

**UPDATED LAND DISPOSITION REPORT
REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE**

DATE

October 22, 2012

RESPONSIBLE STAFF

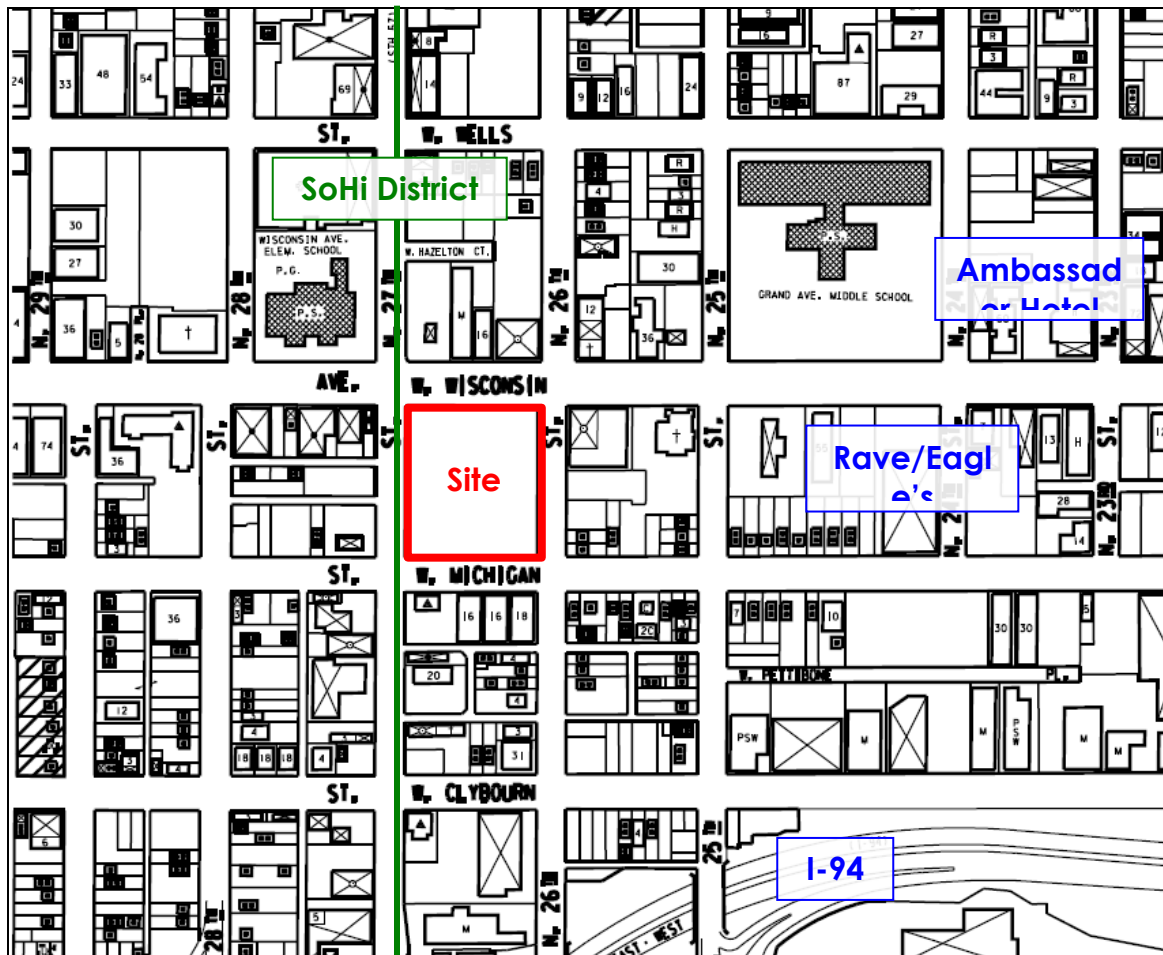
Dan Casanova, Senior Economic Development Specialist

REDEVELOPMENT PROJECT AREA

27th & Wisconsin: A redevelopment project area created in 1998 in conjunction with Tax Incremental District No. 35 to assemble land and promote redevelopment at a major intersection. In 2000-01, the Authority acquired the properties in the block bounded by 27th Street, West Wisconsin Avenue, North 26th Street and West Michigan Street, demolished the improvements and vacated the intersecting alley. The site is also in BID 10, the Avenues West District, and a key site in the Avenues West Neighborhood Plan.

