

**Minutes
Community Development Authority
August 24, 2021**

Chair Stolper called the Community Development Authority (CDA) meeting to order at 6:34 pm.

Present: Chair Tom Stolper, Alder Jennifer Kuhr, Mr. Scott Kelly, Mr. Andrew Homburg, and Alder Doug Wood.

Excused: Mr. Dave Lombardo and Mr. Jeff Staver

Also Present: City Administrator Bryan Gadow, City Planner Doug Plowman, City Attorney Bill Cole, Mayor Mary O' Connor, Christopher Gosch, Devin Renner, Gary Becker, Nat Helbach, Tyler Warner, and Jason Iverson.

MINUTES

A motion by Ms. Kuhr, seconded by Mr. Wood, to approve the minutes of the June 22, 2021 meeting carried.

APPEARANCES

There were no appearances.

NEW BUSINESS

- A. Preliminary Discussion on Development Proposal and Tax Increment Finance Request for 4711-4601 Monona Drive (The Neutral Project).

Mr. Helbach provided an overview of the proposed project. He noted that they have a preliminary LOI with BMO Bank, to lease back space to BMO to be a large retail tenant in the building with drive-thru lane exiting onto Dean Ave. He also noted the intention for a 3rd part fitness center and café in the building. Mr. Helbach noted that they were considering a rideshare program for tenants and would be requesting a parking variance from the Plan Commission.

Mr. Helbach stated that the TIF request would be \$3.4 million as Pay-as-You-Go (PAYGO), and that the current assessment of the property was \$1.4 million and is expected to be \$14 million after the project. He also noted the possibility of including 10% of the units as affordable at 80% of Area Median Income (AMI) and that they would be seeking LEED Silver certification.

Chair Stolper noted that the applicants should further flesh out their figures and assumptions for future CDA meetings. Mr. Kelly stated he was surprised at the size of the TIF ask, and asked for more detail on what was driving the amount. Mr. Wood asked

how they knew the rideshare program would work and for more information and examples of other projects were it was utilized.

Mr. Helbach stated that the potential three-bedroom units would be candidates for the rideshare for the third driver. He also noted that they would not be able to apply for WHEDA tax credits unless 20% of the units were at 80% AMI, and it could be a condition of the TIF if so desired by the CDA.

Ms. Kuhr asked if the team had experience with LEED certification. Mr. Helbach stated yes they have done it with previous projects.

Mr. Homburg asked to confirm that the total build out cost would be \$26 million, a \$3.4 million TIF ask, and an assessed valuation of \$14 million. Mr. Helbach confirmed a cap rate assumption of 7.9%, a \$1.2 million current assessed value, and \$13.7 million in increment.

Chair Stolper indicated that more detail was needed on the request, and the applicants should work with city staff before scheduling another meeting with the CDA.

B. Continued Review, Discussion, and Possible Action of Development Proposal and Tax Increment Finance Request for 6501 Bridge Road (Semovski & Zytelja, LLC and Populance, LLC).

Mr. Gosch provided an update on amended components of the project and TIF ask, noting that he has been discussing County PACE funding for geothermal and car charges.

Mr. Kelly asked if he had talked to any banks on financing owner-occupied condos. Mr. Gosch indicated that yes, they have, and recently completed 19 units for another project. Mr. Homburg asked how many live-work units were in the project. Mr. Gosch stated that there were 17 units that could be combined or split as needed.

C. Convene into Closed Session Pursuant to Wisconsin State Statute 19.85(1)(e) (6501 Bridge Road Project).

Motion by Ms. Kuhr, second by Mr. Homburg, to convene into closed session. On a roll call vote, all members voted aye to convene into Closed Session at 7:08pm.

D. Reconvene into Open Session under Wisconsin State Statute 19.85(2).

Motion by Ms. Kuhr, seconded by Mr. Wood, to reconvene into open session. Motion carried. The CDA reconvened into open session at 7:45pm.

E. Discussion and Possible Action on Items Arising from Closed Session (6501 Bridge Road Project).

Chair Stolper indicated that the project would come back before the CDA for further review after additional information on the TIF request was provided. He asked Mr. Gosch to meet with staff to discuss some additional questions about the project and TIF request.

REPORTS OF STAFF AND CDA MEMBERS

City Planner Plowman provided an update on the One City School project and a potential project at 6501 Monona Drive. City Administrator Gadow provided an update on a potential project at the Whitehorse properties.

UPCOMING CDA MEETINGS

The next meeting will be Tuesday, September 28, 2021 at 6:30pm.

ADJOURNMENT

A motion was made by Ms. Kuhr, seconded by Mr. Wood to adjourn. The motion carried. (7:58 pm)