MINUTES

Economic Development Committee Meeting

Date | time Tuesday, October 17, 2022, at 5:15 P.M. | *Meeting called to order by* Watson at 5:16 P.M.

In Attendance

Members Present: Sarah Watson, Chad Henke, Tom Kilian, Carol Lukens, Lisa Rasmussen

Others Present: Liz Brodek, Randy Fifrick, MaryAnne Groat, Shannon Graff, Mayor Rosenberg, Atty. Anne Jacobson, Scott Kwiecinski (Horizon Development), Tyler Sheeran (Commonwealth), Luke Samalya (Danna Capital) and Jackson Lindsay (General Capital Group), Trent Claybaugh (Gorman & Company, LLC)

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner.

Agenda Item 1 – Approval of Minutes from 10/4/22

Rasmussen motioned to approve, seconded by Henke to approve minutes from 10/4/22

Kilian requested the minutes from 10/4/22 be amended to include his comments in detail related to the vacant Thomas Street parcels (comments have been added to 10/4/22 minutes).

Rasmussen amended her motion to include the additional comments as requested by Kilian. Henke seconded.

Approved Unanimously 5-0

Agenda Item 2 – Discussion and possible action approving Second Amendment to East Riverfront Declaration (Brodek, Atty. Jacobson)

Brodek explained the amendment is to change the date in which regular assessments would be calculated. Initially they were to begin calculating them on 1/1/22 but the amendment is requesting this be changed to 1/1/23 as the request of a couple of the current property owners.

Kilian motioned to approve amendment, seconded by Lukens.

Approved Unanimously 5-0.

Agenda Item 3 – Discussion and possible action approving Third Amendment to East Riverfront Declaration (Brodek, Atty. Jacobson)

Brodek explained that the East Riverfront Declaration was created in part to apportion assessments for ongoing maintenance and improvement costs among owners in the Riverlife area, so each owner has proportional responsibility. Riverlife II, the Riverlife Condos is set to close on 11/2/22 so the declaration must be amended to honor the updated parcel configurations and adjust proportional responsibility throughout. She noted it's a .001 percent change to the original configurations. Brodek said the following replacements would occur:

- Exhibit B-3 would replace Exhibit B (Declaration of Lots, Common Areas, Zones)
- Exhibit C-3 would replace Exhibit C (Legal Description of Lots)
- Exhibit D-3 would replace Exhibit D (Net Square Footage and Ownership Units of Lots).

Rasmussen motioned to approve, seconded by Henke.

Approved Unanimously 5-0

Agenda Item 4 – Discussion and possible action on approving the continuation of negotiations on First Amendment to Development Agreement with RJ Elm Properties, LLC for Bantr at 1520 Elm St. (formerly referred to as 201 N 17th Ave.) (Brodek, Atty. Jacobson)

Brodek advised the committee the intent of the closed session on this project is to provide an update on negotiations with RJ Elm Properties, for the First Amendment to the Development Agreement. Brodek also clarified the property at 1520 Elm St., formerly referred to as 201 N 17th Ave, is the same project. No action taken as it is agendized for closed session.

Agenda Item 5 – Discussion and possible action on 700 Grand RFP responses (Fifrick, Brodek)

Fifrick explained to the committee that it was requested that the developers update their proposals to reflect 100% affordable housing to illustrate what the cost would look like, of which the updates were provided in the packet. No action during this time as it is agendized for closed session. Fifrick updated the committee regarding the trees on the site currently, and said UW Extension, who operates the gardens on the property, advised the city that they no longer planned to utilize the site after this year and are currently working with another organization to have the trees relocated in Spring of 2023. Additionally, Fifrick stated conversations with Inspections it was determined standard parking is 1.5 stalls per unit for market rate projects. He explained it could vary widely based on projected future zoning for the project and that typically affordable housing developments require less parking.

Lukens noted she spoke with District 1 residents and said several expressed concerns regarding the traffic on that corner and if there has been a traffic study done for that area.

Brodek responded that she didn't believe a traffic study has been done to determine if the traffic could be accommodated but noted staff met with other departments many times to reveal and address any potential issues the site may have and no concerns regarding traffic were brought forward by any other department. Brodek also explained 700 Grand was acquired because it was thought a street reconstruction project, such as street widening, would be done by the DOT but it has since been taken off the books. Brodek stated this is the reasoning behind reserving 10' of right of way in case something would need to be done in the future.

Kilian requested an explanation of how TIF would work because the parcel is not currently in a TIF district or near the boundary.

Brodek explained in the TID plan that was adopted by the City (unknown adaptation date) the city can use TIF funds to accommodate development within a ½ mile radius of that TID and 700 Grand falls into that ½ mile radius. She explained the other option is to put it in a TID and potentially extend boundaries by using contiguous tax-exempt properties.

Groat also responded saying the city could use the extra one year for low-income housing because of a couple of TID's ready to close but also said that based on the developer's timelines, the city could be in a different situation then and it may be easier to create a different TID. She explained low-income housing doesn't generate tax base to recover the cost of the TIF ask so the city would rely on other development to fund the shortfall in the cash flow.

Rasmussen said it would be optimal if the city is able to capture a year of closed TID district increment and convert it to a project like 700 Grand. She noted there wouldn't be added obligations to TID 8 but would still be able to repurpose the increment captured from the closed district. Rasmussen also suggested capturing the increment from a closed district could also be used in combination with ARPA funds.

Agenda Item 6 – CLOSED SESSION pursuant to 19.85(1)(e) of the Wisconsin Statutes for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session: relating to Update and Review of T. Wall/Foundry on Third Development Agreement & Review and Possible Action on Third Amendment to Riverlife Condos Development Agreement.

Motioned by Rasmussen, seconded by Kilian to move into closed session.

Roll call vote Approved unanimously 5-0.

Agenda Item 7 – RECONVENE into Open Session to take action on Closed Session items, as necessary

Rasmussen motioned to select the project presented by Commonwealth Companies and direct staff to move forward with the appropriate negotiations. Seconded by Henke.

Approved unanimously 5-0.

Agenda Item 8 – Adjourn

Kilian/Henke

Approved unanimously 5-0.

Meeting adjourned at 6:26 p.m.