PARCEL ADDRESS & DESCRIPTION

2601 West Wisconsin Avenue: A 2.42-acre site encompassing a full city block. The parcel has 347 feet along 26th and 27th Streets and about 303 feet on Wisconsin Avenue and Michigan Street. An intersecting alley was vacated in 2001. The parcel has about a 10-foot slope from Wisconsin Avenue down to Michigan Street.



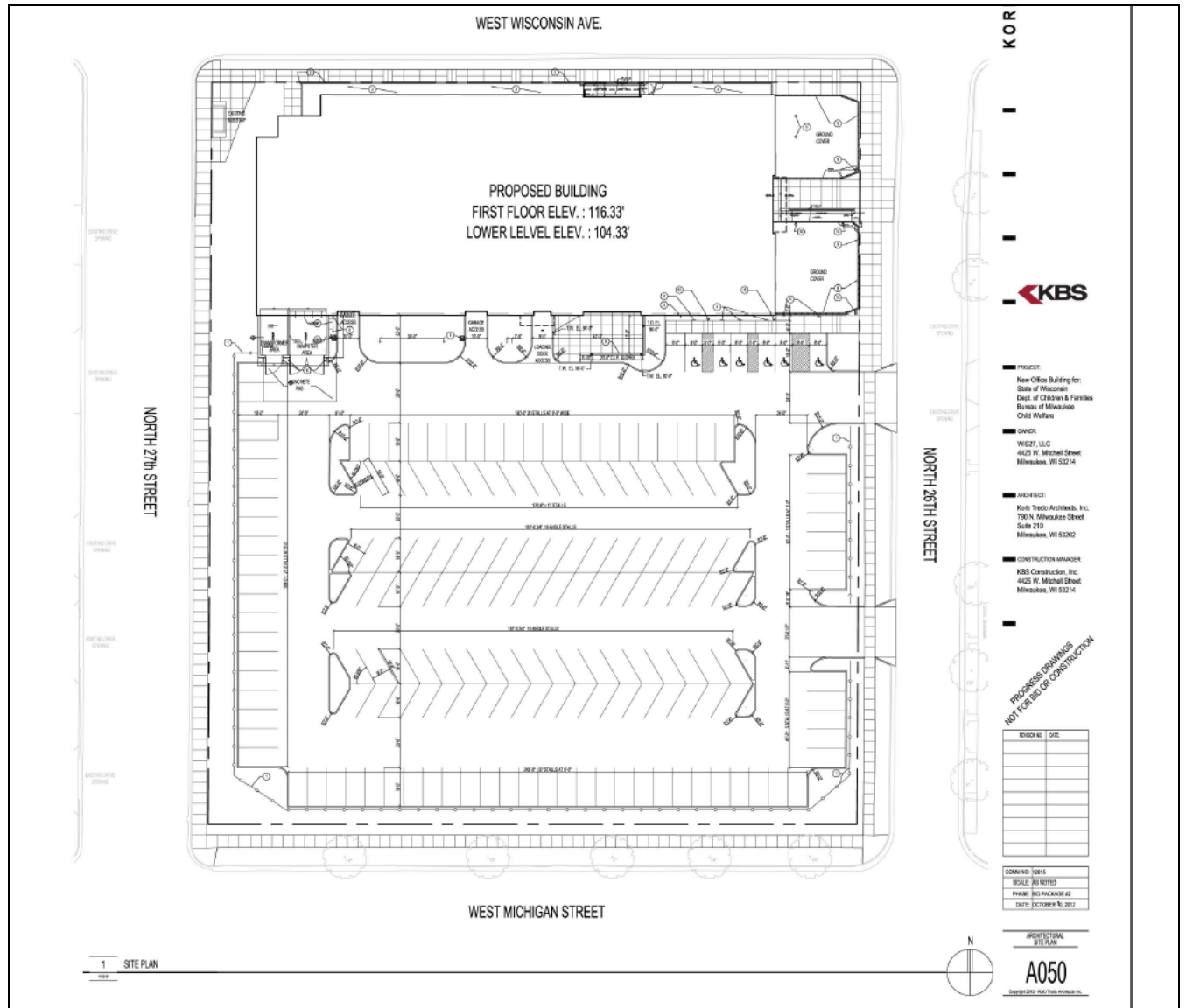
BUYER

WIS27, LLC., managed by Dennis Klein, chairman of KBS Construction.

