



MINUTES OF THE REAL ESTATE SUBCOMMITTEE OF THE REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY

**THURSDAY, SEPTEMBER 27, 2018, 1:30 PM
CITY HALL, ROOM 604 - THE HARRY MAIER ROOM**

A. ROLL CALL.

I. Members: Matt Schueller, Kathy Hinkfuss, and Melanie Parma.

Present: Kathy Hinkfuss, Melanie Parma, and Matt Schueller

B. REGULAR BUSINESS.

I. Consideration with possible action on a Request for Proposals for redevelopment of the Adams Street lot located on the 200 block of North Adams Street.

Moved by Kathy Hinkfuss, seconded by Melanie Parma to open the floor for discussion. Motion carried.

Yes- Kathy Hinkfuss, Melanie Parma, Matt Schueller, No- None, Abstain- None

Moved by Melanie Parma, seconded by Kathy Hinkfuss to return to regular order of business. Motion carried.

Yes- Kathy Hinkfuss, Melanie Parma, Matt Schueller, No- None, Abstain- None

Moved by Matt Schueller, seconded by Kathy Hinkfuss to provide an update from the meeting at the next RDA meeting and update on information gained by staff regarding Schreiber Foods green space and Baylake Bank building. Motion carried.

Yes- Kathy Hinkfuss, Melanie Parma, Matt Schueller, No- None, Abstain- None

C. ADJOURNMENT.

VERBATIM MINUTES

- I didn't know how many chairs there'd be.
- Let's kick off the meeting with the real estate subcommittee today. We'll roll call. Kathy Hinkfuss.
- Here.
- Melanie Parma.
- Here.
- Matt Schueller's here as well. And we'll get started with our first item on the agenda, which is consideration with possible action on a request for proposals for redevelopment of the Adams Street lot located on the 200 block of North Adams Street, so very close to us, and we've got I think two developers here with us today to talk to us about their proposals and answer questions in regard to their proposals as well. We've gone through a very scientific process to determine who will go first and who will go second, and my understanding is that very secretive and highly scientific process that T. Wall will go first, and so if you'd like to, I suppose we have to open up the agenda.
- On the floor.
- On the floor.
- Yep, and so I think and just kind of in context of things just so the proposers understand the way this has been presented is that for the real estate subcommittee gathered here today this is a chance to gather additional information over and above what was submitted in the proposals. I think it's a good opportunity to kind of check the context, the scoring criteria that's presented. Also to have an opportunity to ask the developers some questions and lead staff through and open up for additional questions that we face in these proposals and that are gonna be further discussed, gather that information here today while we have these guys here, and then take that information and likely reconvene. We'll set up a meeting time probably for next week and make the date recommendation to the full RDA that has on their agenda on October 19th. So with that, I think in the spirit, I sent out a proposal schedule for that since we like to have kind of a 15-minute presentation up front, and then maybe about a half hour of questions. If there's anything else, we always run long on these things but we'd like to keep each presentation for each developer to about an hour, so each developer has one hour to engage in this process, and then if we wanna have any discussion afterwards, we can do that, but then again, the goal is to come back unless we wanna make a recommendation today, the goal is to come back and make a recommendation to the RDA. This committee meets next week to make a recommendation to the RDA for approval and sure probably before I wrote the planning option or the development agreement for construction of one of these projects. So, with that, yeah?
- With that, I would take a motion to open up the meeting.
- So moved.

- Do I have a second?

- I'll second.

- Thank you Melanie, I thought we were in trouble. Okay, all those in favor, say aye.

- [All] Aye.

- Okay, meeting's open, and Terrence, if you'd like to take the floor and explain to us the concept, that'd be great.

- I'll sit down with you.

- Thank you. I'm Terrence Wall, T. Wall and Francis, developer of city that planned it right over here downtown. I hear the residential housing downtown took a big risk in developing the property, overcame a lot of challenges, and it's been very successful for us. It's been 100% or near 100% full on the residential side. Commercial side's a little more difficult, as you know, in downtown because of leasing, but it's been quite successful and people really enjoy living there. We have a lot of people, a lot of diversity of people, business people, retirees, young people, older people, so it's a wide mix of people, wide mix of income, et cetera. Property brought \$10 million of disposable income to downtown to support the downtown retail and restaurants, which I think has been very helpful, so we've learned a lot from that, and we've got the experience under our belt of doing that. We'd love to do another property. I always promised the city that if we did the first one we would like to do a second one. That helps us with management economies of scale. So we're proposing a multi-phased development, 250 units, about 10,000 square feet or so, retail, appropriate amount of parking. It's about 200 public and 274 private parking, but as you can see with our proposal, you know, my whole philosophy coming into this is really, what is the real purpose of the RDA doing another, going after another building downtown, and that purpose to me is to really kick off a town square. It's to really do something that is dramatic, that attracts more people to downtown, provides a place for events, et cetera. Obviously, City Deck itself has been tremendously successful with all of your events. This could be leveraged off of that, and the two would work together. The town squares that have been developed around different cities bring literally hundreds of millions of dollars of additional patronage into the downtown. Hundreds of thousands of people come to events there throughout the year, so to me, it's not just about building a building by itself in isolation. It's about really leveraging another building to build a town square that really caps off downtown, and why is that important? Well, obviously you're competing as a city with other cities, but you're also now competing, right, with Titledown, Lambeau Field. You go out there, you see their football field, the ice rink. I don't know, I haven't had the chance to use the the sledding hill. But I enjoyed the football field.

- It's great.

- Is it? Okay, good. So, that's competition for downtown, let's face it, and so we need to do something really special, something to really knock the socks off people throughout the entire, not just the metro area, but multiple counties, the entire region to draw people in for events, and that would be, a new town square in cooperation with using the land that Trevor Foods has is come up with something that includes amphitheater, places for vendors, the art fair, different events, and as well as just a passive place when events are not being held for the public to be able to come and

enjoy and use and attract people here. It doesn't have to be exactly this plan. It's just a concept of one idea. Obviously, you would have to decide what it would be. Underneath that would be public parking. The advantage of our parking not only under our building but under the town square as just a single level. As you know, in downtown, you can have a higher water table. You can also discover lots of interesting varied things that can be found in downtown sites, whether it be train cars or whatever. We've run into that, and so trying to stay out of the water table, I think, is very important to keep it to one level of parking underground. Our proposal also doesn't overwhelm the downtown. It's very, very important, especially since we own a property downtown, and we do this in other communities as well, so it's very important to limit the amount of units we put online in one season, one VC season. Downtown can only handle about 65 to 75 units per leasing season with new units coming along. More than that results in over building until they can be absorbed over a long period of time, and once you do that, once you float into the next season, you start discounting up free rent, and that destroys value, so it destroys the assess values, and why is that important to you? It's not just about private property owners. It's important to you because it destroys the value of the TID, and it's important that the TID value be maintained, why, because if it's not, then the taxpayers come in to bail it out. That's what's gonna have to happen, and some communities have had to do that. The taxpayers had to come in, so it's important to develop something that can be done in phases. We'll do this over four phases. It could be four years or it could be eight years, depends on demand, right? We can do it at a wood frame stick built. That's very important to know that because the tariffs that have gone in place have really affected steel and some other material components significantly. To give you an idea, we can build this building for less than half the cost of a high-rise building. In downtown Madison, I'll just give you an example, there was a developer from out of town, proposed a building. They're looking at costs over \$300,000 a unit for a high-rise, whereas we can build this for less than half of that, and we can phase it in appropriately. We've also I think enhanced the streets, Cherry Street in particular. When you're sitting on the site you're kind of right now, you're looking at it and you're in a canyon, right? You've got Cherry Street ramp, you've got the other tall buildings in Washington, taller buildings up here near the new hotel, so how do we get around that? Because what really made metro and also City Atlantic successful was the river, so we're not on the river. We don't have the river views. How do make it successful? You create the town square. You create an amenity, but look at Cherry Street also. We've developed some walk-up units, so we've made it very pedestrian, very low-key compared to the facade of the Cherry Street ramp, and we also created two beautiful courtyards that flow out into the town square, so they become connected, they become one. One if public, one is private, but our residents can mingle between the two, and all of our residents will support the town square, right? They will patronize the vendors and the events, et cetera, there. Within those two courtyards, the public can see the amenity package, swimming pool, hot dog grilling stations. We've won awards for our courtyard in the Veritas Village. Development came up online on the website. Downtown Madison, very similar to this. Four stories of a beautiful courtyard in the middle. So, it's a really economical, highly feasible project. We won't be coming back to you later saying well, costs are too high, costs of scale is too high, we brought too many units online. This is a project that's designed to be very feasible. We can pull this off, because you know there's tremendous uncertainty right now in the economy. Things are going great, but interest rates are going up, and material pricing, labor pricing, construction costs are sky high, and we're seeing significant increases, 30, 40% increase noises from subcontractors, so we have to build something that's economical, but this is also luxurious. It's a luxury, perhaps the high end. Because the costs of construction are high, we're gonna have to get higher rents. We're projecting rents of about 5% over what we're obtaining right now so we know this is feasible. It'll work, we can get those rents. We did obtain the highest rates in downtown ever with city debt planning. We broke the new levels, and the key is always getting the appraisal. It's very difficult to get an appraiser to, what do they do? They look

at comps, and they don't just look at downtown. They look at our whole community and where the rent comps are low, so it's very difficult, and that's where we get into TIFF, low-cost land, and that helps bridge some of that gap, but if you do something too big, too costly, the gap can't be bridged, so that's why we designed this to fit right within the box that is feasible right now and will be successful long-term. So I'll just kind of leave it at that, and I'm happy to walk through your questions and talk about anything else that you'd like to go through, but I'm very excited about the attraction that this could create in terms of other value, other development that would create even more value for downtown. It could really help downtown redevelop some of the older buildings, some of the unfortunate 1970s-style buildings like the state building there's no windows. Wouldn't it be great to see some of those redeveloped? You have some beautiful classic buildings here that are historic. They're fantastic. We'll keep those and then improve upon that with some new buildings and hopefully redevelop some of the, some of the concrete buildings that were done in the '60s and '70s, and then you really, downtown's really taken off, so we're invested here. I have a house here. John's fiancée's, wife's from here. His family's from here. My construction guy's family's from up here. My wife's family's from here. We're here almost every other weekend, plus during the week, so we're heavily invested. We'd love to do another development and continue the success of the first one.

