kristin Romanowicz, Julia Upfal, Mayor Schmitt, Ald. Dave Nennig, Jeff Knutson, Christopher Thomas, Garritt Bader, Erik Goerke, Ryan Van Straten, media and other interested parties

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

APPROVAL OF AGENDA:

Approval of the agenda for the August 9, 2016, meeting of the Redevelopment Authority.

A motion was made by J. Blumreich and seconded by G. Delveaux to approve the agenda for the August 9, 2016, meeting of the Redevelopment Authority. Motion carried.

APPROVAL OF MINUTES:

Approval of the minutes from the July 12, 2016, regular meeting of the Redevelopment Authority.

A motion was made by T. Weber and seconded by M. Schueller to approve the minutes from the July 12, 2016, regular meeting of the Redevelopment Authority. Motion carried.

COMMUNICATIONS:

None.

OLD BUSINESS:

None.

NEW BUSINESS:

1. Request to approve Development Agreement with Historic Restorations, LLC for residential apartment project at 409 N. Broadway and Kellogg + Chestnut Street (Tax Parcels 5-882 and 5-930). (01:13)

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 a term sheet was approved earlier this spring. The property is north of the intersection of Broadway and Kellogg Street. Jeff Knutson was present to answer questions. The plan is to renovate 409 N. Broadway into twenty (20) one (1)-bedroom residential units. The proposal includes acquiring the RDA's site on the corner of Kellogg and Chestnut for \$1.00 to install a parking lot. The Development Agreement was reviewed and includes TIF PayGo Incentive equivalent to fifty percent (50%) of the available tax increment for the property. TIF payments shall terminate at the end of 2026. Further details of the development agreement were discussed.

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

J. Knutson provided further details of the project including construction timeframe and the market for these units.

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

A motion was made by G. Delveaux and seconded by T. Weber to approve the Development Agreement with Historic Restorations, LLC for residential apartment project at 409 N. Broadway and Kellogg + Chestnut Street (Tax Parcels 5-882 and 5-930), subject to minor legal and technical changes. Motion carried.

2. Request to approve Term Sheet with GB Real Estate Investments, LLC for residential apartment project at 202 Cherry Street, Condominium Unit One (1) and Condominium Unit Two (2) (Tax Parcels 12-351 and 12-352). (09:38)

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K. Vonck stated the developer intends to construct a two-story residential apartment complex with seventy-one (71) market-rate apartments above the top deck of the Cherry Street Parking Ramp. The developer secured a planning option from the Economic Development Authority and has been working on due diligence in terms of

engineering and structural matters and is comfortable moving forward. Further details of the project were provided and the developer was present to answer questions. TIF assistance has been requested and part of the developer request includes extending TID 5. Staff recommends a TIF PayGo incentive equivalent to 80% of the available tax increment for the property. The request to extend the TID would be a separate discussion with the RDA, City, and Joint Board of Review. Further discussion followed regarding future parking needs for downtown.

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

Garritt Bader presented an overview of the proposal, preliminary site plan and building profile, results of their due diligence, the request presented today, and timeline to move forward in the future.

Erik Goerke, CEO of Alliance Management, provided information on the demand and marketing of downtown apartments.

Discussion occurred regarding the close proximity to The Metreau apartments. Ryan Van Straten noted that their one-bedroom units would not be competing with The Metreau one-bedroom units.

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

Mayor Schmitt and K. Vonck noted that the RDA shouldn't be concerned with the amount of housing being built in the downtown. Studies show an immediate need for 350-500 more market-rate units.

T. Weber suggested that information on the need for additional housing be provided as part of future requests.

K. Vonck noted that a number of issues will need to be addressed between the term sheet approval and finalizing of a development agreement, including a parking agreement, rates, gates, signage, use, elevator, utilities, etc.

A motion was made by T. Weber and seconded by G. Delveaux to approve the Term Sheet with GB Real Estate Investments, LLC for residential apartment project at 202 Cherry Street, Condominium Unit One (1) and Condominium Unit Two (2) (Tax Parcels 12-351 and 12-352), subject to minor legal and technical changes. Motion carried.

3. Request to authorize staff to execute lease with Café Madrid to use a portion of 101 N. Adams Street (Tax Parcel 12-122). (42:26)

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K. Vonck noted that this request pertains to the alley under and behind the Schauer and Schumacher buildings, currently owned by the Redevelopment Authority. Café Madrid, located at 225 E. Walnut Street, would like to use the alley for outdoor dining. There is currently a Planning Option with Swell Space LLC on 101 N. Adams Street. Their permission would be required, along with an agreeable lease rate with the RDA.

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

The owner of Café Madrid presented photos of the space they would like to utilize, which is located directly out their back door. They would like to use the courtyard space for outdoor dining. She has been in contact with Chris Mangless and he has no problem with it. She is awaiting a formal letter from Mr. Mangless.

