

# LAND DISPOSITION REPORT

## COMMON COUNCIL OF THE CITY OF MILWAUKEE

### DATE

December 17, 2024

### RESPONSIBLE STAFF

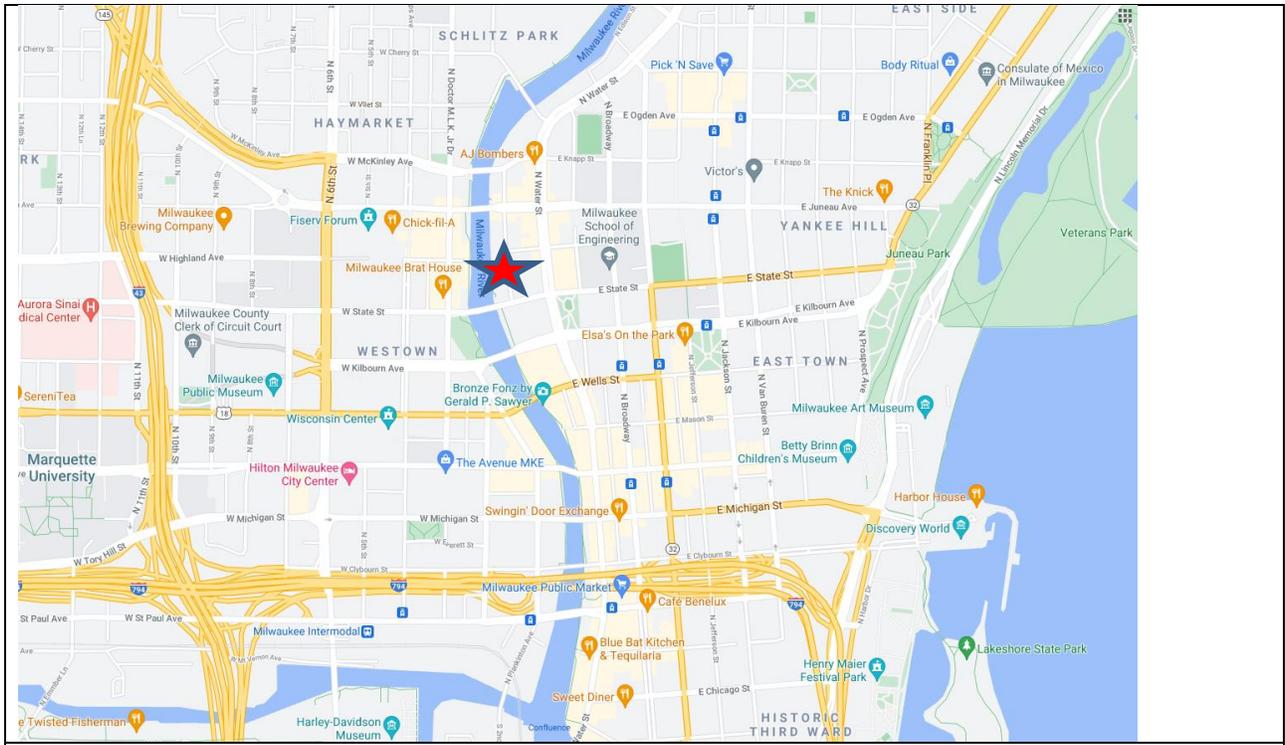
Dave Misky, Department of City Development Real Estate

### COMMITTEES:

- 12/19/2024 Redevelopment Authority
- 01/14/2025 Zoning Neighborhood Development

