RACM REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE

City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes

REDEVELOPMENT AUTHORITY

FRANCES HARDRICK, CHAIR Lois Smith, Vice-Chair

Kathryn West, Jose Galvan, Jr., Monique Charlier, Ald. Lamont Westmoreland and Montavius Jones

Assistant Executive Director-Secretary David P. Misky, 414-286-8682, dmisky@milwaukee.gov

Thursday, May 15, 2025

1:30 PM

809 North Broadway, 1st Floor Boardroom

1. Pledge of Allegiance

The meeting was called to order at 1:30 p.m. The Pledge of Allegiance was said.

2. Roll Call

Present 6 - West, Smith, Galvan Jr., Hardrick, Jones and Charlier

Excused 1 - Westmoreland

3. Minutes

After the Pledge of Allegiance and Roll Call, the Chair asked for a motion to adopt the April 17, 2025 Meeting Minutes. Hearing no other corrections or objections, the minutes were adopted by consensus.

Mr. Misky reported that for today's public hearing regarding approval of two Project Plans, the required Class II notices were published in the Daily Reporter on May 1st and May 8th.

4. Resolution adopting the boundaries and Project Plan for Tax Incremental Financing District No. 123(Northwoods).

Lori Lutzka of the Economic Developemnt team introduced the item. The property includes 2 buildings, 6 dwellings, and 72 units with rents between 30-60% of AMI. The renovation would include a roof, windows, kitchens, and bathrooms, and a new outdoor playground and gazebo. The work is projected to be completed in the Winter 2025-26.

This site-specific TID is a \$1.27M developer-financed loan at 5.75% interest to be repaid in year 17. The development will include 4% affordable housing tax credits and be subject to the displacement preference policy. The development team is agreeing to 25% Small Business Enterprise (SBE) and 40% Resident Preference Program (RPP).

Brody Wiener, Development Manager for the buyer KCG Development, introduced his

company having been in existence for 9 years with 4,300 rental housing units nationwide and 3 proposed projects in Milwaukee including the \$14.5M investment of this property.

Commissioner Galvan asked about the residents to which Mr. Wiener stated there is minimal vacancy with 68 of the 72 units occupied with Section 8 vouchers. The development team will be using First Place Relocation to assist the residents with temporary relocation for 7 to 10 days while the renovation is being done for each unit.

Commissioner West asked about the age of the building and if fire suppression was ever installed. Mr. Wiener stated the building was constructed in 1971 and was unsure of fire suppression in the buildings.

Commissioner Charlier asked about the general contractor (GC) and the mechanicals. Mr. Wiemer stated the GC is CRG Residential from Indianapolis and the mechanicals are part of the upgrades. Commissioner Charlier also asked about property management which will be Wynn Property Management with a portfolio of 770 properties nationwide. Finally, Commissioner Charlier asked about Aldermanic support to which Ms. Lutzka stated Alderwoman Coggs is supportive.

Commissioner Galvan moved for adoption of the resolution and it carried by a vote of 5 ayes and 1 nay. Adopted resolution is No. 11034.

5. 250216 Resolution adopting the boundaries and Project Plan for Tax Incremental Financing District No. 123 (Northwoods).

Sponsors: THE CHAIR

6. Resolution adopting the boundaries and Project Plan for Harambee Homeownership Initiative Tax Incremental Financing District No. 124 (Harambee Homeownership Initiative).

Larry Kilmer of the Commissioner's Office introduced TID 124. This "coordinated backbone TID" includes 59 properties where Envision Growth will construct 8 single-family homes for Early Childhood Educators and Milwaukee Habitat for Humanity will construct 51 new single-family homes. The \$17.5M investment will be completed by the end of 2029 with the use of philanthropic grants and the TID. The City will contribute \$2.85M for a developer-financed TID with a 2.5% interest rate, 25-year term, 25% SBE, and 40% RPP.

Teig Whaley-Smith of Community Development Alliance (CDA) provided an update of the CDA with the organization charged with creating 100 affordable homes per year. Habitat was constructing 20 homes per year and is currently doing 40 homes this year. The goal is for Habitat to construct 80 homes next year. CDA is trying to provide enough subsidy so the homes can be purchased for less than \$120K.

Commissioner Smith asked how the Midtown project is progressing. Mr. Whaley-Smith stated it is on schedule and confirmed this project is supported by Alderwoman Coggs.

Oby Nwabuzor of Envision Growth and Brian Sonderman of Habitat described their organizations. Envision Growth was created in 2019 and Habitat has been around for 40 years with the organization helping over 1,500 families buy or repair their homes. Commissioner Galvan asked about "wrap-around" services for homeowners to which

Mr. Sonderman stated Habitat has two mechanisms to ensure homeownership including "right of first offer" and a "10-year shared appreciation." In each case, Habitat has some control over who owns the home in the future.

Commissioner Jones asked if the project includes SBE and RPP to which Mr. Kilmer stated that each developer will have their own agreement. Envision Growth is not subjected to these requirements since they are not receiving a subsidy that exceeds \$1MM and since Habitat relies on volunteers and in-kind services, the City has determined SBE and RPP will be best efforts. Commissioner Jones asked asked about resale value. Mr. Whaley-Smith stated there are deed restriction mechanisms in place with Habitat and Envision Growth but the homeowner is given a 2% increase in valuation each year. There is shared equity when the homeowner decides to sell the home. Mr. Kilmer added the 2% increases are calculated in the property assessments when analyzing feasibility of the TID.

Tim Scott, of Sherman Park and part of the CDA resident council, spoke in favor of the TID.

Commissioner Smith moved for adoption of the resolution and it carried by a vote of 6 ayes and 0 nays. Adopted resolution is No. 11035.

7. 250217 Resolution adopting the boundaries and Project Plan for the Harambee Homeownership Initiative Tax Incremental Financing District.

Sponsors: THE CHAIR

8. Resolution authorizing a License Agreement with the Westown Association for the properties at 634 North 5th Street and 401-41 West Wisconsin Avenue for a special event.

Mr. Casanova provided background on the previous agreements. This license is for Night Market events to be held on June 11, July 16, August 13, and September 10.

Commissioner Galvan moved for adoption of the resolution and it carried by a vote of 6 ayes and 0 nays. Adopted resolution is No. 11036.

9. 250218 Resolution authorizing a License Agreement with the Westown Association for the properties at 634 North 5th Street and 401-41 West Wisconsin Avenue for a special event.

<u>Sponsors:</u> THE CHAIR

10. Resolution authorizing an amendment to increase the amount of the contract for Landscape Maintenance services and Snow and Ice Removal services at the Century City Business Park.

Century City Project Manager Benji Timm stated this amendment will extend the current contract with SBE-firm All Seasons Landscaping that was signed in April 2023 and was the result of a Bid in 2023. The company is currently attaining 85% RPP. This will be the last year of the contract and will be for ~\$47,000. The source of funds continues to be Century City rental income.

Commissioner West moved for adoption of the resolution and it carried by a vote of 6 ayes and 0 nays. Adopted resolution is No. 11037.

11. 250219 Resolution authorizing an amendment to increase the amount of the

contract for Landscape Maintenance services and Snow and Ice

Removal services at the Century City Business Park.

Sponsors: THE CHAIR

12. Other Business

13. Adjournment

The meeting was adjourned at 2:17 p.m.