



CITY OF WAUWATOSA

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MEETING MINUTES COMMUNITY DEVELOPMENT AUTHORITY Thursday, March 28, 2013 – 12:00 p.m. Committee Room #1

PRESENT: Mr. Bush, Ms. Rettko, Ms. Wakefield, Ald. Tilleson, Ald. Wilson

EXCUSED: Ms. Eick

PUBLIC PRESENT: Russ Drover, 7530 W State Street; Ald. Pete Donegan, 2202 N. 73rd Street; Doug Dunlop, 1504 Church Street; Jon Olson, Wauwatosa Now; Sean Phelan, Phelan Development; Jim Plaisted, Village BID; Betty Ragalie, 1621 Church Street; Valerie Schleicher, 225 N. Glenview Avenue; Blair Williams, Wired Properties

STAFF PRESENT: Mayor K. Ehley; J. Archambo, City Administrator; P. Enders, Development Director; J Ruggini, Finance Director; M. Schreiber, Business Services Specialist; T. Szudy, Principal Planner

Ms. Wakefield called the meeting to order at 12:02 p.m.

Minutes

Motion by Ald. Tilleson, second by Ald. Wilson to approve the minutes for the CDA meeting held on March 7, 2013 - Approved 5-0

Discussion of Remnant Fire Station Proposal

Ms. Wakefield provided a summary of the CDA's history with the remnant fire station proposal. Ms. Enders added that since the last meeting staff has continued to negotiate the proposal with the developer.

Ms. Wakefield then asked for comments from the public regarding the proposal.

Mr. Drover stated that he was concerned with the proposal because it is too intensely developed, has tall building heights and brings an urban feel to the Village. He stated that the size of the building will overshadow its smaller neighbors.

Ms. Ragalie expressed concern regarding the height and financing for the proposal. Ms. Ragalie added that the proposal is not aligned with the city's Comprehensive Plan. She also stated that she is concerned with the density of proposal.

Ms. Enders clarified that the Village Plan supersedes the Comprehensive Plan for the location of the proposed development. She added that the current zoning on the property is C1 which is neighborhood commercial. Ms. Szudy noted that the developer would likely request a zoning change to Planned Unit Development.

Mr. Ruggini provided an overview of the negotiations to close the financial gap with the developer. He stated that due to changes in interest rates, cap rates, and a proposed decrease in the land price, the gap was reduced from \$1.8 million to \$1.4 million. He noted the gap included \$600,000 for public parking. Mr. Ruggini stated he felt the \$1.4 million gap appears to be the lowest financial gap for the proposed 3-story building. He explained that debt, equity, and construction costs are methods for lowering a financial gap and the developer has made adjustments to all three.

Mr. Plaisted asked how long the payback period would be for a TIF district and the value of the proposed building.

Mr. Williams said that the total value would be \$6.8 million and the taxes paid would be roughly \$150,000 per year. He added that the income approach was used to estimate the property values.

Ald. Wilson asked how the reduction in price of the remnant fire station parcel impacted the proposal. Mr. Ruggini stated that type of information is proprietary and he did not feel comfortable discussing it in open session.

Ald. Wilson asked if the building was a 4-story structure would the financial gap be above \$1 million. Mr. Williams responded and indicated that a 4-story structure would reduce the financial gap to under \$1 million. Mr. Ruggini stated if the gap was over \$1 million, the only financing available is tax incremental financing. If it is under \$1 million, loans and capital financing could be blended together to finance the gap.

Ald. Wilson stated that since TIF is not a financing option for any proposal, the CDA could re-consider the 4-story proposal. Ms. Ragalie reiterated that a 4-story proposal is not acceptable to neighborhood residents on Church Street.

Ald. Wilson asked if the CDA needed to schedule another meeting in order to hold a closed session. The consensus was that a special CDA meeting was necessary. Ms. Enders stated she would poll the CDA members to find a date and time that worked for the majority.

Upcoming Meetings

Ms. Wakefield announced the next regular meeting of the Authority would be held on April 11th, 2013.

Adjourn

Motion by Mr. Bush, second by Ald. Wilson to adjourn the meeting at 12:44 p.m.

Matthew Schreiber
Business Services Specialist