

*Approved*

Historic Brewers Hill Association (HBHA)  
Minutes of the Special Neighborhood Meeting  
June 30, 2015

I. Call to Order

Ms. Mambu-Rasch called the meeting to order at 6:35PM. She thanked residents in attendance for coming to the meeting and also thanked the meeting hosts, The Brown Bottle.

II. Introductions

Mr. Booth began with introductions of the featured speakers. Mr. Peter Fagen with the Milwaukee Bucks. Representatives from Milwaukee County included County Board Supervisor Willie Johnson, Tieg Williams, and Rayna. Representatives from the City of Milwaukee included Alderwoman Milele Cogs and Rocky.

Before turning the floor over to the featured speakers, Mr. Booth updated the audience on the Gateway Signage Project. He stayed through fundraising efforts and a NIDC grant awarded by the City approximately \$27,000 has been raised by the HBHA. He stated this amount will be used for the installation of Phase I, which will consist of monument signage at the intersection of Palmer & Pleasant. He also added fundraising efforts have begun for Phase II & III which will be a second monument sign at 2nd & North and street / banner signage installation throughout the neighborhood.

Ms. Mambu-Rasch also added the groundbreaking / signage unveiling for Phase I will be Thursday, September 10th at 4:30PM and more details on this event will be released in the coming weeks.

III. Stakeholder Presentation

Mr. Booth introduced the featured speakers: Mr. Peter Feigin, the President with the Milwaukee Bucks. Representatives from Milwaukee County included County Board Supervisor Willie Johnson and Director of the Administrative Services Department Tieg Whaley-Smith. Representatives from the City of Milwaukee included Alderwoman Milele Cogs and Commissioner of the Department of City Department Rocky Marcoux. Also in attendance was Rayna Andrews, the Director of Community Relations at Milwaukee County.

Mr. Peter Feigin began by explaining the ownership group, consisting of Marc Lasry, Wes Edens, and Jamie Dinan, purchased the Milwaukee Bucks a little over a year ago. He discussed the background of the sale and how the ownership group put forth a competitive offer for the sale of the Park East land, consisting of approximately 15 acres west of the Milwaukee River. He stated their vision is not simply the new arena as they understand the arena is one

part of the connective tissue of the Park East corridor. He stated the ownership group wants to revitalize vacant land and create a place to live, work, play, which can connect to other neighborhoods, like Brewers Hill.

He discussed the ownership team knew, as part of the purchase of the Milwaukee Bucks, a new arena was needed. He explained the need for a new arena is being mandated from the National Basketball Association (NBA), as the current arena facility lacks the NBA's qualifying revenue metrics. He also indicated as a result, the Milwaukee Bucks have ranked near the bottom on all revenue metrics related to the arena opportunities each of the last three years. He discussed that as part of the Milwaukee Bucks sale, the NBA required the option to purchase back the team (from the ownership group) if a new arena is not operating by 2018, which is not very common.

He explained that in a very short time, the ownership group has made a billion dollar investment through the purchase the Milwaukee Bucks, commitment to build a new arena, practice facility and 20,000 sq. ft. of office space. He discussed the politics of the arena and the various entities involved, and if funding is approved at the State level, the construction of the arena will take approximately 24 to 25 months to complete. He concluded by stating the ownership group has a laser beam focus on accomplishing not only a new arena facility but also in creating a winning championship team. He said they want to build back the Milwaukee Bucks fan base, making the Milwaukee Bucks as synonymous as the Milwaukee Brewers and Green Bay Packers. He explained their focus is not solely on the team but also to build a sustainable real estate business. To date, he stated the Milwaukee Bucks organization has hired 100 people and with increased economic development opportunities in the Park East, they plan to hire more people. He finished by stating ownership group understood the risks involved when purchasing the Milwaukee Bucks but the ownership group is in it for the long haul and wants this development to turn out great.