- Questions?

- I'll certainly start. So, on the lot that we're currently talking about here in the RFP, is it A1 and A2 that fit on that lot?

- So the, basically Schreiber's right here, right in here, and this is the Bay Lake building and then this is, you line up the streets here.

- Okay.

- So Bay Lake building stops right about in here. I'm not sure exactly why, but... And then these would be the entrances, so one entrance here, the underground parking for the private one into the public, and it's a single-story garage, so it's really easy. You can charge for that just like you charge for on-street parking, and that can be paid for through a parking utility bonded and then covered through the rates that are charged, so in hours, they can do hours.

- So is it a raised parking, or is it actually?

- It's a below grade.

- It's a below grade.

- So that you're, it's very important, I think, to have that town square at grade, because when you're walking along downtown, you wanna be able to see that and say, I wanna go there. You wanna be able to go from there into the City Deck, right, through the tunnel, but walk over to City Deck and have that pedestrian linkage, so you don't wanna have anything built up that creates concrete walls that also make it hard for handicap accessibility and also visually, they're creating barriers.

- If this is the Hotel North then right here, then the Bay Lake building would go this far.

- Yeah, it sits in that brown--

- So it's like--

- Bay Lake sits there and goes down.

- Yeah.

- Very good.

- And you know, also, by taking out Bay Lake building or tenants in there, right, they could be relocated to other empty space. There is quite a bit of office space available, and they can see the downtown, so it'd help you fill up the other space in downtown. This would be a great incentive also for the new Foxconn, an incubator. It's really, I mean the combination of these things is really gonna make Green Bay and downtown take off and really compete, you know, especially against Tiletown.

- So the proposal does not include the classic tearing down the building, correct?

- No. So that would be recommended that be handled through TIFF, and again, the core could be done through a parking utility. If you have a parking utility set up, you charge for the parking on the ground for the public parking, and then those rates could also cover the cost, so the improvements here, everything above, could be considered part of that cost of constructing the parking underground, because it's the deck of the parking that's supporting the plaza, right?

- And you talk about four phases. So, the first phase, both parking garages would be there?

- Well, whatever you wish. We could build the parking for the public and do this as long as it's funded and everything, or the city could just do it, right? We could also just focus on our part. The phasing here is quite flexible. It probably will start maybe back here and work this way. We'd like to keep it in chunks that are manageable. The retail is over here. That's why a lower rough line here steps back. Probably the best scenario would be to do that last, because that way, it'd have all of this built and occupied, so I have hundreds, 250 units could result in easily 325 or 350 residents, right, so I'd have all that disposable income to help support the retail and attract retail to that location. What we don't wanna do is hold around retail and downtown. We don't wanna destroy the value of what you have already. Retail, there's tons of vacancies before, right, when the mall was torn down where the parking lot worked. There's tons of vacancies, and only recently, if you notice, it's filled up, so really full. It's almost full.

- Yeah.

- And so let's keep that going. Let's not train wreck that by throwing a bunch of retail in the market all at once and having more vacancy. Let's add the demand first, which in the meantime will support the retail that's out there. Then, when we bring our retail out, we've got that additional disposable income to support it and attract good retail or restaurants.

- Is your proposal contingent on Bay Lake building being gone?

- Yes. I think the value that the town square really brings to the table is critically important for the success of this. I mean, it'd be hard to develop a three or four-story building and attract the income

levels and the people to those buildings without something, some amenity, right? Some view. If you're just staring at the...

- The hard concrete.

- The hard concrete, you know, it's hard to attract people, and I know, we're intimately now intimate knowledge and leasing what the demand is by people and what they want and expect in downtown, and as I told the city and Kevin who agrees with my city, they're successful because of the river, you know, City Deck landing was there. We were able to offer that amenity, and if you were there, were you there for the 4th of July? The fireworks and everything? And our building was really integral to that whole event. I mean, thousands, tens of thousands, maybe 50,000 people probably walked around our building as they went from the bridge to City Deck, and so, and we developed that, right, in conjunction with the city that pedestrian linkage, and we need to have that kind of amenity to attract people to downtown. We can't just assume high rents and then put them in a canyon and think that they're gonna be attracted to pay a high rent, no. You might have a lower rent or lower, you know, but then lower rent, you can't support the high construction costs, so it's all a formula that has to work, and that's tricky nowadays.

- And these are all apartments? No condos?

- Correct. And the reason for that is, the other thing is, the retail is not so overwhelming for the development, so if we can stick under 5% or even 10% of the retail component to the residential component, the bankers, lenders will allow us to finance as a single type of project, so multi-family, okay? They're gonna kind of ignore the retail that's being lower that's great. As soon as you start getting into too high a percentage of some use other than the multi-family, now you're mixed use, okay. That eliminates a whole bunch of lenders. It leaves you to a very small niche lenders who are willing to do a mixed use, very complicated for them to understand and underwrite, and it's also complicated for the appraisers to understand and underwrite, but more importantly with condos in particular, the reason why we haven't proposed condos, and we've been asked to do condos in many locations and many communities, and I have to be honest just to say that since the Great Recession, Fannie Mae and Freddie Mac, you know, the rules all changed, right? So, in order to get the end user to get financing for the HOA, the condo association et cetera has to be turned over. Effectively, you have to have pre-sold about 80 to 85% of the units. Well, good luck unless you're a 40 unit condo, so it's really impossible to pre-sell dozens and dozens and dozens of condo units in order to comply with that rule so that the end buyer, so what does that leave you? The end buyer has to have all cash. Well, how many people have all cash to pay for a high end condo? Also, the lenders who are available to finance the construction of condos are a very small group, and that has to do with the fact that they can't recycle that loan, right? They can't get rid of it. They gotta hold it in house. It's a different pocket they're in. There's a different risk category assigned to it by the regulators, so it's very, very few lenders will, in fact, I don't even know any lender right now, not one that I can find who will finance condos, and since the end user has to pay cash, since the bank would have to hold that loan in-house if they finance it. See, what banks like to do, right, when they finance your house, what do they do? Bam, they sell that off, right, to Fannie or Freddie, and it's packaged in a bond pool, and boom it's out into the market, so they recycle their capital, they got their fees, and that's, now they do it to loan to you and a loan to you, and that's how the world works. It keeps going and it works, and the minute they have to hold that loan in-house, now that capital's tied up, so they don't wanna finance condo buyers of condos, because they uphold the loan in-house, and then that applies a different set of regulations, so it's a real mess right now. Maybe those regulations will change

someday. Not right now. And there's a lot of developers, to be honest with you, out there who don't understand those regulations, even in Madison where some of the developers are versed in this area. They don't get that, when you sell condos, you have to pay income tax to the dealer on every single sale, so you're underwater on every sale until you get to the profit point, your last 10 to 15% of your cash flow, so you're literally writing a check to the IRS. You're getting a hold, because you have to pay most of your money to the bank to pay off the mortgage on the construction, then you pay the IRS based on every sale but capitalized cost, so you're creating a higher income on paper for which you're paying taxes on, which you are putting in a hole, so now you're really in trouble financially until the very end. So that's why we can't do, or won't do, condos right now. It's just very difficult. Multi-family, we've a lotta lenders available for that. When we built City Deck, we obviously ran into a local bias by the banks, I had to finance it outside the city to repay because the banks here have a local bias. I think we've broken that now, right? We've gotten some of the local banks to believe in it and realize that you can build a multi-family downtown. You can charge higher rents, and it can be successful, and I think we have one vice president of every banking group in our, residing in our development today, along with four sportscasters and Packers, three or four Packers, officials, and we have a bunch of different retirees. So, yes, I think we've been successful in changing that attitude with the bankers here in Green Bay.

- So can you speak to your design? You have a nice massing there. You talked about state built construction, but from a cladding and fenestration perspective.

- Sure.

- And then maybe along with that, talk about your team and that.

- Sure. So, in terms of the architecture, we deliberately did not put in specific architecture on this because we'd like to do that as we did with City Deck. We'd like to do that in conjunction with you and the city and the community. What is the appropriate architecture? Some people like to come in with a very modern, a lot of architects wanna win awards, right? They wanna come in with a modern, something different. Sometimes that works, and that's fine. I prefer not to come in with something that's not what you want. I'd rather work with you to develop the architecture. In the case of City Deck, I mean, it doesn't have to be the same, you know. It could be different. We went with something very classical, historical, brick, punched opening windows. If you look at it, a lot of detailing, different three-dimensionality to the facade and the brick. Changed up the colors to try to bring down the massing and size of it. I think it really fits in very well downtown, so we're open. We can work with you to develop the kind of architecture. We could try a couple different ideas and talk with you about and show you what those might look like and see what you think would be, that would fit in. I think one key thing is, and it's hard to tell with this, you know, I mean, you can't see the same thing. It's hard to tell. But it's kind of wedding caking those end caps, right? So we bring down, so when you're on the town square, you're pretty much only seeing like one or two stories because the third and the fourth are pushed back, and we could have some nice balconies. I think it's important to activate those upper balconies facing the town square. If you had a concert, people could be up there with friends on large balconies overlooking that concert, and we'll have balconies surround the different streets, Cherry, Washington, et cetera, again, activating the street level, but you know, not bringing a huge facade right against the street. That would be overwhelming and cast long shadows, and it's just gotta fit in to me, and Green Bay's the oldest city, right? It's historic, you know. We've gotta make it fit in and look classic so it'll last 250 years, not 50 years. The state office building we know, right? That looks like we built it, I dunno, what would you say, '60s or '70s?

- Right.