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

The closed session notice was read. A roll call vote was taken to convene in closed session. Ayes – H. Maier, G. Delveaux, J. Blumreich, Ald. J. Moore, M. Schueller, and T. Weber.

A roll call vote was taken to return to regular order of business. Ayes – H. Maier, G. Delveaux, J. Blumreich, Ald. J. Moore, M. Schueller, and T. Weber.

It was reported that during the closed session, the Authority discussed lease terms with Café Madrid.

A motion was made by Ald. J. Moore and seconded by G. Delveaux to direct staff to draft and execute a lease according to the terms discussed in closed session. Motion carried.

4. Request to purchase 300 S Ashland Avenue using CDBG funds. (53:22)

B. Horsens stated that 300 S. Ashland Avenue is located on the corner of S. Ashland and School Place and is adjacent to a small unbuildable parcel that the RDA owns at 709 School Place. The intention is to acquire 300 S. Ashland, rehab the property, build a garage, and combine it with 709 School Place to sell to a low to moderate income homeowner. There is a contingent offer of \$60,000. The family currently renting the home has expressed interest in purchasing it after it is rehabilitated. If they do not qualify to purchase the home, they will be eligible for relocation benefits.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to purchase 300 S. Ashland Avenue for \$60,000 using Community Development Block Grant Funds. Motion carried.

5. Request to authorize staff to execute a Development Agreement with Under Construction, LLC, including the deeding of 1070 Roscoe Street, and providing a \$5,000 grant for the construction of a single family home under the New Homes in Your Neighborhood program. (56:40)

K. Rovinski stated that Under Construction, LLC would like to build a 952 sq. ft. two-bedroom, two-stall garage house on the property. Their design plans have been reviewed and fit in with the neighborhood. Staff is still working with them on some of the design elements. There is a possibility of adding a third bedroom in the basement. The property is a vacant lot that was recently purchased from the Brown County Treasurer's Office as a tax foreclosure.

A motion was made by J. Blumreich and seconded by M. Schueller to authorize staff to execute a Development Agreement with Under Construction, LLC, including the deeding of 1070 Roscoe Street, and providing a \$5,000 grant for the construction of a single family home under the New Homes in Your Neighborhood program. Motion carried.

6. Request to authorize staff to award Contract CD16-02 Part A – Sidewalks and Part B - Alley Resurfacing to low qualified bidders with the actual work amount not to exceed the total budget allocation of \$128,023.09 for Part A and \$90,000 for Part B. (1:00:10)

K. Cisneroz noted that the Department of Public Works would like to go out for bids for this work but the bids will not come in until a week after the RDA meeting. Approval is requested now to expedite the process once the bids are received. The funding is from the 2016 allocation, which has not yet been received, but the contracts can be awarded and once the money is received the work can begin. A map of the alley and sidewalk locations was provided.

A motion was made by J. Blumreich and seconded by Ald. J. Moore to authorize staff to award Contract CD16-02 Part A – Sidewalks and Part B - Alley Resurfacing to low qualified bidders with the actual work amount not to exceed the total budget allocation of \$128,023.09 for Part A and \$90,000 for Part B. Motion carried.

7. Request to approve revisions to guidelines for CDBG Demolition Grant. (1:04:04)

J. Upfal stated that revisions to the CDBG Demolition Grant Program were made earlier this year. Additional revisions are being requested to remove the \$10,000 limit that prevents larger projects from using the grant. Also, to change the requirement for new construction on the site to more broadly state that there should be substantial investment on the site.

Ald. J. Moore recommended waiving the \$10,000 limit for the remainder of this year to enable expending of the funds and to revise the policy to match the authorization that was given to the Director to approve demolitions that come in higher than \$10,000 without going to the RDA.

A motion was made by Ald. J. Moore and seconded by M. Schueller to approve revisions as discussed to guidelines for CDBG Demolition Grant. Motion carried.

BILLS:

8. Acceptance of financial report and check register as provided. (1:08)

A motion was made by J. Blumreich and seconded by G. Delveaux to approve the financial report and check register as provided. Motion carried.

INFORMATIONAL:

9. Discussion on KI Convention Center future needs. (1:08:17)

K. Vonck provided an update on potential improvements needed in the future. There was a walk-through in June in which management pointed out some things. He would like a follow-up meeting to get a list of items and a potential capital improvements plan. Items mentioned included furniture replacement; areas of floor and carpet replacement; and walls, panels, and paint. It was suggested to include an escalator as part of the discussions.

A motion was made by Ald. J. Moore and seconded by M. Schueller to continue discussions to establish a long range maintenance plan for the KI Convention Center. Motion carried.

10. Director's Report and Project Updates. (1:15:58)

K. Vonck provided the following updates:

- The City was awarded a grant of \$425,000 from WDEC for construction of Kellogg Street extending to Larsen Green.
- Work continues on the Greenfield site event center and additional development.
- Work continues on the term sheet for The Barracks.

Chair ruled for adjournment at 3:00 p.m.