A report from the Executive Director, Department of Health and Human Services (DHHS), Executive Director, Department of Parks, and Executive Director, Department of Administrative Services, authorizing Milwaukee County to approve a ground lease agreement term sheet with Jewish Family Services, Inc. and its assigns and affiliates for development of a mixed-use senior/community center and affordable housing project at McGovern Park, and to take related actions to support the feasibility and advancement of the project, by recommending **REJECTION** of the following:

## A RESOLUTION

WHEREAS, Milwaukee County (the County) is committed to advancing its strategic objectives to invest upstream in social determinants of health and dismantle barriers to inclusive communities, including by increasing the supply of affordable housing for seniors and preserving public services in historically underserved neighborhoods; and

WHEREAS, the County's Department of Health and Human Services, Department of Parks, Recreation, and Culture, and Department of Administrative Services, in collaboration with the County Commission on Aging, initiated a feasibility study to evaluate the opportunity for a mixed-use redevelopment of the McGovern Park (the Park) Senior/Community Center (the Center) site, to replace the existing aging facility with a modern Senior/Community Center, co-located with affordable senior housing; and

WHEREAS, on April 10, 2025, the Committee on Health Equity, Human Needs, and Strategic Planning (HEHNSP) received the "Informational Report on the McGovern Park Feasibility Project," which recommended Jewish Family Services, Inc. (JFS), a nonprofit developer with experience in supportive housing and senior services, as the preferred development partner, based on qualifications, mission alignment, and long-term ownership capacity; and

WHEREAS, JFS has developed comparable projects in the County, including Deerwood Crossing, Bradley Crossing, and Woodale Crossing, demonstrating strong asset management and successful integration of affordable housing with on-site social services; and

WHEREAS, JFS proposes to construct and operate a new mixed-use building on up to 5.5 acres along the southwestern edge of the Park, to include between 30 and 55 units of affordable senior housing, and a new Center to be occupied by the County under a separate lease agreement; and

 WHEREAS, the County will retain ownership of the land, leasing the site to JFS for a term of 60 years, with renewal options up to a total of 99 years, for \$1.00 per year, while requiring JFS to fully fund, construct, and maintain all building and site improvements, including demolition of the existing Center, a new access drive, parking lot, and enhanced lighting and safety infrastructure; and

WHEREAS, approval of a Ground Lease Agreement Term Sheet is necessary to outline critical terms and allow final agreements to be prepared, and the County seeks to concurrently enter into an Option to Lease Agreement with JFS to confirm the County's right to occupy space within the proposed building as a Community Service Facility (CSF) for senior and community programming, consistent with Federal Low-Income Housing Tax Credit requirements; and

WHEREAS, the County has been awarded a \$2 million Federal grant through the United States (U.S.) Department of Housing and Urban Development (HUD) Community Project Funding program (2024 Congressionally Directed Spending request via U.S. Senator Tammy Baldwin) to support this project, which will be brought forward for separate Milwaukee County Board of Supervisors' acceptance and allocation, following confirmation of project feasibility; and

WHEREAS, the proposed project aligns with the County's Collective Affordable Housing Plan (adopted File No. 22-463), which identified a shortage of 40,000 affordable rental homes Countywide, and supports the implementation of strategic plan objectives 3A and 3C; and

WHEREAS, the development includes a Community Service Facility eligible for inclusion in Low-Income Housing Tax Credit basis, pursuant to Internal Revenue Service (IRS) Code Section 42(d)(4)(C), thereby leveraging IRS rules to reduce the County's cost of replacing its Center; and

WHEREAS, the Committee on HEHNSP, at its meeting of June 12, 2025, recommended **REJECTION** of File No. 25-414 (vote 3-2); and

BE IT RESOLVED, the Milwaukee County Board of Supervisors (County Board) hereby approves the Ground Lease Agreement Term Sheet between the Department of Parks, Recreation, and Culture (DPRC) and Jewish Family Services, Inc. (JFS), and its assigns, for the proposed development of a mixed-use affordable senior housing and Senior/Community Center project at McGovern Park; and

BE IT FURTHER RESOLVED, the County Board authorizes DPRC, in coordination with the Department of Health and Human Services (DHHS) and the Department of Administrative Services (DAS), to negotiate and execute a Development Agreement, an Option to Lease Agreement, and any other Agreements, with JFS and its assigns, to secure Milwaukee County's (the County's) right to lease space within the proposed building as a Community Service Facility, and to establish conditions and milestones necessary for project feasibility; and

BE IT FURTHER RESOLVED, the County Board authorizes DPRC, DAS, DHHS, the Office of Corporation Counsel, and the Office of the Comptroller to execute any contracts and/or documents necessary to complete the transaction in support of the intent of this resolution.

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