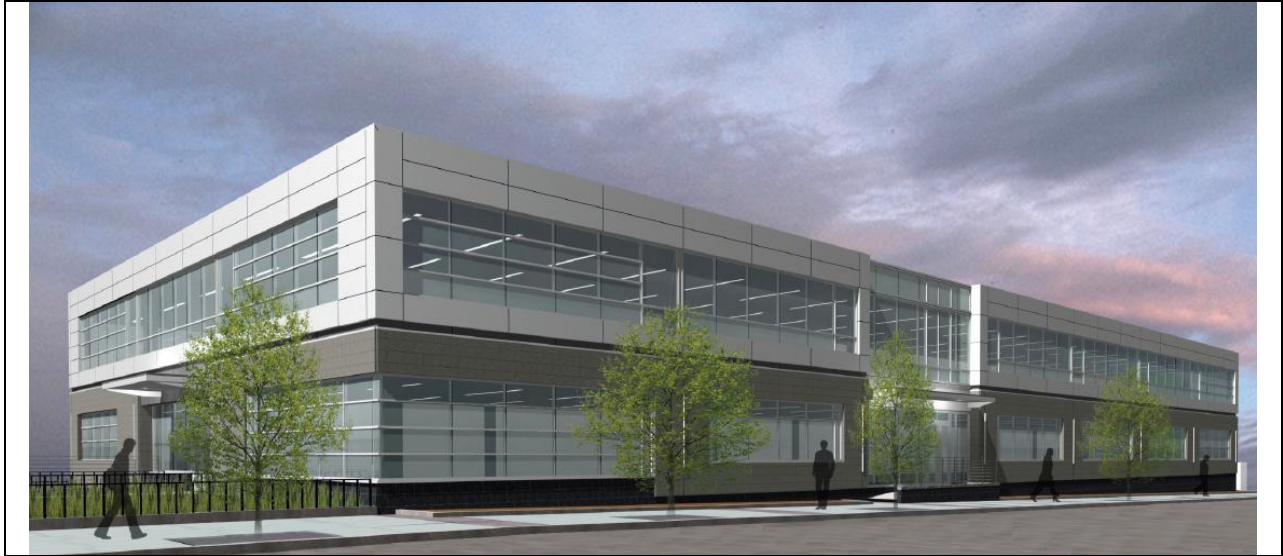
PROJECT DESCRIPTION

Construct a new, approximately 60,000 SF, office building and approximately 200 parking spaces, which will be leased to the State of Wisconsin for the Department of Children and Families. The original building placement has been shifted so that the Buyer no longer needs to dedicate a 30-foot strip on the west side of the property for public right-of-way and reconstruction of North 27th Street.

The estimated budget for these improvements is \$10,400,000. The Buyer is exploring financing through a variety of sources, such as traditional private loans, tax-exempt bonding and New Markets Tax Credits. The Buyer shall enter into an SBE Agreement with the City. Property will be fully-taxable.



SITE PLAN



NORTH ELEVATION



NORTHWEST CORNER ELEVATION



SOUTH ELEVATION

TERMS AND CONDITIONS

The purchase price will be \$1.00. The closing is anticipated to proceed no later than 30 days after final Common Council approval. In the interim, RACM will issue a Right of Entry to the Buyer to begin site work.

RACM closing contingencies include State of Wisconsin approval of the lease for the Department of Children and Families, DCD approval of final building plans, evidence of firm financing and execution of a Purchase and Sale Agreement. The Purchase and Sale Agreement will contain reversion of title provisions for non-performance and will require submission of a \$10,000 performance deposit to be held until satisfactory completion of the project. The buyer also cannot be in violation of RACM Buyer Policies.

The Property will be conveyed on an "as is, where is" basis with a deed restriction prohibiting the buyer or successors from applying to the City for tax-exempt property status.