

City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes BRONZEVILLE ADVISORY COMMITTEE

RALPH HOLLMON, CHAIR
Rhonda Manuel, Vice-Chair

Jayme Montgomery Baker, Radolph Matthews, and Fidel
Verdin

Staff Assistant, Chris Lee, 286-2232, Fax: 286-3456,
clee@milwaukee.gov

Wednesday, March 28, 2012

9:00 AM

Room 303, City Hall

Meeting convened at 9:12 a.m.

- 1. Call to Order.
- 2. Roll Call.

Present 4 - Manuel, Hollmon, Montgomery Baker and Verdin

Excused 1 - Matthews

Individuals also present:

Ald. Milele Coggs, 6th Aldermanic District

DeShea Agee, Department of City Development

3. Review and Approval of the Previous Minutes of February 29, 2012.

Mr. Hollmon questioned the status of two appointments of Common Council President Willie Hines, Jr.

Ald. Coggs replied that she has been given leeway to find these persons and that there is intention to have the two new appointments go through the next Common Council meeting on April 11, 2012 by means of immediate adoption.

Ms. Manuel moved approval of the previous minutes of February 29, 2012, seconded by Mr. Verdin. There were no objections.

4. Discussion, Presentation, and Overview of the Bronzeville Cultural and Entertainment District.

Mr. Agee gave an overview on the Bronzeville Cultural and Entertainment District and the components of the Bronzeville Tax Increment District (TID #59). The first component is the Bronzeville District. It is a Milwaukee geographic area focused on attraction and promotion of African American arts, culture, and entertainment. The Bronzeville TID boundaries consist mostly of Garfield Avenue to Center Street and along Martin L. King Jr. Drive between Lloyd Street and Locust Street. The Bronzeville

TID entertainment section is between North Avenue and Meinecke Avenue. TID #59 was established by the Common Council in 2005 to restore economic vitality to a central Milwaukee neighborhood by creating entrepreneurial opportunities, improving housing stock, and establishing an entertainment destination for tourists and residents.

Mr. Agee proceeded with information about the proposed Bronzeville Cultural Center. It is a component of the Bronzeville TID and is the former Garfield Avenue School. Milwaukee Public Schools, Ald. Coggs, and the Department of City Development (DCD) are trying to get the Redevelopment Authority of the City of Milwaukee (RACM) to get possession of the building. Once obtained, RACM plans to make the 52,000 sq. ft. building the cultural center. Also, there is desire to make the former Black Holocaust Museum part of the cultural campus. The museum is 6000 sq. ft. in space. The cultural campus will be on 4th Street between Garfield Avenue and North Avenue.

Mr. Agee spoke on the next component of the TID, which is commercial efforts for redevelopment projects in Bronzeville. Also, he spoke on the acquisition of properties. The former Inner City Arts Council Building, 642 W. North Avenue, was sold to three partners for redevelopment. RACM acquired properties and land at 628 630 W. North Avenue, 540 W. North Avenue, and the site next to and on the other side of a Laundromat. There is a desire to acquire the laundry mat in the area, which will trigger an RFP once acquired.

Mr. Hollmon inquired as to the status of the tavern on 5th Street and North Avenue. Mr. Agee replied that the tavern is privately owned. The redevelopment plan did not include the tavern, but an amendment may need to be made if the tavern is to be acquired by RACM.

In response to Ms. Montgomery Baker's inquiry on TID, Mr. Agee said that taxes going to levy are on pause for a given boundary and its properties. All of the increment would be used to fund the Bronzeville redevelopment in general, for example. Increment within a boundary is adjusted or changed by the economy, new development, and the selling of properties or land. The acquisition of new property or land will occur when an increment becomes better than self sustaining.

Ms. Manuel asked for the performance of the Bronzeville TID compared to other TIDs.

Mr. Agee said that the Bronzeville TID original request for increment was low from the very beginning at \$3.5 million. Funds have been expended, but funds are still available. Bronzeville TID is performing well in relation to other TIDs. Some other TIDs are performing very well while others are not at all. TIDs that have spent all funds with decreasing property values may not be performing as well.

Ms. Manuel added that the point of a low increment was to see investment in the area.

Mr. Agee spoke on commercial efforts for redevelopment and the assistance of privately owned properties in the area. An RFP will made available for the building and land available at 622 630 W. North Avenue with the goal of adding parking in the rear. Funds have been used to assist privately owned properties in the area, such as a gas station and for exterior renovation at 408 W. North Avenue. The gas station utilized the Bronzeville Economic Development Fund. Walgreens have shown interest for assistance with redevelopment of its property.

