

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

DATE

AUGUST 16, 2001

PROJECT

North 5th Street-West Wisconsin Avenue

REDEVELOPER

Hunzinger Construction Company or its assigns.

PARCEL ADDRESS & DESCRIPTION

401 West Wisconsin Avenue: An 86,400 square foot parking lot on the south side of W. Wisconsin Avenue between North 4th and North 5th Streets. The property is a major development site along Wisconsin Avenue in downtown Milwaukee and offers excellent proximity to the Midwest Express Center, the Grand Avenue and area businesses.

PROPOSED REUSE

Hunzinger Construction Company proposes to develop a \$40+ million mixed-use project at this site. It is anticipated that this project will incorporate between 225-300 hotel rooms, dining, retail, and an entertainment/leisure component that will take full advantage of the site's location and bring activity to the site both day and night.

OPTION TERMS AND CONDITIONS

The purchase price is \$1.00. While the appraised value is \$4,000,000, the financial projections of the project do not support the market value of the site.

The base option term will expire April 1, 2002 but may be renewed by the Executive Director for up to three months depending on the progress to obtain final plans and financing. A \$4,000 non-refundable Option Fee will be charged. Redeveloper will also be required to submit with the Agreement for Sale a \$10,000 Performance Deposit, which will be held until satisfactory completion of the project.

The Agreement for Sale will also include an 18% requirement for use of Disadvantaged Business Enterprises. Further, the Authority will require a 21% City residency human resource requirement and a first source requirement relationship for the hotel's new hires.

In addition to the aforesaid terms, the sale will be further conditioned as required in the Redevelopment Authority resolution adopted on August 16, 2001 and in the Option to Purchase submitted by the Redeveloper.

PAST ACTIONS

The Authority had agreed to sell this parcel to a previous buyer who could not obtain financing for their development.

Future Actions

Upon approval of this Report by your Honorable Body, and receipt of requisite approvals by regulatory bodies, the Redevelopment Authority will enter into said Agreement for Sale and proceed to close in accordance with the terms and conditions expressed herein and contained in the form of contract and resolution referred to above.

Respectfully submitted,

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE**