

**LAND DISPOSITION REPORT
REDEVELOPMENT AUTHORITY
COMMON COUNCIL OF THE CITY OF MILWAUKEE**

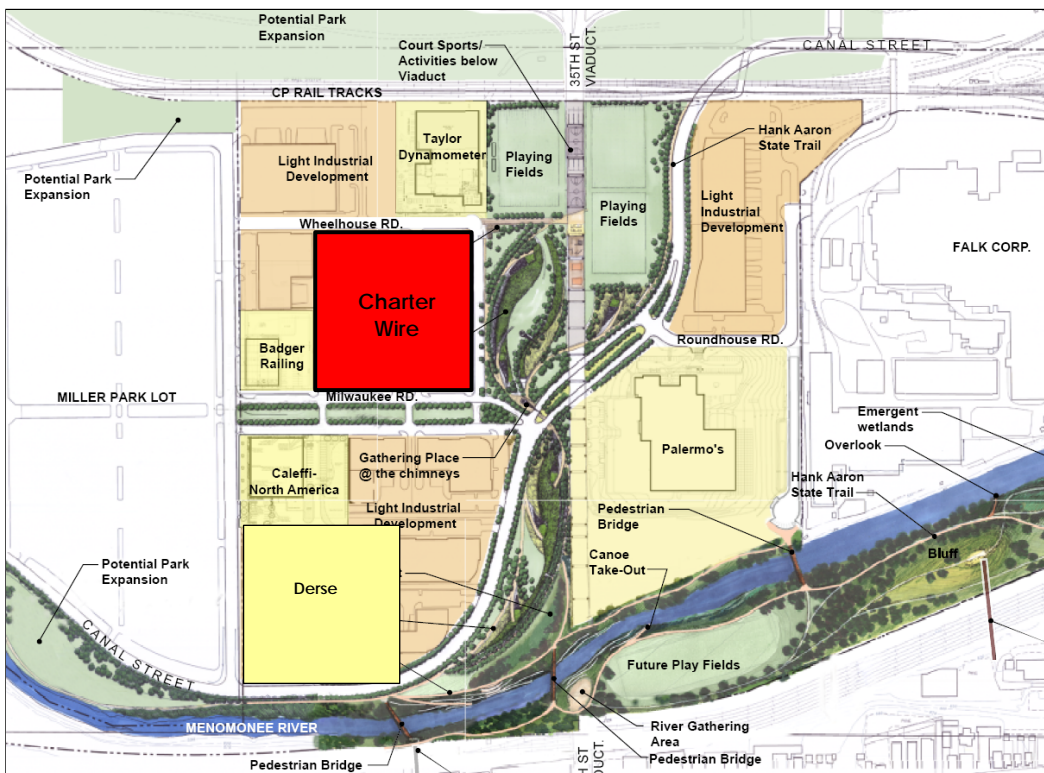
DATE: April 17, 2008

RESPONSIBLE STAFF

Dave Misky (286-8682), Assistant Executive Director - RACM

REDEVELOPMENT PROJECT AREA

Menomonee Valley Industrial Center: The Redevelopment Authority acquired approximately 130 acres in the Menomonee Valley in July 2003 from CMC Heartland Partners. Since acquisition, the Authority has been preparing the area for redevelopment by conducting environmental remediation, removing old building foundations and making geotechnical improvements, adding and compacting fill to raise the property out of the flood plain and conducting property surveys. Extension of West Canal Street through the project area was completed in April 2006. Since then, Palermo's, Badger Railing, Caleffi International, and Taylor Dynamometer have moved to the Valley, and Derse, Inc. is beginning construction shortly.



REDEVELOPER

Redeveloper is a limited liability company to be formed by Charter Wire called CAM-JWM, LLC. Members of CAM-JWM, LLC are Charles A. Mellowes and John W. Mellowes. Charter Wire will relocate its corporate office, manufacturing and warehousing facility from Milwaukee's Third Ward. Charter Wire is one of the country's largest manufacturers of shaped steel and stainless steel wire products. Charter Wire has agreed in principal with MSI General for architectural and construction services and to apply the Valley Guidelines. MSI performed the same services for Badger Railing and Taylor Dynamometer.

PROJECT DESCRIPTION

Approximately 7.8 acres located west of N. 36th Street between W. Wheelhouse Road and W.

Milwaukee Road. The exact area and configuration will be determined during preparation of a Certified Survey Map. The site will be developed with a 160,000 SF (+/-) manufacturing facility, warehouse and offices for Charter Wire. Estimated project cost is \$20 million and the Redeveloper will be required to enter into a Best Efforts EBE Agreement. Redeveloper plans to begin construction in 2008 for June 1, 2009 occupancy.

Charter Wire currently has 115 full-time employees in Milwaukee and plans to expand in the Valley. Hourly wages start at \$12/hr and the average salary is \$43,000/year. Benefits include medical, life, 401(k) and profit sharing. See attached Prospect Data Sheet for more salary and benefit information.



Preliminary Rendering

OPTION AGREEMENT TERMS AND CONDITIONS

The purchase price shall be \$120,000 per acre. The purchase sale and agreement will allow Redeveloper a contingency period (not to exceed 6 months) option term will be for six months to enable it to undertake, at its expense the Redeveloper to complete their environmental and geotechnical investigations, secure financing and finalize building plans. The Redevelopment Authority will provide the Redeveloper reasonable access to the property so that it can complete its environmental and geotechnical investigations. Further, the Redevelopment Authority will provide the Redeveloper with the Disclosure Material (as defined in the Term Sheet). The option period may be extended by the Executive Director for two three-month extension periods upon submission of a satisfactory written progress report and a \$250 renewal fee for each request. A \$10,000 Earnest Money Deposit Fee is required to be submitted with execution of the Agreement the Option to Purchase and shall be credited toward the purchase price at closing. In addition, a \$10,000 Performance Deposit will also be required at closing to guarantee satisfactory completion of the improvements.

Additional terms and conditions are identified in the attached Term Sheet.

PAST ACTIONS

The Redevelopment Authority held a public hearing on April 17, 2008, after which it conditionally

approved sale to the Redeveloper.

FUTURE ACTIONS

Upon approval by the Common Council and any required approvals by regulatory bodies, and after entry into the Agreement, RACM's Closing will be conditioned on RACM staff approving the site and building plans, satisfactory evidence of buyer financing, and receipt of an approved and complete subdivision plat and/or certified survey map of the site.