Mr. Agee said the next Bronzeville TID component involves residential efforts for new single family home construction under the Bronzeville New Homes Initiative. 5 homes have been built with 19 lots available for \$1. The homes built have added over \$1 million in increment dollars in tax value. Part of the initiative program is a \$10,000 forgivable mortgage, which is one of the resources to help bring people in the area. \$2000 will be wiped away for each year for a new homeowner living in the newly constructed home. Furthermore, there is funding available to assist with the cost of lateral connections. Signs advertising the Bronzeville New Homes Initiative program and for Bronzeville commercial buildings have been put up in the area.

Mr. Agee said that there will be a streetscape beautification project dedicated to redo North Avenue from 7th Street to Martin L. King Jr. Drive. It is the next TID component. A walk through was done with Mr. Hollmon's input on the streetscape outside of his building. There will be benches, planters, trash receptacles, pavement enhancements, lighting additions, outdoor furniture, banners, informational kiosks, and decorative street treatment. The project is planned for summer 2012, which can be done early due to the availability of funds.

Mr. Agee said that other components of the Bronzeville TID include community involvement through public events and the committee and a new website showing online representation of the district.

Mr. Hollmon inquired as to the Terry Porter project.

Mr. Agee responded that the developers withdrew their plans for the project due to a situation with the partners involved. RACM still owns the property and an RFP will be put out. The two sided billboard that is currently onsite will be relocated after a resolution was sought prior to the withdrawal of the project. Clear Channel and the Department of Transportation are on board for the relocation of the billboard for future projects on the site. An RFP is in draft mode but has not been put out due to the desire to have one project done at a time due to the lack of available funds to address multiple projects at the same time.

5. Discussion, Presentation, and Overview of Requests for Proposals (RFP).

Mr. Agee gave a general overview on a Request for Proposal (RFP) by looking at the RFP for 622-630 W. North Avenue, which was previously distributed to members. The RFP begins with an introductory paragraph followed by pictures of the property, site plan, and geographic area of the Bronzeville Cultural District. The asking price from RACM is shown. There is language indicating that no brokerage fee will be paid and the property is sold "as is."

In response to Mr. Hollmon's question about environmental remediation work being done, Mr. Agee said that it's the buyer's responsibility. Buyers may ask for assistance in their proposed budget. RACM will not do the work but may assist with costs.

Mr. Agee proceeded to discuss Property Description, Property Use, Property Redevelopment, Emerging Business Enterprise, and Showings and Real Estate Questions in the RFP. Property Description contains the square footage of the building and lot, traffic count near the site from a retail standpoint, historic land use investigation for the site and neighborhood sites, and a disclaimer of what RACM will and will not do. Property Use contains the range of property uses that RACM desires to see. Example is a sit down restaurant or venue that may include a cultural or

historic focus. Prohibited uses for the property are also listed, such as gun shops or cigar shops. Property Development contains the requirements that the respondent is expected to meet. For example, a respondent must indicate if they are to renovate the existing building or demolish and construct a new building. Some minimum redevelopment requirements are available via link on the RFP. Emerging Business Enterprise (EBE) lists the percentage of total project costs to be from EBE contractors. RACM requires 18% from EBE, now the office of Small Business Development (OSBD), for the RFP. Showings and Real Estate Questions list the dates of showings. Additional showing information is available via link on the RFP.

Mr. Agree said that Proposal Process in the RFP identifies the number of copies of proposals a respondent should submit as well as the deadline submittal. Proposal Process further describes Project Summary, which identifies what a proposal should address. Examples include the offering price, proposed uses, end user and owner's experience, development team and its experience, project budget, financing strategy, business plan, and project schedule.

Mr. Agee said that Preliminary Architectural Plans requests for a respondent to submit a visual representation of the end product and that Scope of Work requires a description of the specific work to be done.

Mr. Agee said the RFP has the address of the location for submittals and the title to be written on the envelope containing a proposal.

Mr. Agee continued to speak on Review and Selection in the RFP. The criteria used to review a proposal are listed here. The Bronzeville Advisory Committee (BAC) would become involved, review proposals, and offer feedback to RACM. BAC and RACM may bring in developers for interviewing. Once a proposal is agreed upon, it goes to a RACM meeting. The RACM board may ask questions and weigh in. The proposal then becomes a file for review by the Zoning, Neighborhoods and Development Committee (ZND) and the full Common Council. Files are sponsored many times by the local alderperson of the site of the redevelopment.