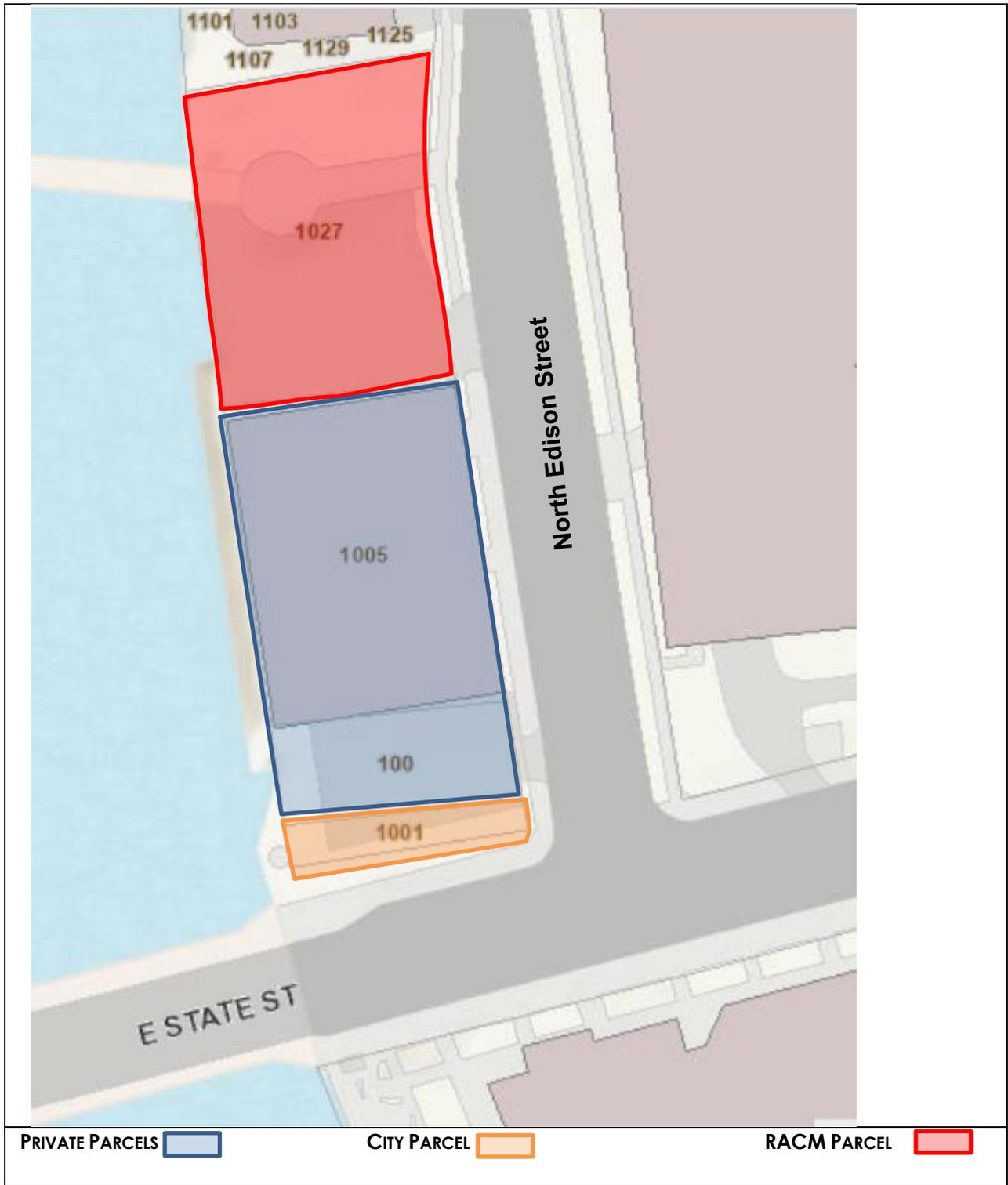
### LESSEE

In December 2021, the Redevelopment Authority of the City of Milwaukee ("RACM"), the City of Milwaukee ("City"), and North Edison, LLC ("Developer") entered into leases concerning the RACM parcel at 1027 North Edison Street and the City parcel at 1001 North Edison Street. The Developer will develop the private property at 1005 North Edison Street into a multi-story residential-commercial project and improve the adjacent RACM- and City-owned properties as public spaces. The Developer now wishes to assign its interest in the lease to The Edison SPE, LLC, in order to accommodate financing for the development.