- So, we don't want something like that that's gonna be out of date in 50 years. We want something that's gonna last the test of time, and the materials have to last. The other thing we do is a lot of things that we do that others don't do is we will insulate all the walls, including the bedroom walls. We build an extra foot height in the entire building, every floor of every hallway. The hallways are six feet wide, not four, so we don't chintz. We put in the higher more expensive HVAC. We put in more expensive cabinetry. We don't use the cheap single cabinets. When you start getting out of the box, then you start cutting all these things. We believe in investing, because we're gonna want long term, we wanna have the lowest possible operating cost. We're the pioneer in green and sustainable development in the state, definitely Door County, but probably the state also. The only developer to win an award from the governor for, Governor Doyle, for energy efficiency. We have worked with focus on energy. We actually teach focus on energy, how to do all of these green and sustainable features, how to implement them. We have installed the largest solar array in multi-family in the state of Wisconsin. We'd love to do, with the flat roof here, we'd love to do a solar array here on the roof that will be invisible from the ground level, because it's a low profile. The panels are literally very thin nowadays. So we do a lot of green and sustainable, we want the architecture to be long term sustainable. We want it to be very pedestrian-level. We wanna improve Cherry Street. It's nice. You've got the memorial for the Packers there, but I think we could really improve and add to that and make it a more pedestrian-friendly street that would provide better linkage with City Deck itself between this side where the hotel is. Hopefully that's gonna be successful. Patrons of the hotel will walk through town square to City Deck, that's the idea.

- So is the Lombardi, or the Packer, it's on that corner? So it's not part of the town square, okay.

- Right. But you notice we put some block up units there with some front yards, the same depth as the memorial so that you can literally see it if you're down here and you're looking down the street, you'll be able to see the memorial and say I wanna go there. I wanna see it. I wanna take a picture of that when you're standing in front, a selfie, so it's all about creating those vistas, right? If you can see this way down there, I wanna go there.

- So, Cherry Street, those are apartments that would be on the first level then?

- Yes, we love doing walk outs.

- So there would be space out front?

- Yes.

- Okay.

- We particularly target people with pets so they can just walk out their front door instead of taking the pet through the hallways and the lobbies, and people love the walk outs. Just go right in and out of your own apartment, and they also have a door into the hallway, but they just, they really are a big hit, and we can do some of those also on Adams, but it's not gonna, we didn't propose as big a yard there.

- Are those one or two bedroom, or is that up for discussion?

- Right, it's up for discussion. So we have a variety. We are proposing based on our experience with City Deck, arriving at studios, one bedroom, two bedrooms, we could even do some three bedrooms. I don't think there's gonna be as big of demand for that but some. This is a luxury product, a high-end product. Our unit's sitting a little bit larger than it might do in a peripheral location, and what type of units are on the walkout. I don't think that the studio, either ones or twos, maybe the corners or the threes. We'll come up with the exact unit mix. The unit mix will determine the exact unit count. It might be 250 but it could be a little bit less or a little bit more depending on the unit mix. If we do more studios, you may end up having a few more units or more two bedrooms. We can have four more units. We include a mud room in our ones and our twos, which nobody has, with full laundry in those mud rooms. We have a lot of units with dens, so we might have two bedroom dens, an extra room. Maybe it's used as a guest bedroom for adult child who's coming home to visit, or it's an office. The retail is walkout on the street with individual front facades, the original signage, the original.

- You had listed in here and I wrote it down that your parking is one to one.

- Yes.

- What does that mean? Is that one parking space for each unit?

- We have 274 and that could change when we get into the final construction method, but that gives us, we'd love to have a ratio of about 1.1 to one, which means if we have 250 units, we have 274 spaces, it's a little over 1.0, 1.1. That's like a perfect number. If we bring too many underground parking spaces online, you end up with people saying well, I'll just wait to rent that. If you have a little bit of a shortage, people are like, I wanna rent that right away, right? So it's very important to have the exact right ratio, which is about one to one to 1.1 to one, more or less gets you in trouble. So it's enough to cover a parking need.

- I wonder.

- Well, it's, yeah. Plus, you might wanna have a few guest spots, right? Then you might have some for the retailers. During the day, there's gonna be some shared parking going on, right? So, those units during the work day, those parking spaces, will be 80 to 85% empty during the business day if they're working outside, right? And then we could use those spaces for the employees of retail to park during the week work day.

- What do we do at Metro, does anybody know? Don't we have a parking spot ratio? The ratio?

- I think it's one to one, one per unit, and then I think they have some alternative spots in the Cherry Street ramp. They can buy rental passes.

- I remember now, if you build too much parking it's like 35,000 a space, so it's very expensive, and then they jack up your rents, so you gotta remember we're not, millennials, like the survey shows, there's a big proportion of millennials going without a car. They'll use Uber. One of our employees--

- Right.

- Uses Uber. He doesn't even have a car. He uses Uber to go to work or go home. It's less expensive than having a car and debt and insurance and gas. Some of them bike, some will walk to work from downtown. There's other retirees at city that we've seen. They're selling their house. They get rid of one car and they keep one car. They don't need the cars when they're going to work together. It's retirees, so, we don't need as many car spaces as we used to in this country. I know it's hard--

- I agree.

- To overcome that, but. Yes, exactly. We have lots of bike parking also included. We'll have a bike station with tools, a bike wash. We'll have a dog wash, tons of amenities in here for residents to use.

- You also indicated that we're going to be about 5% of the market. What is the market now on a one, two, three bedrooms?

- Yeah, it varies by, John, do you know? You wanna pull those out?

- [John] Yeah, I have all we have, the city that gave them up.

- For this property, we'll be pushing \$900,000 for a studio. We're just getting out there. With City Deck, we learned the exact right spot. If you charge too much, you'll have vacancies. You don't want vacancies. You have to be real careful not to charge too much. 879,990 is City Deck, so it would be about 5% over that. One bedroom, 190 to five to 1,200. Two bedroom, 1,400 to 2,150. Three bedroom, 27 to 45. So we went about, we find through our experience that you get about three to 5% increase, and it may change in rents over a prior year. I think that's, we can push 5% because we have the clientele in City Deck and clientele for this. We have less resistance at the two bedroom level than you do at the studio level. Studio levels will have more young people working, still in their careers, and they're a little more price sensitive than maybe the retired couple in a two bedroom.

- So let's talk numbers, cost, public assistance, what you're proposing, what you're thinking for the project.

- Sure. So in terms of public assistance with City Deck, because there's a large gap if you're in downtown. The constructions downtown are more, you have a higher water table at the river. You're gonna run into surprises for sure, so you gotta plan for that and budget for that. You can't just go in like some other city where it's just a green field site and it's a farm field and there's not gonna be any surprises. You really have to plan for that. So, we're looking at, with City Deck, we had 100% of the increment for TIFF, so we'll calculate that. We'll run the formulas and the math on that when we get further down the line and determine what that number is, but it basically has to be self-supporting for the TIFF, right, and then we had free land at City Deck, and I think that's an important component, and again, as far as the public parking, that can be financed through a rent utility district with the rates, the paying for users paying their parking rates for parking right down the street. I think that would be good in terms of the overall assistance that that would make the project work. If we start seeing, if you wanted us to go higher or something like that, you're gonna see significantly higher costs. By the way, the break point is four and five stories, so we could do a four-story wood frame building, or you can do a five-story wood frame on a country podium, which gives you a five-story building, okay? Once you go above that, that's where the building comes in, bigger emergency spares, all the fire controls, the smoke controls, you go to steel and concrete, that's where your

costs are gonna double. You start building a multi-story ramp, you lose about 20% of the parking spaces just in ramping per level. It's a huge loss, and then your cost of construction is very high. In Madison, they have some high rise, and you've got residents moving out of those buildings right across the street from us into our building, because they don't wanna drive up a five-story ramp and park in a public, basically what's like a public ramp, but they're parking in an open air ramp, and when you're an apartment resident, 50% of our residents are female according to our statistics, thousands of units that we have, and security's very important to them, so having a secure underground garage, safe, it's not open to the elements and not open to people just walking in or driving in. It's really important to have that security, heated. We have cameras and security all over every building we do. Every exit, every elevator will have security cameras. Everything will be visible over the Internet to our security company, the vendor that we use. So having, keeping it to one level of parking is really important, but that's what we need for public assistance. We're gonna do it in phases. I think that helps also with the feasibility of it. Once you start putting more than 75 units or so on the market in the season, then you've got to plan for free rent or low rent or higher operating costs during vacancies, right? Vacancies, you've gotta pay the taxes. The landlord has to pay taxes, all the operating expenses for those units. They're a major expense. Hundreds of thousands of dollars depending on the units, but you have to carry those for however many months you expect to absorb, so building this into phases is really important, and also, it's important from the standpoint of trying to use local subs. Local subs up here tend to be smaller, right? You asked about the team. If we start, if we said we're gonna build all this at once, checking in a project once, we're gonna have to get subs from the mass of one, large enough to handle this size, you know, whereas if we can roll through, smaller plumber in Green Bay who can work on a 75-unit building, and when he's done with that, he goes on to our next 75-unit building, and it just rolls right on through. It's very manageable. We don't necessarily have to go outside the city to get to those people. As far as our team, we're looking at Joe Leigh JLA Architects. They're highly experienced in multi-family. They really listened to me, and they really understand the customer, because when you design the building, it's all about the customer. It's not about winning awards. It's not about what I want. It's about what the customer wants, and we keep track of that because we've got residents here in City Deck that we write down what they say. What do you like? What do you don't like? As far as a general contractor, we're keeping three on the hook. I think that's extremely important right now with the construction costs skyrocketing. My experience is we've got a final debt to fight. If we start talking to only one, somehow the price creep ends up happening right at the end when you're about to sign the contract, so we're talking to Emil. They have the experience to really handle this. Steven's Construction, Emil's local, Steven's from Madison. And possibly, Byron's a bigger one. They're not gonna do something smaller, but they could do a 75-unit building, so we'll keep talking to all three, and we'll get pricing from all three to protect ourselves on cost and pricing to make sure that this project can move forward, that there's not any surprises at the end, and it'll be a gross maximum price contract, a GP contract, so a guaranteed price, so we're eliminating that risk, put that risk on the contractor, and as far as the lender, we'll shop that around to different banks. We'll engage probably three banks for, in terms of getting the loan, because today, we just don't know. Banks have regulations where they have buckets, and if their construction bucket is full, they can't make you a loan no matter how much they want to. They can't on the regulations, so, you know, one minute, one year you're talking to one bank, and they can make you a loan, and then the next year, they can't make you a loan, so that whole relationship thing is gone. It's not about relationship. It's which bucket's available. It's for them to make a loan from, so first bucket is a construction bucket, and the the second bucket is a multi-family bucket, and so we need to keep at least three banks on the hook until you can sign a loan commitment, and with interest rates going up, we'll wanna try to do that as quickly as possible,

because rates will tend to go up 25 basis points every four months right now. I just read rates yesterday. So it's going to be important for us to lock in a lender as soon as possible.