Mr. Agee said Open Period and Closing in the RFP describes amount of time for a buyer to obtain financing, architectural renderings, and all other required documentation prior to closing. Closing takes place with the City Attorney's office with option agreements to get a project going. Once everything is fine tuned, final closing takes place involving many types of paperwork.

Mr. Agee said Financial Assistance in the RFP lists tools to assist the buyer. Examples include the Bronzeville Economic Development Fund, Facade Grant and Facade Loan from DCD, the Retail Investment Fund, and the Milwaukee Economic Development Corporation.

Mr. Agree said RACM Polices in the RFP lists background issues of an individual or a business entity that would result in the rejection of a proposal. Examples include delinquency in city taxes, tax foreclosures within the last five years, and judgments from the city.

Mr. Agee proceeded to discuss about Other Approvals, Special Note, and Changes and Clarifications in the RFP. Other Approvals require a buyer to be solely responsible to obtain approval of the Board of Zoning Appeals for uses or development requirements that are not expressly permitted by the zoning code. Special Note

addresses disqualification of a proposal for unauthorized contact and inside information with city departments or elected officials. Changes and Clarification is a disclaimer saying that any changes or additional information to the RFP will be posted on the RFP website. Links to the website and the Bronzeville email list is available here.

Mr. Hollmon inquired as to approval of partial proposals for an RFP. Mr. Agee answered that the desire is for a proposal for whole RFP. Otherwise, BAC and RACM have the ability to judge, compare partial proposals to others, make suggestions and recommendations, and have flexibility.

Mr. Hollmon questioned the timeline of the RFP for 622 630 W. North Avenue. Mr. Agree replied that after checking the RFP with RACM, the RFP will be put out sometime in April 2012.

Ald. Coggs asked if total project costs from EBE in future RFPs can increase from the required 18%. Mr. Agee said that 18% is the legal requirement according to the City Attorney's office and the city ordinance. He added that desire for a higher percentage can be done through encouragement, dialogue with the respondents, and through the final RACM resolution that would be forwarded to ZND and the Common Council.

Ald. Coggs said that the committee should encourage a higher percentage. She added that the committee can utilize public meetings to entertain community expectations, pressure, and suggestions to influence proposals and respondents.

Ms. Manuel said that she would like to see a written opinion from the City Attorney's Office regarding the 18% EBE requirement.

Mr. Hollmon said that a higher EBE percentage can be done with an assertive RFP language, the interview process, and reemphasis with finalists.

In response to Ms. Montgomery Baker's inquiry on EBE, Ald. Coggs said EBE is for historically disadvantaged businesses which predominately end up being businesses of color and women. It is not race specific. 51% of a business must be disadvantaged. Mr. Agee said EBE requirements allow for a contractor to access the group of EBE businesses under OSBD to include them in a project.

Ald. Coggs inquired as to residential preference or RPP. She added that RPP requires workers to be hired from Milwaukee.

Mr. Agee said RPP is 21% and based from the number of total hours worked. It would be included in the final drafted document and not necessary in the RFP.

Mr. Hollmon said that the committee should recognize the ongoing challenge of the community not knowing the details of developments and projects. Developments are complex and confidential. The committee cannot give out details. He added that the RFP process is a sophisticated game and that small businesses may be unable to submit adequate proposals. Small businesses may have to partner up with larger or more experienced developers or businesses.

Ald. Coggs said that the committee should think outside the box, address issues, find ways to connect developers and tenants, and connect people to resources.

6. Items for the Next Meeting Agenda.

Ald. Coggs said that Ossie Kendrix from the Office of Small Business Development should be invited to the next meeting to give an overview on its program, information on disparity study, and tools for the committee to use in relation to its goals.

Ald. Coggs said that Mr. Agee should attend the next meeting to give an update on the streetscape and banner project.

Mr. Verdin said that Mr. Agee can give an update on the RFP for 622-630 W. North Avenue.

Ms. Manuel suggested to bring in Genyne Edwards from WOO Connections to talk about the cultural center.

Mr. Hollmon said the committee should discuss the frequency of its meetings and periodic community meetings.

7. Set Next Meeting Date and Time.

Ms. Montgomery Baker asked if meetings could be held in the community. Mr. Hollmon answered the intent is to have some meetings in the community for informational purposes.

Mr. Agee suggested setting the next meeting on Wednesday, April 25, 2012. Mr. Hollmon concurred and added that the following week is also available in the event any conflicts should arise.

8. Adjournment.

Meeting adjourned at 10:32 a.m. Chris Lee, Staff Assistant