



Legislation Text

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ALD. BAUMAN

Resolution relating to a Memorandum of Understanding between Goll Mansion LLC and the City of Milwaukee for the provision of community benefits and preservation of the Frederick T. and Eleanor Goll House in conjunction with Goll Mansion LLC's development of the property located at 1550 North Prospect Avenue.

This resolution directs the City Attorney to prepare, and the proper City officials to execute, a Memorandum of Understanding between Goll Mansion LLC (and any and all future owners of the property at 1550 North Prospect Avenue) -- the "Developer" -- and the City that contains terms and conditions substantially the same as the following:

1. Developer shall use unemployed or underemployed residents of the city to perform at least 20% of the total worker hours on the development project at 1550 North Prospect Avenue, in accordance with the definitions and other relevant provisions of the City's Residents Preference Program ordinance.
2. Developer shall use small business enterprises for at least 20% of the total dollars expended for construction of the project at 1550 North Prospect Avenue, in accordance with the definitions and other relevant provisions of the City's Small Business Enterprise Program ordinance.
3. Prior to issuance of any building permits for the project at 1550 North Prospect Avenue, Developer shall deposit, in an escrow account approved by the appropriate City officials, the sum of \$2,500,000.
4. At the time of project completion, Developer shall submit to the Department of City Development and the Office of Small Business Development documentation verifying that Developer has satisfied the city resident worker-hour and small business enterprise requirements.
5. If Developer fails to submit the required documentation within 30 days of project completion, or the Department of City Development or Office of Small Business Development determines that Developer has failed to meet either or both of the 20% requirements, the City Comptroller shall transfer an amount from the escrow account that is proportionate to the shortfall from meeting the 20% requirement(s) to the Department of City Development-administered *In Rem* Property Maintenance Program capital account for the purpose of funding renovation of City-owned foreclosed homes in the greater Sherman Park area and return the remainder of the funds in the escrow account to Developer. If Developer has met both 20% requirements, the City Comptroller shall promptly return all funds in the escrow account to Developer.
6. Developer shall successfully move, and subsequently restore and preserve, the Frederick T. and Eleanor Goll House to the satisfaction of the City's Historic Preservation Commission.

7. Prior to issuance of any building permits for the project at 1550 North Prospect Avenue, Developer shall deposit, in a second escrow account approved by the appropriate City officials, the sum of \$1,000,000.

8. If Developer fails to successfully move the Goll Mansion, or to properly restore and preserve the structure following its relocation, the City Comptroller shall transfer the \$1,000,000 from the second escrow account to the Housing Infrastructure Preservation Fund capital account. If the Developer successfully moves the Goll Mansion, and properly restores and preserves it upon relocation, the City Comptroller shall promptly return all funds in the second escrow account to Developer.

Whereas, Goll Mansion LLC (the “Developer”) has requested a change in zoning, from Detailed Planned Development to a new Detailed Planned Development, for multi-family residential development of the property located 1550 North Prospect Avenue; and

Whereas, This change in zoning would be effectuated by Common Council ordinance File Number 170406; and

Whereas, Development of the proposed \$55-million, 27-story apartment tower could, with the proper policies and mechanisms in place, create employment opportunities for Milwaukee residents and provide an infusion of dollars to the city’s emerging business enterprises; and

Whereas, The Developer, in order to induce Common Council approval of the requested zoning change, has represented orally and in written submissions supporting the requested zoning change that at least 20% of the worker hours on this project will be performed by unemployed or underemployed city residents (i.e., a 20% participation rate under the City’s Residents Preference Program, s. 309-41, Milwaukee Code of Ordinances); and

Whereas, The Developer, in order to induce Common Council approval of the requested zoning change, has represented orally and in written submissions supporting the requested zoning change that it intends to expend at least 20% of the total construction dollars for this project on goods and services provided by small business enterprises, as defined in s. 370-1 of the Code of Ordinances; and

Whereas, Unemployed and underemployed city residents, as well as small business enterprises located in the city, would benefit from the Developer fulfilling its commitment of using at least 20% unemployed or underemployed city residents, and expending at least 20% of construction dollars on small business enterprises, in the development of the project; and

Whereas, Since the Developer is not receiving direct financial assistance from the City for this project, the City presently has no means of holding the developer accountable for fulfilling its commitment to hiring Milwaukee residents and using small business enterprises; and

Whereas, The Frederick T. and Eleanor Goll House (“Goll Mansion”) is a City of Milwaukee-designated historic structure located on the property at 1550 North Prospect Avenue upon which the Developer proposes to construct the modern apartment tower; and