- How are you going to, what is your proposal as far as the arts requirement?

- Sure.

- In the proposal?

- Sure. I think we're like the only developer that has been buying art for our buildings for 35 years. We purchase art for the interior buildings, the common areas. If you'd like to see in City Deck, we spent probably more than 1% of our construction budget on art. If you go up through, every floor has art in it. Sometimes we'll do public displays as a favor, so you saw the bowl sculpture out there in the corner at City Deck for a while. That was just a favor to the artist for him to display that. If we have a place, like here, we could do some public art outside, right? We could do it in a courtyard. It'd be funded as a, you could almost create a really interesting public art. You might have some where they're a permanent installation, right, or you could create an installation where artists can put it in for six months, and then the next artist comes along and puts it. That one comes out, the new one goes in, so it's dynamic and it brings the public in. It gives artists a place to display their art and sculptures. Maybe you help them out with installation costs or something like that, and then you'd have some that would be permanent, we purchased, right, and installed either on property or the linkage between the park and the development. Maybe, I think the Cherry corner, Cherry Street corner, and the street is a great location for a sculpture there, and maybe also, you can see right there, between TON and Washington Street. That's another good spot there for a sculpture, so there'd be some places we could do some outdoor art, and then art inside the building, we'll do anyway, and then to have some kind of roving or changing, you know, art installation would be a great way to bring people downtown. It'd be amazing how they did the Bucky On Parade. Do you know about that?

- Mm hmm.

- Whether it's the sturgeons or the buckies or the, you know, whatever, the cows, and man, the Bucky On Parade brought people in from multiple states to Madison. That is incredible. So, doing something like that to kick off an art installation here. Maybe that's the kick off, you know what I mean? And then you do an art installation that has a roving component and a permanent component. Usually if you had an art fair, I like to go to the art fair to buy a lot of the art for the interior, so I try to feature local artists, local art fairs.

- So, just so I'm clear on this if you guys aren't, this project does not work for the Olympic building purchase to go do that public park.

- Yeah, I would be very concerned about having a large building, the Bay Lake City Building here as sort of like a Berlin Wall.

- Yeah.

- What are you staring at? Nothing. I mean yes, we could create a development enclosed into ourselves, but is that what you want? Is that really what your goal is is just for us to put another

building? I think your goal as a city is to leverage this, to create something really special for downtown, and I talked about taking out that building for a long time. Obviously, you don't have to be the city going there to be doing cooperative or whatever which has been done around the state. It's not a particularly attractive building. I would like to see something far better put in here that would really be something that would be a benefit to the greater community than just us building another building. Yeah, I can build another building anywhere, okay? I would like to do something that, since Helen Stanley's from Green Bay, like do something that's really special that can stand the test of time. I went and, let me give you an example, I purchased a smaller case that's only like a postage stamp size. I'm doing development downtown Middleton called Middleton Center, you can look over the site, and I went and purchased four homes across the street. They were being rented out as single homes, and it's probably a quarter of an acre or something, and I purchased those homes, I tore them down, and then I went to the city and said, hey, how about a town square? Because Middleton doesn't have a town square. It has no focal point. There's nothing to bring people together, and at first we weren't sure, but then they really started researching and boy did they jump onboard and really grasped that, and I sold it to them with donating part of it and selling part of the property to them, and we just had the first event, the jazz on the plaza event. Huge success. People really loved it. They're in the process of planning that downtown plaza right now. Hopefully the improvements will be done this coming summer, and I'm guessing there'll probably be 300 to 350 events there a year. It'll be a tremendous boost to downtown Middleton, and that's what I'd like to see here is not just another building but something really special.

- And how many years are you proposing your project would take to build?

- So each phase of the construction timeframe is about 12 months, so as soon as we have approvals, we can break ground. I prefer to break ground in the fall and finish in March or February. That's about a 13, 14 month. That gives us a little leeway for contractors' buffer. So I figured about one phase per year, so we could go as fast as four years, or it could be as long as six or eight years. Depends on how fast the lease stuff is, so if we start in, open in March, I'm gonna be able to lease up through August, that's the leasing season. The calls drop off by 90% on September 1st, alright? So September to December is like very little leasing, so we try to get all our leases to expire about March to August. So when I finish at the beginning of the leasing season, the leasing goes like this, and then August 31st it goes like that, so then I could start the next one right after that in October, so if I'm starting the next one in October and just keep going right through it in four years. Now, if there's a recession or something, we might pause and take a year off, so I wanna be upfront and honest about that. We wanna make sure that this is successful so that it's not a financial burden on the TIFF, but rather a financial success on the TIFF, and in fact, usually what I find is when we develop our projects is that the original 100% increment that we estimate ends up being low and there's some extra margin there that's free increment for the city to use to fund extra public improvements, so if you do the math right, there's usually that extra benefit, financial benefit to the TIFF, and we can use those funds for something else.

- So is there an occupancy requirement that you have before you even start phase two, I mean, along with other things that you would have to consider?

- Sure. It wouldn't be the occupancy, but it is called leased. Leases are signed but maybe not everyone moved in yet.

- Okay.

- Someone'll sign a lease within a month, so it's called a lease factor, and yeah, we'd wanna be in that 80, 85% lease factor, and we should be. We should be, frankly, 95% by August 31st, right, in terms of leasing. We lease right out the city very quickly, so I would say that getting to the 80% level, if we do things right, we open it at the right timetable in March or February, we would be at the 95% or higher by August 31st and then be starting in October. If you open in project, en masse, if you open the building in late August, August or September, October, you're gonna sit mostly on detail. We start ramping up in March, April, May, June, July, and then there's extra carrying cost, so it's really, and then that delays for the building next phase. So the next thing is this is low-risk to the city, low-risk to the TIFF, lower risk to us than doing something that's way outside the scale of the city and do something here that is feasible and can work in an environment right now that is getting dicey. Interest rates are going up, construction costs are skyrocketing, so the market is getting dicey. Just saw the stock market kind of take a dip down. It's getting worried. So we wanna do something that we can do even if there's a recession, because I think there's enough demand. We were the first to build in the recession of 2010 in Door County, so we don't mind building in a recession as long as there's enough demand, and we're building not too many units, which, 75 units a year is the right number, so we've designed this project to kind of sustain the ups and downs, right? I don't think we want an empty elephant here, sitting here, that hurts the rest of downtown with a bunch of vacancy that destroys the value downtown. That would be very, I think that'd be very risky. It would hurt our city debt rate. It would jeopardize us over there at City Deck and the metro, too. So I think we have to be careful about that.

- So, Terrence, how much increment are you planning on bringing along with each phase?

- So, well let's see. What did we apply for, 75 units?

- [John] We did a total cost.

- It's 10, \$11 million, well, in terms of TIFF, we would be back at said increment again. If you just took a ballpark number, let's just say 75 units times 100, I used to be able to build them for 110,000 a unit. Now it's becoming 150,000 a unit. It'll probably be 125,000, but if you took a number like 120,000 a unit and multiplied that by 75, that's a very conservative number.

- But that's the higher cost?

- Higher cost, that's the higher cost, yeah. You've got soft costs, you've got lane value, et cetera, but that's a reasonable conservative number, right? Like I said, you don't wanna push the envelope too much. You wanna have some extra leftover increment for future public projects once you see.

- No my point is I'm trying to understand what would bring onto the taxpayers from an increment?

- Oh, that's down the road.

- Yes.

- Yes. That's what I'm trying to understand.

- So look, you're saying 125,000 a unit.

- What's the math on the 250 times?
- Times 75, or I mean 125,000 units built times 75 units, so it's like 9.4 million instead of just say, 70% coming out, and then again, it depends on the rents and the NOI and everything that we look at, then if it's in the ballpark of somewhere between six to eight or so.
- In the write up, I estimate 30 million, but it could be 40 million of tax value down the road, and you figure inflation costs, inflation value. How much do you have left in your TID? How many years?
- Downtown TID, there's at least a dozen years in there, and to 13, there's a few more that's a total of 35 I think, so I think it's a part of the discussion that's to look at.
- Might be an overlay or something.
- Right, it's the time period in terms of what what we'd be able to recoup that at.
- We could do an overlay TID or something like that.
- And I'd like to say one last question.
- Yes?
- Do all the apartments have outdoor access? Meaning like a balcony or something?
- Yes, we've always done that.
- Great.
- We don't have to, but...
- No, I know you said that somewhere.
- I think what's really important is these outdoor amenities and the courtyard. People on the balcony will come out, because they like to interact.
- Right.
- They might just go and read a book, but then they're meeting people, seeing people, bringing people together inside the community, doing the club, doing the fitness center, we'll have things on demand. It's a computerized system. It just brings everybody together. And we have events. It's not just about the physical space. It's about the programming. So we program events, so I have a manager. This'll have at least two managers and at least one to one and a half or two full-time maintenance people onsite, so the onsite management, and they do programming, so there'll be events. Movie and pizza on Friday night, so we'll do one or two events every month, to bring people together. It creates synergies, but it also gets them to stay longer. People will reside there for 20 or 30 years, not three. It's their home. This is their home. It's not an apartment. It's really their home, so it has to act and look and behave like a house, you know, the home.

