

From: [Chris Elholm](#)
To: [Finance Committee](#)
Subject: Opposition to Item 23, Legistar 80938
Date: Monday, November 27, 2023 9:33:23 AM

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Please oppose approval of item 23, Legistar 80938, until the City staff and Lincoln Avenue Capital (LAC) have honestly and thoroughly explained the repeated delays in the start of construction of the proposed housing project on the former Hartmeyer property at 2007 Roth St.

Is there no longer a company called Lincoln Avenue Capital? A company representative recently emailed signing off as Lincoln Avenue Communities. Does this mean in the long, drawn out process for the company to gain City agency approvals, to secure investor funding to purchase overvalued land, to identify the costs of contamination remediation, to redesign the apartments by removing balconies to save on overall costs, that the company's change in identify means it's no longer the original LLC working with the City?

Enough is enough trying to make this proposed development work. Do not approve an extension to March 2024 because another and another and another extension request will likely follow. I see continuing to keep doors open for LAC as a waste of time for a development that should never move forward anyway.

Sincerely,
Chris Elholm
Sherman Neighborhood Association Board Member

From: gordian@nym.hush.com
To: Finance Committee
Subject: Vote No on item 23, Legistar 80938
Date: Friday 11/24/2023 4:56 PM

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Fri. Nov. 24, 2023

Finance Committee members,

Please oppose approval of item 23, Legistar 80938, until the City staff and Lincoln Avenue Capital have explained the repeated delays in the start of construction of the housing project on the former Hartmeyer property at 2007 Roth St.

Below I offer some background on the repeated delays in construction, the taxpayer money involved, and a list of questions that should be answered before blindly extending the project's construction deadline.

Don Lindsay

Repeated Delays

At a public meeting held on July 20, 2022, Kyle Brassler, of Lincoln Avenue Capital, said that construction would start in the Spring of 2023.

Kevin McDonell, also of Lincoln Avenue Capital, in his e-mail to the Sherman Neighborhood Association dated April 29, 2023, says, "We are actively working through the City's plan review process, which we expect will be completed within the next 90 days."

On July 11, 2023, the Common Council set a deadline for starting construction of Dec. 31, 2023.

The proposed resolution extends the deadline to March 31, 2024.

What explains these repeated delays?

Taxpayer Money

According to Joe Gromacki, TIF Coordinator, in his reports dated June 20, 2023, tens of millions of public money will be used to finance Lincoln Avenue Capital's housing project on the former Hartmeyer property. Some of the money is from the Wisconsin Housing and Economic Development Authority (WHEDA). More comes in the form of Tax Incremental Financing.

In addition, the City will further subsidize the project by buying land from Lincoln Avenue Capital at a price per acre many times what the City Assessor says the land is worth.

These large amounts of public money give the public the right to know the reasons for the repeated delays in the start of construction.

Engineering

Lincoln Avenue Capital cannot ask contractors to submit bids until it has a set of plans approved by Madison's Engineering Division. What are the issues that have delayed approval by the Engineering Division and other City agencies?

We know that the Hartmeyer site's high water table and toxic contamination require special construction measures. Have these problems been resolved?

Financing

We know from Joe Gromacki's Memorandum of June 20, 2023 that tens of millions of tax credits from the Wisconsin Housing and Economic Development Authority (WHEDA) will be needed. When did Lincoln Avenue Capital apply for this assistance? Has the application been approved?

WHEDA gave Lincoln Avenue Capital a temporary exemption allowing the Hartmeyer project to receive certain Qualified Census Tract tax credits. When does the temporary exemption expire? Is the Hartmeyer project feasible without those credits.

Conclusion

Questions like these should be answered before blindly extending the construction deadline to March 31, 2024. The Finance Committee and the public should first receive a Staff Report providing full and detailed answers.

Sources

12661_Hartmeyer_I_TIF_Report

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