Whereas, The Goll Mansion is an outstanding example of Elizabethan/Jacobean Revival residential architecture that was designed by famed Milwaukee architects Ferry and Clas and is one of the last remaining grand mansions that once lined the city's "Gold Coast"; and

Whereas, The preservation of historic structures is tantamount to maintaining and growing Milwaukee's property values, connecting residents to the city's rich history, and sustaining the attractiveness of the built environment in Milwaukee's older neighborhoods; and

Whereas, The Developer, in order to induce Historic Preservation Commission approval of a requested certificate of appropriateness, and Common Council approval of the requested zoning change, has represented orally and in written submissions supporting these requests that it intends to move and preserve the Goll Mansion, rather than demolish it; and

Whereas, The City of Milwaukee and its residents would suffer irreparable harm if this architectural treasure, the Goll Mansion, were demolished as part of the Developer's redevelopment of 1550 North Prospect Avenue; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the City Attorney is directed to draft a memorandum of understanding between Goll Mansion LLC (and any and all future owners of the property at 1550 North Prospect Avenue) -- the "Developer" -- and the City of Milwaukee relating to Goll Mansion LLC's development of the property at 1550 North Prospect Avenue; and, be it

Further Resolved, That the Memorandum of Understanding shall contain, at a minimum, terms and conditions that are substantially similar to the following:

1. Developer shall use unemployed or underemployed residents of the city to perform at least 20% of the total worker hours on the development project at 1550 North Prospect Avenue, in accordance with the definitions and other relevant provisions of the City's Residents Preference Program ordinance (s. 309-41, Milwaukee Code of Ordinances).
2. Developer shall use small business enterprises for at least 20% of the total dollars expended for construction of the project at 1550 North Prospect Avenue, in accordance with the definitions and other relevant provisions of the City's Small Business Enterprise Program ordinance (ch. 370, Milwaukee Code of Ordinances).
3. Prior to issuance of any building permits for the project at 1550 North Prospect Avenue, Developer shall deposit, in an escrow account approved by the appropriate City officials, the sum of \$2,500,000. The Department of Neighborhood Services shall issue no permits for the project until this money has been deposited in the escrow account.
4. At the time of project completion, Developer shall submit to the Department of City Development and the Office of Small Business Development documentation verifying that Developer has satisfied the city resident worker-hour and small business enterprise requirements.
5. If Developer fails to submit the required documentation within 30 days of project completion (with the Department of Neighborhood Services determining that said completion has occurred, as indicated by closing the permit for the project), or the Department of City Development or Office of

Small Business Development determines that Developer has failed to meet either or both of the 20% requirements, the City Comptroller shall transfer an amount from the escrow account that is proportionate to the shortfall from meeting the 20% requirement(s) to the Department of City Development-administered *In Rem* Property Maintenance Program capital account (0339 1910 R999 UR 04917000A) for the purpose of funding renovation of City-owned foreclosed homes in the greater Sherman Park area, generally bounded by North 60th Street, North 20th Street, West Capitol Drive and West Lloyd Street, and return the remainder of the funds in the escrow account to Developer. If Developer has met both 20% requirements, the City Comptroller shall promptly return all funds in the escrow account to Developer.

6. Developer shall successfully move, and subsequently restore and preserve, the Frederick T. and Eleanor Goll House ("Goll Mansion") to the satisfaction of the City's Historic Preservation Commission.

7. Prior to issuance of any building permits for the project at 1550 North Prospect Avenue, Developer shall deposit, in a second escrow account approved by the appropriate City officials, the sum of \$1,000,000. The Department of Neighborhood Services shall issue no permits for the project until this money has been deposited in the escrow account.

8. If Developer fails to successfully move the Goll Mansion, or to properly restore and preserve the structure following its relocation, as determined by the Historic Preservation Commission, the City Comptroller shall transfer the \$1,000,000 from the second escrow account to the Department of City Development-administered Housing Infrastructure Preservation Fund capital account (0339 9990 R999 UR04817000A). If the Developer successfully moves the Goll Mansion, and properly restores and preserves it upon relocation, as determined by the Historic Preservation Commission, the City Comptroller shall promptly return all funds in the second escrow account to Developer.

; and, be it

Further Resolved, That the proper City officials are directed to execute this Memorandum of Understanding with the Developer; and, be it

Further Resolved, The City Comptroller is directed to establish the accounts necessary to carry out the intent of this resolution, and to accept deposit and transfer and disburse funds as necessary to carry out the intent of this resolution.

LRB169834-1
Jeff Osterman
09/06/2017