- Alright, so we got about 10 minutes left. I wanted to ask, if you could eliminate one requirement from the request proposal that was out there, what would it be and why would you eliminate it or want to eliminate it? What would it enable you to do?

- So we got a little creative with that, and we said instead of eliminating a requirement, we wanted to add a requirement, and the add a requirement was take down the Bay Lake building,

- Okay.

- Bay Lake bank building, because I think that's the key to this whole thing, and it's not just for us but for any developer you choose to do. That is the key to create everything you wanna accomplish. It's your master plan, right? It's your future plan. Why not take advantage and do this now? Because if you build our development and you don't do that now, when is it gonna happen? And you could do a TIF overlay or something, a new district to help you do that plus a parking utility. We can help you to get it done.

- Okay. And then one other question is, are you able to do redevelopment throughout the city? We've got other inventory. If not selected for this site, would this project work at another site in the downtown?

- Well it's a large development. I think this is really contingent upon the relationship with it and the town square. I don't see where else it could go unless there could be another town square someplace else. It's integral. It's not just a building by itself that we could just plop down anywhere. We're not a cookie cutter developer. We don't just take a development that we've done elsewhere and make you think it's something unique and then plop it down when we've already done it five times elsewhere. This is unique to this site. I don't see where this could be done elsewhere. Would we like to do something on the river down the road? Sure. We've been kind of watching and looking for a number of years now, but no, I don't think this would work. Plus to be honest if you were to select a different developer, I think it would be foolish for us to come along and try to build something at the same time. It's gonna hurt that developer, hurt us, it hurts you, it hurts the TID. It doesn't make any sense for us to do something if we're not selected, it doesn't make any sense for us to do that. It's kind of like sour grapes. It could actually hurt the TID financially.

- Any other questions from?

- Thank you.

- Okay, well thanks for having us up. Really appreciate it.

- Thank you.

- Thanks for all your time.

- Appreciate it.

- Good to see you, Terrence.

- Thank you. Does anyone else need these?
- We're okay, Terrence. Thank you.
- Yes, there is.
- Correct.
- We can further discuss it.
- It's alright.
- I watched it up until I got here.
- Did you write this?
- We might request more meetings.
- I don't think that's gonna happen.
- 'Cause that would give you time to get stuff ready.
- It had the screen, yeah.
- This'll be good.
- Yeah.
- I think we're only another hour.
- I just wanna make sure it's not...
- Paul, start with your project.
- Thank you, I apologize for that delay. I'm Paul Belschner with Base Companies. Let me introduce our team, and then we'll provide a project overview, and then we'll provide answers to the questions that were issued by Ken to the presenter. So, Filip Barsan of Barsan Construction. He'd be a partner in this project. Filip is from Romania, came to Wisconsin, lived in Seattle for five to 15 years, comes to Green Bay with high energy and high vision for what our city can be, and I think that that's healthy. Mike Krolchek had a scheduling conflict today. Mike is one of the principals of CD Smith. I just don't want to understate how important CD Smith is to our team. They bring a lot of the experience to what we're gonna be proposing. Mike Hagen's with Othello Williams Real Estate Group, and Joash Smits with Base Companies is here to assist with any of the construction type questions that would come up by the committee. Filip, would you like to take over and give an overview of the project as proposed?
- Sure, so, we could just get right into the questions if you guys wanna get through that one first, and then we can get through some 3D renderings for the city. I think we've also discussed briefly with

Ken and a few other people on this committee that long-term Green Bay what we thought could happen, and one of the other projects that we have right now will be the rail yard, and we're trying to develop that into mixed use. Obviously, which goal arise. We would probably look into going a little higher depending on what tenants we have, so, let's just get right into it. Basically, the flexibility of this project is open. You guys asked clearly in the RFP, you wanted something distinct. One of the thoughts that came to mind for me was if you have a Wisconsin state tourism, like the little handouts that they give out, you wanna see this building on that, right? So you want Green Bay to be the premier city of Wisconsin pretty much. That's what we got, and that's kind of where we got the design for. The historic part of this question would've been. I was looking at a map the other day, and I noticed that we have, from 1931 to 2018, this downtown district has changed very slightly, not that much, which is fine. It's okay, but I'd say something like this, so urban, would really contrast the old and the new, and I think that Hotel Northland is a great way to put it in better perspective when we're getting to this newer phase, and the millennials, we don't really wanna walk too far. We don't wanna have something that looks old. We don't wanna have something that looks way too futuristic, but at the same time, we need something that'll, people talking about the project. They wanna know where it is and what it is, and you bring this up, people are gonna know. I discussed with some other people on this board that there is ways of keeping older buildings. It's very expensive, but we could go do it. Obviously on this lot, we don't have any more older buildings. We just have parking ramp, but some of the things that I think maybe I should clarify would be that we're not contingent on knocking down the old building. That's further along. I'm assuming that would've been a question that would've been shot in there. That's pretty much what it is. We'll just keep going.

- We do share the same vision as presenter in the city, adhering to the direction of the authenticity plan. I think that there's some embedded success factors there with the public here.

- Do you wanna go over this?

- No, and just to clarify, I'm assuming that everybody got the same eight questions that were sent out, so these were listed as expected to be answered, so we have this information in our original proposal, but a range of TIFF would be 12 to 20%, which we believe is in line with other comparable projects, and the pay as you go component, if there is one, which we would hope that there is, would go to maintain the public infrastructure that this isn't meant to be the end game. One more facility here. We're gonna be looking at how do we not just build parking. How do we improve the city's public works with this project and be able to extend into other ancillary developments on the other side of this project, so I think that would be a good utilization of the pay as you go component of a TIFF package, and one of the questions was how much to purchase the property for, and I believe that's the assessed value on the parcel of \$759,000.

- Phasing and time, and I think we were pretty clear on this. Obviously, a lot of this might go sideways if there's any hold ups, market. I'd say the biggest really issue would be right there, design approvals, negotiations. That would probably be the only thing that could hold any of this back, and if this goes on, we're still okay on the second phase if we can ever get that through. I'd try to set up this deal where if we only do apartments, and some retail and some office space, it would still happen. They can still go there, but I think we'd like to see the condos in there. We've already had interested parties that wanna go along with that, yeah.

- I think ownership based residential is certainly in demand. We're experiencing some of that with our involvement at the rail yard where we initially may have predicted a different demographic

showing up, and we're getting a wide demographic showing up that are interested in living in downtown Green Bay. Jeff gave a presentation to the chamber of commerce board this morning about the market rate residential dwellings, and that's great. 500 units. They're 100% occupied, but I think long-term, it's an ownership based product is good for the community.

- Filip, could you go back to the previous slide?

- Sure.

- You just said something about, okay, project going sideways. If the city were to hold up or delay some things. I think you said something about the market. Could you just elaborate a little bit on that in terms of correction or exposure or when that point would be in terms of our market correcting, so derail or delay or just how would that?

- It would probably be just a hold up. It's kind of like a hiccup. You get to the point where if the market can't support this, the biggest one would be the pre-sale and pre-lease. I got Mike here for the pre-sales. We're gonna have 3D like VR headset walkthrough but people, you know, if you got a big stock crash, people will still back out of that even if it's written down. If you can't pay for it, you can't pay for it. So there's a lot of ways to go about that. Obviously we're gonna have CD Smith backing a lot of this project but if we get a holdup between the middle of phase two, that's, it would be between phase one and phase two. So if we have, the goal is to get the presales, and the prelease and once that happens then we'll kick in the project. So right here we have the presale and prelease notice on that so a few months before the actual phase one construction so we wanna get that to our limit or minimum requirement which is about 35% right now. And 35% of the budget so if it's 60 million we're trying to get up there. Okay? Thank you. Yeah so our partnerships, I'd say Paul and I are gonna be working closely. He's got lots of local connections. Me being here for only a year and a half, it's gonna get to two years soon though. I have a big vision. My goal is much bigger than this project. I'll share this with you guys as I do a walkthrough of the city on the 3D. I mean the tour. It goes further than this project. So I would say that, you know, CD Smith is involved right now with the rail yard. We're looking to see if they would be involved with it a lot more. I just wanna make it clear that this is not a short-term game, this is a very long-term run and if we have a lot of involvement in this community and I think that CD Smith, Mike specifically, made it really clear that they wanna move up here for operations. This is actually a quote that Mike pointed out this morning, he just sent me an email briefly and he's happy to put this in the agreement. They are willing to work with all contractors here. As a matter of fact they are on the rail yard.

- Yes.

- So. These are some of the projects they've done. That's in Lacrosse, that's the new city center. This is 777 in Milwaukee. 34 story high-rise residential. And then this would be the Hill Farms in Madison. Prices for the rents, that I think we've disclosed. We can't get too specific on that. If anything it might go higher, lower, I think that's pretty much stated in the proposal. Public arts, same thing. We've discussed in there, we're probably gonna be working with the public arts formation and get that one done. Yeah, no changes. The only thing would be the parking. One thing I wanna point out. With the amount of parking in this area like within a mile of the lot, we have a very hard time believing that we're gonna need 121 spots. You got the ramp across the street, it's never full. Then you have the other ramps on the northeast corner by Schreiber. Those are never full. That would be one thing we would wanna change. We're more than happy to provide it but you gotta understand where we're

coming from. I think this city is at the point where we're taking away flat land and we're starting to develop, get higher density, but that comes with a price. You can't be parking street level everywhere, so.

- So you would wanna take the parking out. Parking requirement out of the proposal?

- The parking requirement--

- The public parking.

- It adds a significant amount of cost to the proposal. We're seeing on a more national level some repurposing of parking garages already and more successful dense urban settings. Now we might not be there this year or next year, but we're certainly cognizant of the fact that parking garages are getting repurposed in lieu of Amazon package delivery areas. And things like that. And the odds of autonomous vehicles when that happens is one thing too.

- I just don't remember. Was it 120 spots that was in the RFP?

- 121, yeah, I think RDA in the initial proposal said there's like 121 spots there now, I think RDA said 100 and then council kicked it back up to 121.

- Okay.

- And that's why--

- So we're replacing what's there.

- Correct.

- Yeah.

