

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

DATE

February 15, 2001

PROJECT

North 5th Street - West Vine Street. This project area is just north of the Haymarket Square Redevelopment Area and about five blocks north of the Park East Freeway and downtown Milwaukee. The site is near a number of redevelopment efforts including the revitalized Historic King Drive, Hillside Terrace and Lapham Park developments, the Vineyard Terrace Townhouses that are currently under construction and the recently completed Boys & Girls Clubs Executive Offices.

REDEVELOPER

CableCom, LLC, a company formed in 1998 by Donna Raffaelli, Kelly McCook and Niksa Ivancevic to provide computer network cabling for commercial customers. Shortly after inception, CableCom began servicing the fiber optic construction industry. CableCom's customer base is primarily in the Milwaukee area, but the company has construction crews that travel as far as Tennessee.

After its first year of business, CableCom has doubled in size in each calendar year and currently employs more than 40 people and projects revenues in excess of \$8.0 million. Due to the fast-paced growth in the industry and of their company, CableCom projects to increase its office staff by 15-20% per year and its field operations staff by 10 to 15 people year over the next five years.

PARCEL ADDRESS & DESCRIPTION

513 to 535 West Vine Street, 1725 to 1749 North 5th Street and 1728 to 1736 North 6th Street: Fourteen lots in two sites on the South side of Vine Street between 5th and 6th Streets. An alley currently separates the sites, but the Authority intends to request a vacation. The assembled site, including the vacated alley, will contain approximately 52,000 square feet or 1.2 acres and will have 260 feet of frontage on Vine Street and 200 feet fronting 5th and 6th Streets. The Authority will work with the adjoining property owners – Time Warner and General Rubber – on the alley vacation.

PROPOSED REUSE

Development of CableCom's executive offices. The building will have a gross area of 20,000 to 25,000 square feet with roughly 60% of the building used for office space and 40% used for a warehouse for the company's inventory and installation supplies. The parking lot will be used for office employees and visitors as well as the company's fleet vehicles and will be improved with attractive ornamental fencing.

OPTION TERMS AND CONDITIONS

The purchase price is \$45,000, or about \$40,000 per acre exclusive of the alley. The Redeveloper will also be responsible for a portion of the alley vacation costs and one half of any required environmental testing. The purchase price will be paid in full at the time of closing. RACM will deduct a 15% development fee from the gross sale proceeds and will use the remaining proceeds for environmental testing.

A \$500 Option Fee and a \$4,500 Performance Deposit are required. The Option Fee shall be credited toward purchase price if Redeveloper closes within the initial option period. The performance deposit will be

retained by the Redevelopment Authority in accordance with the terms of the Agreement for Sale so as to guarantee completion of the improvements.

The base option term is six months to allow the Redeveloper to obtain final building plans and financing. The Executive Director may extend the option for two additional three-month periods upon submission of a satisfactory written progress report and a \$250 renewal fee for each request.

In addition to the aforesaid terms, the sale will be further conditioned as required in the Redevelopment Authority resolution adopted on February 15, 2001, and in the Option to Purchase submitted by Redeveloper.

PAST ACTIONS

The Redevelopment Authority held a public hearing on February 15, 2001, after which it conditionally accepted the Option to Purchase of the named Redeveloper.

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**



Gregory J. Shelko
Assistant Executive Director-Secretary

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