### PROJECT DESCRIPTION

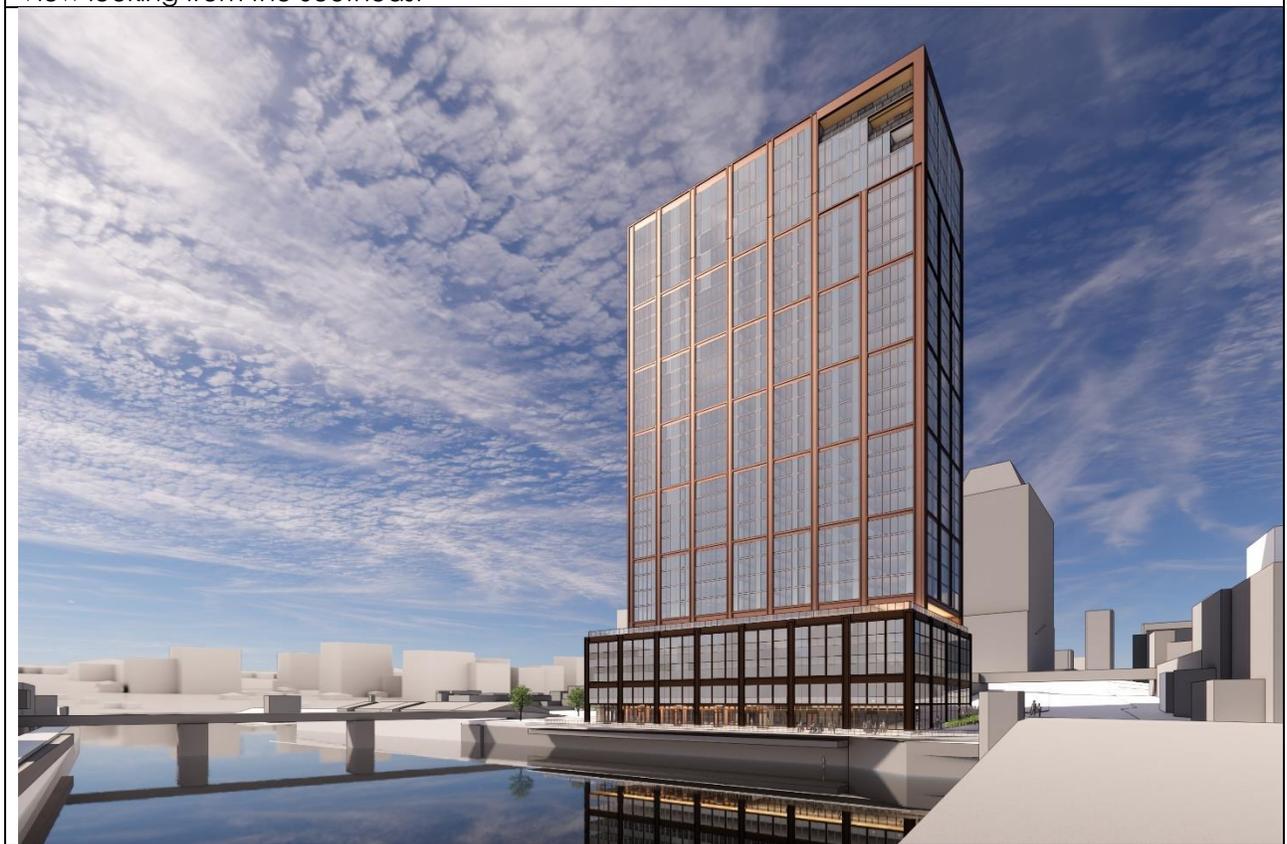
Mixed-use, commercial and residential tower on the private parcel at 1005 North Edison Street. Improvements to the adjacent Riverwalk and associated access walks, ramps and stairs on the City and RACM parcels.



Developer is proposing a 31-story building with 383 residential units over a ground level commercial floor of 7,200 square feet. Floors two through six will provide 249 spaces of parking. Building will be using mass-timber construction and will incorporate green features such as solar and green roofs. Existing Riverwalk will be reconstructed to provide a seamless transition from commercial spaces facing the river. Access to the Riverwalk from the north and south will also be reconstructed to provide better pedestrian transitions to river access with wider ADA-access ramps and wider stairs. Developer will be responsible for all upgrades and improvements to the Riverwalk and associated access walks, ramps and stairs along with associated landscaping.



View looking from the Southeast



View looking from the West Across River



Rendering looking from the Northeast



Project Site Plan

**PROPERTY LEASE AND AMENDMENT TERMS AND CONDITIONS**

Associated lease and maintenance agreements were negotiated and executed with Developer. Lease is for \$1.00 annually for a term of 100 years. Lease requires Developer to maintain newly constructed improvements and landscaping on adjoining parcels, as well as undertake any and all required capital maintenance on the parcels. This amendment is centered around an assignment of leases is between The Edison SPE, LLC, North Edison, LLC, the City of Milwaukee, and the Redevelopment Authority of the City of Milwaukee for properties at 1001 and 1027 North Edison Street.

**DUE DILIGENCE CHECKLIST. NORTH EDISON STREET**

Market value of the property.	Adjoining Redevelopment Authority of the City of Milwaukee parcel at 1027 North Edison Street and City of Milwaukee parcel at 1001 North Edison Street are not development sites. Leasing to Developer will increase value of private development.
Full description of the development project.	Please see the Land Disposition Report for details.
Complete site, operations and scope of work for development.	Please see the Land Disposition Report for details.
Developer's project history.	Developer has successfully completed projects in Madison and Janesville Wisconsin.
Capital structure of the project, including sources, terms and rights for all project funding.	Developer will fund the project with its own equity and private financing.
Project cash flows for the lease term for leased property.	\$1.00 per year.
List and description of project risk factors.	Department of City Development staff determined that there is very low risk in leasing the properties to Developer. Lease of City land will enable a more substantial development. Should private parcel not be developed lease will not be in effect.
Tax consequences of the project for the City.	Development of private parcel with a new mixed-use retail/residential project will greatly increase taxable value of property. In return for lease, City of Milwaukee will gain improved Riverwalk and access infrastructure paid by developer. City will also save on maintenance costs of the City and RACM parcel.