- We're more than happy to--

- 100, it says.

- Just later on, we can always add to it. I mentioned something to Wendy, if you make an addition with the public arts or you get, I'll get this with the tour when I do a visual tour but if you get big city arts culture then it's pretty obvious, this is a block, you wanna hold something like that and you do need the space so. Yeah, would we consider another site? Absolutely.

- Thank you, that's...

- Let's get into the 3D, huh?

- Just wanna be cognizant of the time constraints. Any questions on those eight base questions that were sent off by Ken?

- Yeah as this is loading up I guess we can take the questions.

- How many apartments are there?
- 50. So 50 apartment units and 90 economy units. That'll be flexible. Obviously. If we can't fit it in the plans, if we have a lot of requests, we've already had requests for three bedrooms. And we didn't even think of that. When we did it but to really redo the full plan you get into some more space.
- So 140 total.
- That's right.
- So while it's loading, can you talk about your design team? Who did the design work?
- Who did the design for the building, the exterior design? I did everything.
- Okay.
- I did the design. I read you guys wanted something distinctive. From what I've done back at Seattle, from the people that we've worked with, it was always urban. It's gotta be that new look. We can obviously change that if it's really too distinctive. But...
- So I guess my question is even from both from an aesthetic perspective but just knowledge of the requirements to build down here in the structure that you're proposing. Construction type, material type, those sort of things. Just something to talk about while you're loading.
- The code adherence has already been applied to the facility and CD Smith has partners, has partnered with us, has very capable folks in their architectural design department to supplement the design as it evolved. We actually scrapped a couple different designs that were presented along the way. You can tell if there's a tremendous amount of time and effort into this and we finally settled into the phase one, phase two and then part of position and proximity to the Heritage Trail and the Bay Lake Bank building and out of those phases work and parking garage access. So we've been working in running and reviewing that with the architectural design department at CD Smith as well.
- Does CD Smith have architects on staff?
- They have lots of architects on staff.
- They're usually subbing in the work out so they have, well they do, they have a 3D architect, like a visual, they have this new thing they just started about six months ago I was at their office. It's a VR thing where they walk people through the building. They're gonna be helping us with that. But they work with a lot of national architects. For the 777 they had a developer out of Houston and--
- Right so CD Smith's a contractor or a construction manager. They're not an AE firm.
- Correct, they still have architects--
- I just wanna make it clear for the rest of the team.

- They still have architects. The architectural partner at the end of the day here would be an outsourced architectural firm.

- Right, so you haven't engaged anyone yet.

- Correct.

- Other than their architects on staff. Correct.

- So yeah this is a little like gaming. So here's what we have that we, I guess, wanted to share, if it loads. Whoops. Think I did something. For the long-term vision I'd say what we would see for the Bay Lakes building is obviously we wanna knock it down but in the authenticity plan you guys mentioned you wanted to tie in the Schreiber Park to a larger park that extends to, what was that screen? The row, like right there. So for the second phase one of the things that we could do would be either an office building, something that's not taller than this development by maybe like a five story or something. Obviously there's a lot to talk about but our goal is to redevelop this and to redevelop obviously a lot of the northwest side. One of the things that we noticed here was that this parking garage that I put down for some reason this actually stands up a lot higher and casts a shadow over all of that. Which is a big problem when I put the first plan that I had, here let me stop this. So the first plan I had would have had an apartment building right here and an office building right here, both of which would have been above 14 floors. One of the questions that I might get if not now I won't get it later would be why go up much. The reason behind that is if we don't go up and we just spread out we're taking up the green space everybody's talking about, right? And the other thing is density. When I did the market research for the entire nation, you got Houston, you got Austin, you got Atlanta, you got San Francisco, LA, Seattle, they're all going up. Everybody's going up, but San Francisco, LA, Seattle, they're starting to cap. So they're spread out, they can only go so far before, you know TED firms, Amazon for example, they're moving out, they're adding another HQ in, I'm not sure which the city was but that's the point here, we have to catch on to the trend where we have to start building up. And Green Bay being the oldest city in the state and really the third largest, my thing when I came from Seattle, I came here, I'd already made a commitment and then I go downtown and I'm like what? I mean no offense. That was my reaction, I'm like what? People talk about this. It's the number three most televised city in the nation when it comes to National Football League, right? You got, I think it's maybe the Patriots above us. And for some reason the Falcons, they're right below us, I don't know why. But that's what we're missing here, right? This big opportunity to go big and to make a name and here we're kinda sitting like what are we doing, right? So I wanna make sure that we all have the same goal and if it doesn't work, it doesn't work. That's fine. But I think we do have the same goal and I think we're looking to go, we're not looking to scale 200 floors, we're only looking to do 15. Actually had a comparison to the Empire State Building and it was massive, it was... I don't know if I can pull it up now.

- Not very sensitive.

- No no. But that's my vision and I think working with Paul and working with CD Smith they have a lot of experience in that we could definitely do something like this and to explain this a little more we'd like to possibly expand further out. There's some lots here. The city hall parking lot for example. Just here actually, it's empty. You could do something there. Obviously it depends on, it's more as a vision now but that's where we're at and I think as team we're the team to do this.

- Here are some things that just aren't playing well here technology wise today so I apologize for that but he's really, there's some nice components in the proposal. We're working with the Green Bay Theater Company right now with the Schauer and Schumacher building. And Filip went forth and said hey, what if, what if we keep the facade of the Schauer and Schumacher building somewhere down the road and build up, and say to the theater company we're gonna build you an arts and cultural center somewhere in the middle of our public plaza. That exists in a lot of communities. It's not in Green Bay but it's certainly something that you can rally around and give your community something to be proud of and brag about and say hey come see what's going on in Green Bay, Wisconsin. So the scalability, yeah I wish things could go quicker.

- There it is.

- Empire State Building and the Sears Tower scale next to a 15 story building.

- Hurry up. That 16 floors, that was one of the original sketches I did. That would have been an office building. That's also 16 floors and then we got those buildings. I don't know if you guys wanna do TIFF on that. I'm more than happy to.

- Some things we've had fun with with the project.

- Yeah so over here, one of the things that's in downtown Seattle is the public arts, what's it called? It's, I think Kevin would know this.

- No pressure.

- It used to be on the west coast.

- The public, along the--

- By the Space Needle?

- The arts park, sculpture park?

- Yeah, yeah, that's it.

- Okay.

- So there's a building there that's kinda funky looking. It's a big deal when you go to the Space Needle. Everybody takes a picture there. It's fun, people can go in. I just threw that down 'cause it took me five minutes so I put it down there and I figured, you know, why not have like a arts building? Everybody comes here, it's more of a cultural thing, obviously this is, it's more of a vision than it's, you know, but in the long term could be an office building, could be anything. That's how we see this block fanning out. We don't wanna go too high, you don't wanna block the views. People are paying big bucks to stay here. And one of the other things I wanna disclose. Pricing, you know, for clients that we're looking to hit, I think there's a lot of people here that have been waiting for something like this. People that wanna live downtown and they didn't have, I know the metro is up there, but if you compare that on a national scale, that's actually average. So to go a little higher than

that, there's only one way to determine it and it would be in the presale. So we could obviously make that.

- I think there's a lot of folks that aren't here yet. That will be waiting for the product as well.

- Yeah, yeah.

- With all of the new successes that we've had introduce broader community of the STEM innovation center and Title Town Tech and Foxconn, that's gonna continue to bring in high quality jobs hence folks that have the capacity to choose the quality of life they want.

- So what is the average income that you're looking at to fill these 140?

- About 75,000.

- That's all?

- Yeah.

- So what do you, what is the cost for a two bedroom condo do you guys estimate?

- I wouldn't. It ranges, it really ranges 'cause I'm gonna be honest when I did the comps on this we could go for a penthouse suite up there it could be, I don't know, two million bucks. I was more comfortable with 1.7, 1.6. But if we compare Milwaukee prices which is way higher it's actually about twice what we base now. Let's get back on rentals, they're renting a penthouse suite at 6000 bucks a month. So I think my gap on that was like 3500. Or something like that for a rental here which is half but people pay that. So--

- For a penthouse.

- This is for a rental. So it would still be a penthouse but you're renting it. So it's a little more, none of this would be for sale, those are the condos.

- Right and so what is your average, what do you think you're gonna be selling the condos for?

- Average price? About 400,000, somewhere in there.

- On page 24 we got some from 200 to about \$460,000.

- Our low smaller units like studios, condos, condos for example I think I have priced there for 200,000 on the low. We might actually go lower than that. In the 160 range. Because we can offer 800 square feet for that and the same with this. So these are actually starting, I think lower than all of these buildings combined it would start at like 730ish. I can't remember what the number was. But we could do that for a studio. So we'll work with that.

- So then in the apartments, were you imagining a mix of studios in there?

- In the apartments?

- In the apartments. Yeah and what was the rent on those?

- Like I said, they start at about seven, do you have that? Yeah 750. So for a studio, given it's 500 to 650, 700 square feet. Yeah about 750.

- And how about on the one bedrooms?

- I can't disclose that. That's a little rough when we get higher numbers especially since we don't have floor plans and square footage. It ranges. 750, 1000, so on.

- So in your proposal you went with a higher number. Or you went with the condos. Versus the other developer, I mean you were sitting here so I'm not speaking out of turn, talked about the difference between doing condos and doing apartments. How does that affect the timeline? Because how many of those condos would you have to sell?

- That depends on the cost of the project. So if the, let's say we kick this thing off in a year and now we go from 60 to 70 million. It still has to be 30% of the cost. So whether we get that through TIFF or through investors or if we get that from presales, what right now I'd say the presale is the biggest one where we can hold the development. Or we can get some money up front and say, you know, if we do have somebody financing it, how are we gonna, when this is complete, how are we gonna be able to go in there and take the development with a down payment? So I'd say for the presale to explain the phase one and phase two, the apartments, the reason I think the condos are really good, being a real estate agent, I'm also actually licensed as a real estate agent, I did the research on that. Basically every condo in downtown sells within two months max. So that's the average. So I misspoke, max, I think is like 90 days or no, a little longer than that. But that's what I've noticed, the condos are selling like hotcakes and the issue is we don't have any higher quality condos. As for the apartments, those are also preleased. I think the last I spoke to the metro representative they said that they were, what, a year out. So we don't wanna saturate the market too much because we are doing another development on the rail yard which will have apartments. But yeah, I hope that answers questions somewhat.

