



Legislation Text

File #: 58251, **Version:** 1

Fiscal Note

No City appropriation required.

Title

Approving the selection of a Truman Olson Development Team with whom to commence negotiations and directing further actions. (13th A.D.)

Body

WHEREAS, on May 14, 2019, the Common Council adopted RES-19-00386 to approve the issuance of a Request for Proposals (RFP) for the sale of 1402 South Park Street, the former Truman Olson United States Army Reserve Center, (the "Property") and establishing a process for the review of responses to the RFP and selection of a buyer for the Property; and

WHEREAS, on May 15, 2019, the City issued the RFP, with a due date of August 9, 2019; and

WHEREAS, on August 9, 2019, four proposals were received by the City of Madison from Gorman Companies of Oregon, WI, Rule Enterprises of Milwaukee, WI, Welton Enterprises of Madison, WI, and Baehr / Valeo of Sun Prairie, WI and Coto de Caza, CA; and

NOW, THEREFORE BE IT RESOLVED, that the Common Council does hereby approve the selection of Rule Enterprises of Milwaukee, WI as the selected developer (the "Developer") to undertake the redevelopment of the Property, as generally shown in the attached response (the "Project") to the City's Request for Proposals ("RFP");

BE IT FURTHER RESOLVED that the City of Madison grants exclusive rights to the Developer to negotiate for the Property, provided that the conditions below are met:

- The Developer provides a Letter of Intent ("LOI") to the City of Madison between the Developer and a grocer that identifies a lease rate, square footage, lease term, and any tenant improvements for a grocer to occupy the Project as a tenant, prior to January 16, 2020;
- That the Developer submit an application for, and receive financing, from the Wisconsin Housing and Economic Development Authority ("WHEDA") for 4% federal and state tax credits to finance the Project, and that this application shall be submitted to WHEDA no later than January 16, 2020;
- That prior to 4:00 PM on January 16, 2020, the Developer sign a term sheet with the City of Madison that contains the terms and conditions for the sale of the Property from the City to the Developer;
- That the Developer come to terms with the City regarding the design and layout of the extension of Cedar Street through the Property, as described in the RFP, through the Property;
- That no later than January 16, 2020, the Developer come to terms with the City regarding any funding provided to the Project from the City's Affordable Housing Initiative ("AHI") Fund. A separate funding resolution incorporating agreed upon terms will be put forth for future action by the Common Council.

BE IT FURTHER RESOLVED that Staff from the Office of Real Estate Services are to provide monthly updates to the Finance Committee during the negotiation process between the City and Developer;

BE IT FURTHER RESOLVED that to the extent a final development agreement cannot be completed with the Developer by the deadlines set forth in this resolution, City Staff shall return to the Finance Committee, at

which time the Finance Committee is hereby authorized to terminate negotiations with Developer and to commence negotiations with Gorman Companies, and under what terms those negotiations shall take place.

BE IT FURTHER RESOLVED that the Mayor and Clerk are authorized to sign any and all documents needed to carry out the intent of this resolution in a form approved by the City Attorney.