Legislation Details (With Text)

File #:	44263	**Version:**	2	**Name:**	8279 Garver Selection Resolution
Type:	Resolution			**Status:**	Passed
File created:	8/30/2016			**In control:**	BOARD OF ESTIMATES (ended 4/2017)
On agenda:	9/6/2016			**Final action:**	9/20/2016
Enactment date:	9/22/2016			**Enactment #:**	RES-16-00716

Title: SUBSTITUTE - Reaffirmation of Resolution Enactment No. RES-15-00334, File I.D. #37723 - Garver Selection Resolution.

Sponsors: Marsha A. Rummel, Paul R. Soglin

Indexes:

Code sections:

Attachments: 1. Exhibits 1 & 2 - 8279 - 2016 Garver Re-Affirmation Resolution .pdf, 2. Exhibit A 10385 Affidavit of Recording 5188680.pdf, 3. EXHIBIT B Ordinance - FILE ID 43343, 4. V1 Master02-Sep-2016-01-04-25.pdf, 5. 37723 Master30-Aug-2016-09-08-46.pdf

Date	Ver.	Action By	Action	Result
9/20/2016	2	COMMON COUNCIL	Adopt	Pass
9/14/2016	2	BOARD OF PARK COMMISSIONERS	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
9/12/2016	2	BOARD OF ESTIMATES (ended 4/2017)	Return to Lead with the Recommendation for Approval	Pass
9/6/2016	2	BOARD OF PARK COMMISSIONERS	Referred	
9/6/2016	1	COMMON COUNCIL	Refer	Pass
8/30/2016	1	Economic Development Division	Referred for Introduction	

Fiscal Note

The 2016 Parks Division Capital Budget, Project No. 17, Garver at Olbrich Botanical Complex, has authorized $1,825,000 as the City's contribution towards the rehabilitation and adaptive reuse of Garver Feed Mill. The actual commitment and expenditure of these funds will be approved in future resolutions. Costs associated with the final development agreement will be addressed in future resolutions.

Title

SUBSTITUTE - Reaffirmation of Resolution Enactment No. RES-15-00334, File I.D. #37723 - Garver Selection Resolution.

Body

From 1906 through 1997, the Garver Feed Mill was a working industrial building and a significant feature on the east side of Madison. The building was designated as eligible for listing on the National Register in 1992 and designated a local landmark in 1994. In 1997 after a two-year fundraising campaign, the Olbrich Botanical Society (the “OBS”) acquired the Garver Feed Mill (the “Building”) and approximately five acres of land surrounding it (collectively the “Property”) for $700,000. The City Parks Division acquired the surrounding 17.8 acres north of the Property to Fair Oaks Avenue, commonly known as the “North Plat”. OBS then transferred ownership of the Property to the City of Madison (the “City”).

Beginning in June of 2014, the Mayor constituted a Committee charged with establishing criteria for reuse of the Property, with soliciting proposals, and recommending a proposal to the Common Council. The Committee again developed a RFP while holding four (4) public meetings, including a public hearing. The RFP was

recommended to the Common Council and approved on October 22, 2014 (Resolution No. 12-00752, File I.D. #35479). In accordance with the RFP, proposals were received until December 19, 2014. Four proposals were received.

The Committee reviewed the proposals, interviewed the developers who submitted the proposals, and heard public testimony. After reviewing the four proposals and all associated information, the Committee determined that Baum Development, LLC acting as Garver Feed Mill, LLC (together the "Developer"), best met the criteria that was in the RFP and that its proposal was in the best interests of the City of Madison. The Common Council selected the proposal of Baum Development as outlined in Resolution Enactment No. RES-15-00334, File I.D. #37723.

Wisconsin Department of Natural Resources (WDNR) Stewardship Funds were used for purchase of the Property and the North Plat. As a condition of the receipt of the WDNR Stewardship Funds, deed restrictions were placed on both the Property and the North Plat, limiting their use to park uses and limiting the City's ability to lease or sell them. To rehabilitate the Building and allow the non-park uses on the Property and the North Plat, the City has acquired additional parkland adjacent to Hill Creek Park and the WDNR has transferred the WDNR deed restrictions to this new parkland pursuant to the final deed restriction transfer document attached as Exhibit A.

The Developer proposes to use federal New Market Tax Credits to partially finance the redevelopment. At the end of July, 2016, the City was notified by the Developer that it needed some additional evidence ~~that the City of Madison has been actively working on the Developer's plan.~~ from the City of Madison for Developer's prospective New Markets Tax Credits investors that the project has the City's approval to move forward as proposed, including specifically the financial assistance of not less than $1.825 million as described below in order to advance the Developer's development plan, as described in the conditionally approved Specific Implementation Plan attached here as Exhibit B.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council reaffirms Resolution Enactment No. RES-15-00334, File I.D. #37723, and;

BE IT STILL FURTHER RESOLVED, that staff from the City Parks Division, the City Attorney's Office, and the Office of Real Estate Services are authorized and directed to enter into negotiations on behalf of the City of Madison to prepare documents necessary to ~~for~~ the redevelopment of the Property, including ground leases, a purchase and sale agreement between the City of Madison and the Developer, the final terms of which will be subject to Common Council approval by separate resolutions and which are generally outlined below:~~;~~

1. Certified Survey Map (CSM) - a two lot CSM will be recorded on the Property with Lot 1 containing the Building and a cold storage facility, and Lot 2 containing up to fifty microlodges functioning as a hospitality operation (the "Microlodges").
2. Ground Leases
    a. There shall be two Ground Leases: a Ground Lease for the Building and Cold storage facility on Lot 1 (the "Lot 1 Ground Lease"), and a Ground Lease that contains the Microlodges on Lot 2 (the "Lot 2 Ground Lease");
    b. Lease Term - The Ground Leases shall be for a term of ninety-eight (98) years from the date of commencement;
    c. Rent - Rent payments for the Lot 1 Ground Lease and the Lot 2 Ground Lease are identified in Exhibits 1 and 2, respectively, to this resolution;
3. Sale of the Building
    a. The City shall sell the Building to the Developer for One Dollar ($1.00);
4. City Grant
    a. The sum of One Million Eight Hundred Twenty-Five Thousand ($1,825,000.00), minus any funds used in advance for stabilization work on the Building will be provided ~~by the City in the form of a loan, which will as a grant to a to-be-formed entity that is an Affiliate of Garver Feed Mill, LLC, to~~

powered by Legistar™

~~be provided as a source of leverage for the NMTC transaction. The entire sum of One Million Eight Hundred Twenty-Five Thousand ($1,825,000) minus any funds used in advance for stabilization work on the Building will be available as a source of leverage in the NMTC transaction at the time of closing in order to~~ be compliant with the New Market Tax Credit Program ("NMTC") and are to be used for the redevelopment of the Building.

b. The Developer shall pay for the out of pocket costs, including reasonable attorneys' fees, associated with the City's compliance with the NMTC.

BE IT FINALLY RESOLVED, that the Mayor and City Clerk are authorized to execute and record any and all document~~s~~ necessary to carry out the purposes stated herein, all on forms to be approved by the City Attorney.

powered by Legistar™