- The apartments will be phased as part of phase one.

- Right, that's--

- You remind me of some overlap of the condos as part of phase one or just step it right into phase two and it all depends on what we get from presales.

- Right because right now your apartments are on the phase one and the condos are on the phase two.

- Correct.

- Correct.

- As long as we're on phasing, wanna talk a little bit about more questions. What if phase one and okay, something happens, phase two, I mean does it still work on its own phase one or I mean in terms of your commitment then that may be not on that timeline phase two.
- I would say phase one goes more on, so you're asking if phase two would be feasible?
- So just say like I think projects come in phases. You do phase one and then something happens and phase two doesn't happen, can phase one stand on its own?
- Yes.
- Yes.
- The answer to that is the phasing of the parking garage.
- Okay.
- Right.
- That which would show up in I think the development agreement terms and conditions to see how do we want to share in that risk or hedge that possibility because of the connectivity of the parking underneath both phase one and phase two.
- 'Cause you'd park the whole parcel more or less.
- Correct.
- To start. You're not gonna go back and dig up.
- Can you talk a little about the green space? You have listed 24,000 square feet of green space. Is that accessible to all tenants? Or...
- So I think what I disclose in the proposal is that this would be accessible by tenants and residents. This would be restaurant so it would be more of a business. And this also would be office so whoever is in this office and that office would have access to that, so that's also private. So there's three levels of this. The only public would be right near the restaurant. And we also have the top so when you, that's obviously all private.
- So green space for the overall tenants is about 18,000. It would be. So the Bay Lake building, I mean to really make this shine, Bay Lake's gotta go.
- Yes.
- Well both of these buildings will fit in there with the Bay Lake building there right now.
- Right but you haven't, we're removing all the green space. From downtown. Actually it's cement right now but.

- I was just saying.
- Right.
- We certainly would want to continue working together to achieve the end result that we want in the city plan.
- And all of these have outdoor access, correct?
- No. No so for the apartments, most of them would, but again that's so early in this that you can't really determine. If we hope on the backside of that building, let me see if I can get out of here. This design was supposed to be more of a modern contemporary look where you're really facing the sunrise or it reflects off of that. You guys mentioned or I can't remember who mentioned this but we didn't wanna add too much reflect off of this 'cause now you got people that are uncomfortable, you got businesses over here. On a much lower scale. You know, they're not as high up. So this was supposed to be more of a flat facade. Obviously you've got some of that playing in there. But around there those are all balconies. The apartments are pretty limited as well. Thinking the updated rendering I have seen have balconies on all of these. So.
- Can you bring up the image again that has Bay Lake there and how that works if that building were to stay?
- This one right here?
- Yeah. So is there physical space to build that phase one with the Bay Lake building there?
- There? Yeah. So what I've done, I went in here and I shrunk I think I went back 25 feet all around the entire parcel and I said let's just go back 25 'cause you never know, we might have a setback here and there so I already did that, I cut that out and over here I think I have like 50 so this actually would fit, oh and the roads are a little wider than they really are. But yeah this whole thing would fit. We could make it bigger if you want.
- [Joash] And our construction partner CD Smith is well-versed in those situations--
- Right, tight, tight construction.
- [Joash] Downtown Milwaukee type construction.
- Yeah, it just seems like a lot on that small... Yeah, parking lot space.
- If Bay Lake Bank wasn't there, would you have laid out the building differently?
- Yes. Yeah, I think I definitely would have. Well you know the extension, if this were to be complete you've got the whole part, you could always do something that ties into this design-wise, right? But I think what we're trying, from my perspective what we're trying to do is create a distinctive downtown feel where when people go to Green Bay, it's not like they say well I'm going to Door County, it's like no, well Green Bay is part of this state, northeast, where you kinda incorporate the whole thing. I want people to think I'm going to Green Bay, it's gonna be fun, it's gonna be kinda like

Door County. It's an experience rather than just traveling from work or whatever. Something like this is definitely more, much more different than the bigger cities. But I'd say for the long term goal like a farmer's market or like a public market like in Milwaukee that would be something that could be incorporated into the further planning on this.

- So from a TIFF perspective, you said pay as you go, correct?

- Upfront and pay as you go.

- Upfront, 20%.

- 12 to 20%.

- 12 to 20%. And then that money would be used to, the ongoing would be used to maintain that building. Once the TIFF runs out, then it's up to...

- The owners.

- The 12 to 20% goes into the qualified public infrastructure upfront the pay as you go portion on the presumption that that service and the length of the TIFF yield something left in pay as you go will go to maintain the public infrastructure that otherwise would have been a burden on public works.

- And we talked about the last one being built with wood. Is this all steel and cement?

- Concrete and steel majority of the structure would be, yes, the bones of it would be definitely concrete and steel.

- And the \$60 million price tag, is that taking into how much inflation? I mean is that a, is 60 million as of that date you're gonna break ground or is that \$60 million today?

- Based on our construction schedule that dollar amount is out there. I mean things are fluctuating on a regular basis right now.

- Right, that's why I'm wondering how much--

- Regular meaning daily?

- Fluff you've built into it. Per se, not fluff but--

- We've put some inflation in between now and the starting date of early next year.

- Okay.

- It's crazy. Gas prices are falling every day and I'm never happy. When he brings me a number it's going up.

- I mean the building is beautiful.

- I believe we're at about 225 square foot on the residential side. So we're still a little high up there on cost. I think it was 225. Per unit we're I think well over, well over 200,000. But being Joash has a construction background, we can work the numbers, so.

- 103,000 square foot for the condos. So what were you averaging your condo size to be? 90... Those look like big condos.

- I think we had some at 4,000 square feet. The penthouse suites and then the more average ones went from 800, I think the average was like 1200. Some odd square feet. 12 to, I mean, we have very large penthouse suites so that throws everything off.

- Okay.

- And from what I study here in this market you guys have some condos at about that size, they go from 800 to they top out at like 2500 square feet.

- No, I don't think so.

- I think covered most everything, yep. So if there's any closing statements.

- Thank you for the opportunity to present.

- Thank you so much.

- Sure.

- Thank you it was a pleasure.

- Great.

- Great, thanks for the time.

- Thanks for all your work on this as well and for all your insights today.

- Yes, thank you.

- Alright, I've been meaning to thank you, thank you. I hate technology.

- So here's I think what we'd like to do. You know

- Can we have a motion?

- I make a motion to return to regular session.

- And I'll second that.

- First, second, all those in favor say aye.

- [All] Aye.

- Okay, we are back in regular order.

- So I think the appropriate thing to do would be run through, we've heard some presentations, had some discussion, got through some of the questions that I get from staff, we draw it out for further discussion I think had good answers to that. But that first presentation raises more questions. Is there anything in terms of process, again, we set up today to be kind of information gathering, get an opportunity to dive in. We would like to have this committee meet again to make a recommendation. With that, is there anything else that you would like to see from staff in terms of bringing back any additional information to you before you make that recommendation?

- So for me there were a couple things.

- Okay.

- One of them is have we had any conversations with Schreiber about, right, the first plan kind of showed this new town square and it merges in with what I believe is completely Schreiber's property.

- That's correct.

- And so I don't know if there's been any conversations with them or not but I certainly would hate for them to get the impression that there's an assumption being made that we're just kind of using their land or anything like that. So I think that would be a really big conversation to open up. The next would be I have no clue, all projects for downtown and for that particular piece of property are enhanced and have a greater vision if Bay Lake Bank is not there. But once again, that's not ours. It is a private developer's property. I have no idea if we're all just, it's a pipe dream. For all I know. They might be sitting there saying yes you can have my building and that's \$50 million. Thank you. And I think we would all say great visions for these properties, but the visions get really, they're just not as exciting if that building continues to be there and how that town square would emerge. So just, I don't know, the practical reality of that is just really sitting there for me in my mind as we would try to think about making decisions. On eventual developers and development agreements and the property that's there. And that was a little bit of the reason for the question about would you have faced that building differently if Bay Lake Bank building was not there.

- Yeah because it'd be interesting to see the proposals, one proposal was assuming it would go and then this proposal didn't assume that. And you indicated you would, so I'd love to see that.

- And then the third proposal that had withdrawn I think also had it not there. As well. And I don't think anybody, the general sense in talking, you know, hearing motions, I think the vision is great.

- Right, right. And I think even the RFP included contacting the city with a piece that envisioned and gotten so I can see where they would logically jump to that conclusion.

- Yes.

- Well and think if you're apply this plan states that I think we all assume that but maybe Schreiber or others, maybe to be clear on the time table or things, you gotta think we've talked here internally and

with the RDA maybe we'd be having this conversation for another five years. But the market where it's at right now I think the opportunity is right to do some type of development with this site given the interest that we've had and so it's kind of moving that forward but again I think to make the checkpoint on those two things both that particular piece and the cost of basically acquisition of the Bay Lake piece are two things that ultimately would impact obviously depreciations and cost and where we go and look and for you it may impact your recommendations is what I'm hearing.

- Mm hmm.

- Okay. Okay. So with that, yeah I mean I don't know in terms of if you want to adjourn and just hold this item until you meet again and I guess we can talk about how long it's gonna take us to get some of that information. Look, I think we wanna keep moving along in respect for the two developers that were here.

- Yeah, absolutely.

- If we're stringing along somebody for months but I think it's also appropriate for us to get the right information to make that decision in terms of moving forward.

- Well we're scheduled for Monday.

- Scheduled for Monday to meet?

- The next subcommittee meeting.

- Okay.

- If we wanted to meet before we could.

- Okay.

- Is that at 1:30?

- 2:30.

- 2:30.

- So yeah 'cause we wanna make a decision before the October 9th meeting next week.

