

1 Supervisor Patricia Jursik, Chairperson,
2 From the Committee on Economic and Community Development, reporting on:

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4 File No. 15-509

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6 (ITEM) From the Director of Economic Development, Department of
7 Administrative Services, requesting authorization to amend the Option to Purchase
8 2711 West Wells Street, 2805 West Wells Street, and 763 North 28th Street, Milwaukee,
9 Wisconsin, with Richard Wiegand, by reallocating \$800,000 to enter into a Grant
10 Agreement with the Near West Side Partners, Inc., (NWSP) to establish an Economic
11 Development Fund, in which dollar-for-dollar matching funds would be provided by
12 NWSP to be used to further promote neighborhood revitalization, by recommending
13 adoption of the following:

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15 **A RESOLUTION**

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17 WHEREAS, adopted Resolution File No. 14-937 authorized Milwaukee County
18 (the County) to sell its City Campus assets, located at 2711 West Wells Street, 2805
19 West Wells Street and 763 North 28th Street, Milwaukee, Wisconsin, to developer
20 Richard Wiegand in the amount of \$272,000; and

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22 WHEREAS, File No. 14-937 also contemplated depositing \$2,500,000 into an
23 escrow account; and

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25 WHEREAS, \$2,500,000 is the amount equal to the estimated cost of demolition
26 of the 9-story structure, and would be used by the developer substantially for that
27 purpose, and if funds were left over, utilize them for other structural, mechanical,
28 access, and exterior repairs to the remaining 2-story and 5-story buildings; and

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30 WHEREAS, the demolition costs would utilize 25% Disadvantaged Business
31 Enterprise (DBE) firms and 5% of total project costs would utilize community
32 organizations that provide workforce training for youth or low-income individuals; and

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34 WHEREAS, during the due diligence period, the developer made the
35 determination that demolishing the 9-story structure may not be the best use of the
36 County's \$2,500,000 contribution, as the structure may have future potential to
37 contribute positive activity to the area; and

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39 WHEREAS, the developer still plans to restore the exterior of the 2-story and 5-
40 story buildings, while also creating new storefront space along North 27th Street; and

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42 WHEREAS, rather than demolish the 9-story structure and replace it with a
43 surface parking lot, the developer would prefer to utilize a portion of the funds to
44 remediate and demolish the interior portion of the structure, leaving open the possibility
45 for future reuse; and

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WHEREAS, given the change in the scope of work, the Economic Development Division, Department of Administrative Services, proposes reducing the County contribution to \$1,700,000 to allow for the remediation and demolition of the interior of the 9-story structure and other work necessary to make the building accessible and appropriate for occupancy; and

WHEREAS, such work would utilize 25% DBE firms and 5% of total project costs will be spent with community organizations that provide workforce training for youth and low-income individuals, consistent with the developers original proposal; and

WHEREAS, the County believes the highest and best use of the balance of \$800,000 would be to improve the Near West Side neighborhood and to promote stabilization in the area following the County’s vacation of the City Campus facility; and

WHEREAS, the County would like to partner with the Near West Side Partners, Inc. (NWSP), in the creation of an Economic Development Fund to be used to promote neighborhood stability and economic growth on the Near West Side of Milwaukee by engaging in activities, including, but not limited to, property acquisition, demolition, redevelopment, and other economic development purposes; and

WHEREAS, the County and NWSP would enter into a separate Grant Agreement to provide guidelines under which NWSP will operate and manage the Economic Development Fund, which would include at least the following terms and conditions:

- NWSP will provide at least a 1-to-1 match of the County’s \$800,000 contribution in the Economic Development Fund and may use portions of the Fund as the match is met for each such portion.
- The match from NWSP shall not be from another public source, but may be from the partners themselves, business improvement districts, foundations, and other private sources.
- The Economic Development Fund shall only be used for projects within the NWSP service area.
- No portion of the Economic Development Fund shall be used on the City Campus project until the full match has been satisfied.
- NWSP will provide a report on the Economic Development Fund usage to the Milwaukee County Board of Supervisors at least annually.

; and

WHEREAS, the Committee on Economic and Community Development, at its meeting of July 28, 2015, recommended adoption of the Director’s request (vote 7-0); now, therefore,

90 BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby
91 authorizes the Director of Economic Development, Department of Administrative
92 Services, to amend the terms under which 2711 West Wells Street, 2805 West Wells
93 Street and 763 North 28th Street, Milwaukee, Wisconsin, are sold to Richard Wiegand to
94 permit him to leave the 9-story exterior structure intact; and
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96 BE IT FURTHER RESOLVED, the amount of demolition escrow shall be reduced
97 from \$2,500,000 to \$1,700,000; and
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99 BE IT FURTHER RESOLVED, the remaining \$800,000 shall be allocated to an
100 Economic Development Fund to be matched and managed by the Near West Side
101 Partners, Inc. (NWSP) to promote neighborhood revitalization and economic
102 development efforts; and
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104 BE IT FURTHER RESOLVED, the County Executive and the County Clerk
105 and/or other appropriate County officials are hereby authorized to execute, after
106 Corporation Counsel approval, any and all instruments required to implement the intent
107 of this resolution, including, without limitation, an amendment to the Option to Purchase,
108 and a Grant Agreement with NWSP encompassing the terms and conditions set forth
109 above.
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