

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE: April 18, 2019

TO: Supervisor Theo Lipscomb, Chair, County Board of Supervisors

FROM: Aaron Hertzberg, Economic Development Director, Department of Administrative Services

SUBJECT: A report on the status of the Ballpark Commons Project at and in the vicinity of 7900 Crystal Ridge Drive, Franklin

REQUEST

Informational only. No action requested at this time.

BACKGROUND

Previous Files -

- File 17-598 – Proposed Contribution and Participation (Trust) Agreement with BPC County Land LLC, for the sale of the Crystal Ridge landfill; and authorization to execute a new Lease Agreement for land zoned as parkland between Milwaukee County and The Rock Sports Complex, LLC for the ski hill property located in the Village of Greendale
- File 17-334 - Proposed Ballpark Commons Development and potential impact on Milwaukee County
- File 17-366 - The Rock Sports Complex Cancellation and New Lease for Ski Hill in Village of Greendale
- File 17-373 - Amend Sections 68.01 and 71.12 of Ordinances to remove County Trunk Highway K (W. Old Loomis Rd)

File 17-598 stated that the Milwaukee County Board of Supervisors authorized the County to execute the proposed Contribution and Participation (Trust) Agreement with BPC County Land LLC and a new Lease Agreement for land zoned as parkland between Milwaukee County and The Rock Sports Complex, LLC for the ski hill property located in the Village of Greendale, in coordination with the sale of land at and in the vicinity of 7900 W. Crystal Ridge Drive, Franklin.

The agreements and sale were considered at the request of the operator of The Rock Sports Complex to substantially increase the amenities on the property as part of a development known as Ballpark Commons. The project, currently under construction, includes a mix of commercial, retail, residential, and recreational development and a stadium servicing a new independent minor league baseball team and UW-Milwaukee baseball.

Report

At the request of board, the following update is provided as to the status of the development, with focus on compliance with key conditions associated with approvals

by Milwaukee County. Conditions were outlined in prior approvals of the Milwaukee County Board and in land sale agreements including a Development Agreement, Lease, Option to Purchase and Contribution and Participation (Trust) Agreement.

The project remains under development and is likely to take several years to complete. Active construction includes site work and infrastructure, a new mixed office/retail building, stadium and residential. Note that only construction on land formerly owned by Milwaukee County is subject to Community Benefit requirements, currently this includes site work, stadium construction and the mixed office/retail building. Media reports have suggested that there have been some project delays, plans for new development and a request for additional tax incremental financing support. City of Franklin staff has informed the County that impacts of delays, changes and requests are under review and, at the time of writing, are yet to be considered by the Common Council.

Option to Purchase

An option to purchase was signed for the property in late 2017. The document required certain insurance standards to be met as a condition of sale. Insurance requirements specifically related to planned development on a known landfill were included with oversight by the County Risk Manager. County Risk Manager Director, Chris Luttrell has confirmed that required insurance is active.

Development Agreement

A development agreement was signed in late 2017 placing requirements upon the developer as a condition of acquiring the property. Two key areas of on-going compliance tracking include Community Benefits and Noise and Light requirements.

Community benefit requirements for Ballpark Commons include ensuring Targeted Business Enterprises (TBE) have an equal opportunity to receive and participate in construction of the Project. Goals include a minimum of 25% TBE participation for hard construction costs and a minimum of 17% TBE participation for professional service costs. The developer also committed to a good faith effort to achieve its goal of at least 10% of on-site construction hours to be completed by apprentices or members of acceptable job training programs. The developer has paid Milwaukee County a \$10,000 deposit to secure compliance with community benefit requirements.

As of writing, compliance is below stated goals. It should be noted that projects on site are at various stages of construction and a full picture of compliance will not be available until projects and reporting is completed. Site work TBE contracts are at .06% of total costs. Construction of the mixed office/retail building is at 21.8% compliance relative to total costs. Stadium construction is currently at 0% compliance.

Apprenticeship compliance has had mixed success. Site work compliance is at 14.36%. The mixed office/retail building is at 2.66%, outdoor stadium is at 8.63% and stadium support structures at 0% compliance. As noted, work remains on all project fronts.

Noise and Light requirements were included in the development agreement to mitigate impacts of the development on neighboring properties. Existing lights on the baseball fields were subject to a light study for repositioning and 78 new light shields installed last year.

The developer was also to take noise mitigation steps as outline in the development agreement. Hard-wired noise monitors that were to be installed by November of last year have not yet been installed. The monitors are planned for installation as part of other Audio/Visual installations scheduled for later this spring with completion of the stadium. During the 2018 concert season, generally the peak season for noise complaints, the developer/operator submitted weekly sound reports to the City of Franklin to demonstrate compliance. Once in place the hard-wired noise monitors will provide real-time and objective monitoring.

Lease

The developer's revised lease as part of the land agreements required it to continue to operate a ski hill on land adjacent to the Ballpark Commons development. The ski hill was operational during the 2018-2019 ski season.

Contribution and Participation (Trust) Agreement

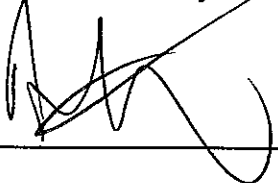
The Contribution and Participation (Trust) Agreement requires the developer to rebuild and perform on-going operation and maintenance of the methane monitoring and extraction system previously owned and operated by Milwaukee County. Wisconsin Department of Natural Resources (DNR) staff in charge of regulating landfills has confirmed that the system has been rebuilt in compliance with DNR standards. The DNR has conducted monthly inspections of the project site and confirmed adherence to plans. The annual report monitoring ground water and gas extraction that was previously required of the County and is now required of the developer as of 2018, has been filed. While the developer now owns and maintains the property and landfill related compliance and reporting obligations, the DNR remains the regulating agency overseeing the property.

As part of the Trust Agreement, the developer and Milwaukee County committed to jointly make annual contributions to a Maintenance Reserve Fund to ensure on-going investment in the methane monitoring and extraction system. On April 9, 2019, the Comptroller sent a letter to the developer regarding the establishment of the Landfill Oversight Committee and the establishment of the Landfill Infrastructure Capital Fund as preparations are made for initial, 2019, contributions to the fund.

Copies of reference documents are available via File 17-598.

RECOMMENDATION

Informational only. No action requested at this time.



Aaron Hertzberg
Economic Development Director, Department of Administrative Services

cc: Chris Abele, County Executive
Scott Manske, Comptroller
Economic and Community Development Committee Members
Teig Whaley-Smith, Director, Department of Administrative Services
Raisa Koltun, Chief of Staff, Office of the County Executive
Kelly Bablitch, Chief of Staff, County Board of Supervisors
Steve Cady, Research & Policy Director
Allyson Smith, Committee Coordinator
Ken Smith, Research Analyst