- Now we just need to figure out how much it costs to make Bay Lake Bank.

- Call tomorrow.

- Three days?

- I didn't say they were using it.

- Right.

- Hey I'll be honest, and I'm not sure what necessarily drives the next RDA meeting. From my vantage point and I don't wanna speak for anybody else, really hard to make a recommendation with that out there. 'Cause I think quite frankly we heard from one developer, we could do it with that building right there. The other one was kind of saying don't, it's the whole purpose of why the building is laid out as it is and how it incorporates these two spaces together. As well as then base your proposal, you're saying well if that building wasn't there I might do this differently. Which I think is a very fair comment and way to think about it. And that's why it's just for me it's the big question mark. That needs some sort of resolution. And otherwise I think it's really different projects that go forward on that space.

- I would agree. Wholeheartedly.

- Okay.

- I think the RDA might too. I've seen...

- So your questions are the cost of purchasing Bay Lake? And a timeline for that?

- I think it's probably a combination. It's cost.

- Mm hmm.

- Timeline. Cost is gonna have an implication on how we think about TIFF. Because to some extent right that's, we're not gonna get it for free.

- Right, right.

- So we're gonna have to finance it somehow. I'm stating the obvious.

- Hey you know I tried.

- You're a great negotiator but... So to me it comes down to then there's the practical reality of financing. And I'm just not sure, I'm not sure how to consider the projects and the practical realities of financing because if I also looked at these projects, right, but that cost per unit of housing added to downtown is really different. And I'm assuming that's gonna come with very different TIFF requests. With a layer on there called Bay Lake Bank is now ours and gone.

- What do you mean by that? Different TIFF request?

- Money. The amount of funding. Hey I was just gonna say, if there's a \$60 million project and there's a \$25 million project and there's a buying of the Bay Lake Bank, I think there's an incredibly different TIFF request.

- Yes.

- Between those two.

- Really good point.

- If I can just may put the developers on the spot for a second, I'm breaking the rules. Is there a time by which you would need a decision from us in terms of being able to move forward with something? I mean I know you both have lots of projects in the queue and again I wanna be respectful in terms of getting them the information they need to make the right decision but also be respectful of you that okay by this date we kind of need to go, in terms of, again, construction windows and leasing windows and all those types of things. By when you'd kind of need some decision from the RDA to say like this is where we'd like to go, we'd like to go with this proposal over this one.

- Yeah I would say that we're okay moving forward with the facility there. I think it would be appropriate to have a term and condition in a development agreement that obligates the city to continue moving towards the facility not being there that would be a mutual agreement on that timeframe, we would certainly have more public features out towards the Bay Lake Bank building if we knew for sure in two or three years it would be gone. I can put a little bit of color behind the acquisition of that building 'cause we've been down that path before and partner and the upstairs and a lot of, you know, APEC or they have, I forget who Joash built. It was, it's amazing and the hundreds and hundreds of miles of cabling and technology in that space, and Rob Sera was still the CEO of Bay Lake the last time we went down this path and I know the number of \$15 million just for perspective. And that was because we saw the lease coming due. If the tenant has too much leverage with too much lease term especially the upstairs tenant, the cost is gonna skyrocket because they know that they have to be made whole. The problem that we had as the developer was that we can't go to our tenant and say we think you're going away or they won't renew with us and now we sit with a 70,000 square foot vacancy in the core of downtown. That was the dynamic that took place two lease renewals ago, ironically through I smiled a little bit at Wendy about public market, I got the call yesterday about acquiring the rest of the first floor of that building from Nicolet Bank primarily. And like wow, how does that play into that building not being there? We all want a public market but I know that's not the right place, I'm not the seller of the first floor space, Nicolet Bank is. The end of the year brings the option, I don't know that any of this is proprietary. There's a tenant in there, call them the church, that has an option to purchase at the end of the year and I happen to have worked on that with the finance committee and they put out a lot of tenant improvement dollars in out of their own pockets. It's not likely that a tenant puts a lot of dollars in and doesn't execute their option to purchase and just lets a short term lease expire and watch as a million dollars and they sort of call it just general round numbers. Of tenant improvements go away.

- So I guess with part of the--

- So we, to answer your question, we will move forward. We think that there should be some level of commitment to move towards what everybody wants.

- Okay.

- I think Terrance said that very well too, it's all in. That's what everybody's vision is down here, it's how you get there.

- And I don't argue with that at all. Paul wants what everybody wants but as you just walked through, I would be really uncomfortable committing the city to take them out in a given time frame because if I'm the owner of whatever that space is.

- Great.

- Time's ticking. Price is going higher. City, you're committed, it's in your contract. Public record. So I just, I would be really uncomfortable binding the city to that in agreement unless there was something that stated a cap.

- And I'm not trying to convolute the matter, I'm just, I think--

- Got it.

- I can offer a little bit of insight 'cause we've been down this path before.

- Yep.

- And then the Nicolet Bay Lake change and my understanding is that it's very possible that Nicolet Bank may not own any of the space in the near term if some of the existing tenants on the first floor execute their options.

- Mm hmm.

- To purchase which that's just information. But it commits, you know those purchase prices are at least a minimum.

- Yeah.

- And then you have to find an equitable solution to those groups and those would be discussions that somebody like Kevin would initiate.

- So with that maybe phrase a question and add if, would you be okay is if instead I mean the initial timetable was to bring a recommendation to the RDA in October. If that recommendation didn't come until November or maybe December 'cause it's probably gonna take some time--

- Sure.

- To really figure that out. Is that still acceptable for you in terms of your interest in this proposal, interest in the site?

- Yes.

- I have the same question, I mean--

- [Terrance] I don't wanna interrupt Paul.

- Sure. No I think the question would be instead of making a recommendation in October, this recommendation maybe doesn't come until November or December to figure out that piece which obviously is critical to your particular proposal as well.

- Right so I would just, stand up sleeping.

- Sure.

- [Terrance] I would say that I just think it's so important, I think the focus should be on the developer. I think it's so important that the city get this right. Really, I mean. This is a long, this is like your one shot deal. This is it. You gotta get it right, take your time, we can do this whenever. We're flexible, we're here, we're not going anywhere. So get it right. I personally have good reason to believe that the timing is absolutely ideal for the city to acquire the Bay Lake building. Not just because of the bank but because of other reasons I won't go into. In the next three to six months the opportunity may exist for you to acquire the building. Quite reasonably. Certainly the bank indicating their interest. There are also creative ways to approach this. Sit down, brainstorm with us, we've been down this path before. The bank, you could, instead of looking to acquire and pay them cash, they could make donation of the space valued at more than what they might get in cash. That might have some very good economic reasons for them to donate their space to the city. Plus getting CDA credits, right, any credits, whatever they wanna do in the future. They have to do things like that to get these credits to be able to merge, to be able to acquire, to be able to do things. So then there's the other owner. I think there's gonna be an opportunity down the road here that you can acquire it. The value is not based upon who's in there, it's based upon the income. Net income. So the city does this they would go get an appraisal. The appraisal, I mean this has been done numerous times in other communities. Go get an appraisal, based on that income stream and the rents aren't that high. And you look at the income stream come with a value. Maybe if out of the goodness of your heart as a city you throw some dollars at the tenants for relocation costs to help them out. But city, we just did this process with the city. Bought a Middleton Center mass in Middleton and six buildings and worked with the city in a partnership and we went and acquired the property from in a cooperative fashion, I mean you can do condemnation but we acquired it from the owner and then we got some relocation assistance from the city and we relocated all the tenants cooperatively, worked out great. It wasn't a high price. You look at what is the market value for that building and income stream for those tenants and the leases that are in place. So it doesn't matter, you know, what the tenant groupings are. All that technology, the wiring is out of date. Completely out of date, it's worthless. Any new building will have completely upgraded new technology cat six whatever. So all that has no value. So I think for very good reasons, now is the time to acquire that building. It wasn't two years ago and it won't be two years from now. It'll be the bank has an interest in getting out and maybe that or might have an interest also for other reasons, the other owners it's been public knowledge has been selling some assets to raise some capital for good reason, I won't get into it. But there's certainly an opportunity I think coming up for the city that you wanna take advantage of. And I just, I'd hate to see you make a short term decision. Don't be rushed by us. We'll still be here. Let's do the right thing for Green Bay.

- Alright, so. We say so long as both developer teams would still be in play in terms of the time sensitivity of this and I think the nature of this committee feeling not comfortable in making a decision til we have some of those answers, I would just recommend...

- We'll cancel the Monday meeting.

- Correct, well I'm just saying like, we don't have our city attorney here is that the goal over the table is the property management for I guess we're just pull it til the next meeting and we're just not gonna have a next meeting date at this time. If you wanna report on it at RDA maybe we could put that on

there just to say well here's what we're looking at and it's a bigger question and I would say that's the recommendation right now is to figure out how this plays into it, an exit strategy before we make a decision on this. I mean I think what we've seen is there's viable proposals for this site which we've always talking like we'll never take down the Bay Lake building until we can build something on its place or in the Adam Street lot. I think the two examples here are okay we can. But how we take that down or when we take it down obviously impacts both of these and ultimately what does get built there.

- So you want the motion to hold until next meeting?

- Yeah. I'll do that.

- Or until staff has sufficient information.

- Yeah I mean and I would just maybe if you want to bring that back to the RDA and RDA feels the same way then we'll continue to work on that and if our case studies... You know what I mean? But I think your recommendation would carry some weight about knowing all the pieces of it and so forth.

- Okay, how about we try this. We'll see if we get a second. I would suggest that we make a motion to provide an update from this meeting at the next RDA meeting. Just about the proposals and what we've heard. And have an update on any additional information that's been gained by staff in regard to Schreiber green space and the Bay Lake Bank.

- And I'll second.

- All those in favor say aye.

- Aye.

- Motion cleared. I think that that's it, we are ready to adjourn the meeting so if I had the gavel which I have not been entrusted with yet, I would bang it. So meeting adjourned. Thanks everyone. And to both the developers, thank you very much.

- Yes, thank you both.

- Thank you!

- We appreciate all that you're doing.