Mr. Feigin answered questions from the audience, which included questions on the Park East remediation plan/costs, timeline for the buildout of the Park East corridor, current challenges the arena development faces, and if landscape architecture is being considered in the design plans.

Mr. Tieg-Whaley-Smith began by explaining the funding mechanics of the proposed Milwaukee (MKE) arena. He discussed the proposed \$250 million public contribution, which is funding approximately 50% of the arena cost. He stated that in comparison to the national average, public contribution for arenas is typically 65%. He went on to discuss the various revenue sources, and estimated revenue amounts, the proposed MKE arena are projected to generate. He elaborated that based on the revenue potential, the proposed MKE arena is a good return on investment. He discussed further if the proposed MKE arena is not built, the Milwaukee Bucks are sold and move from Milwaukee, the impact to what revenue is currently generated by the facility, the State/County has to make up for that loss of revenue and examine if any services need to be cut.

He outlined the County's economic development tools, which are limited when compared to other public entities. He explained the challenge in determining how the County to come up with \$4 million per year without raising taxes or cutting services. He discussed a 2006 audit which found the County's deficiency in not having a centralized debt collection system and tools to collect debt. In working with the State, he discussed the County will utilize the State's debt collection tools, which estimates believe could result in approximately \$12 million debt collected annually. The additional revenue generated by the debt collection will be used to meet the County's \$4 million obligation to the MKE arena.

Mr. Whaley-Smith also discussed the Park East land owned by Milwaukee County. He discussed the length of vacancy this land has experienced (35+ years, including use as freeway) and the RFP process the County initiated two years ago, allowing developers to submit monthly proposals. He explained the Milwaukee Bucks ownership group \$400 million offer (and why it was selected over a competing \$80 million proposed development, which also included a \$1 purchase price for the Park East lands) County Board and the process by which this land is reviewed upon by the County. The proposal was reviewed in June and the committee voted to delay the vote for one month due to the lack of details related to the public financing portion of the arena project. He stated the committee will review the proposal in July.

Mr. Whaley-Smith addressed questions from the audience relating to the how the MKE arena can become a year-round destination.

Mr. Marcoux began by thanking the audience for being tax paying residents of the City of Milwaukee and for their interest in the proposed MKE arena / Park East corridor. He provided a detailed explanation of the City's financial obligation in the proposed MKE arena and how this financial obligation will be met with no new property taxes. He explained the mechanics of Tax Incremental Financing (TIF) and the requirements the City is making of the new ownership group as part of the development plan (i.e. 25% of the businesses in the "Live Block" area will be Milwaukee based; 25% SBE hiring, 18% Professional Services and 40% resident participation program(RPP) in construction of MKE arena). He also stated Alderwoman Coggs and Supervisor Johnson are instrumental in the process as their districts not only include portions of the Park East but also the adjacent neighborhoods they represent are in proximity to the proposed development and that those two representatives have long supported jobs policies like the County's Park East Compact and City's RPP program. He continued by discussing how development happens organically and attracting people and businesses does not happen overnight. He stated the City has done an amazing job with the adaptive reuse of surrounding neighborhoods/breweries (i.e. Schlitz Park, Pabst). He stated the area west of the Milwaukee River, in the Park East corridor, requires attention and the more housing and offices added, the greater success the Park East will achieve. He concluded by stating that we do not want to be saying "what if".

Mr. Marcoux answered questions from the audience relating to parking, ability of existing streets to handle traffic generated by MKE arena, if the phasing of the Milwaukee Streetcar will be

impacted, the plan for the Bradley Center after demolition, and if neighborhood can influence political decisions.

At the conclusion of the meeting, County Supervisor Willie Johnson and Alderwoman Milele Coggs added brief remarks, explaining their need to understand the financing details of the proposed MKE arena, the development plan, and weighing the needs of citizens in their respective districts.

#### IV. Adjourn

The meeting was adjourned at 8:08PM.

Respectfully Submitted,

Molly Booth  
HBHA Secretary