

**BLIGHT DESIGNATION SUMMARY AND
LAND DISPOSITION REPORT
35TH & HOPKINS/30TH STREET INDUSTRIAL CORRIDOR**

DATE
December 13, 2007

RESPONSIBLE STAFF
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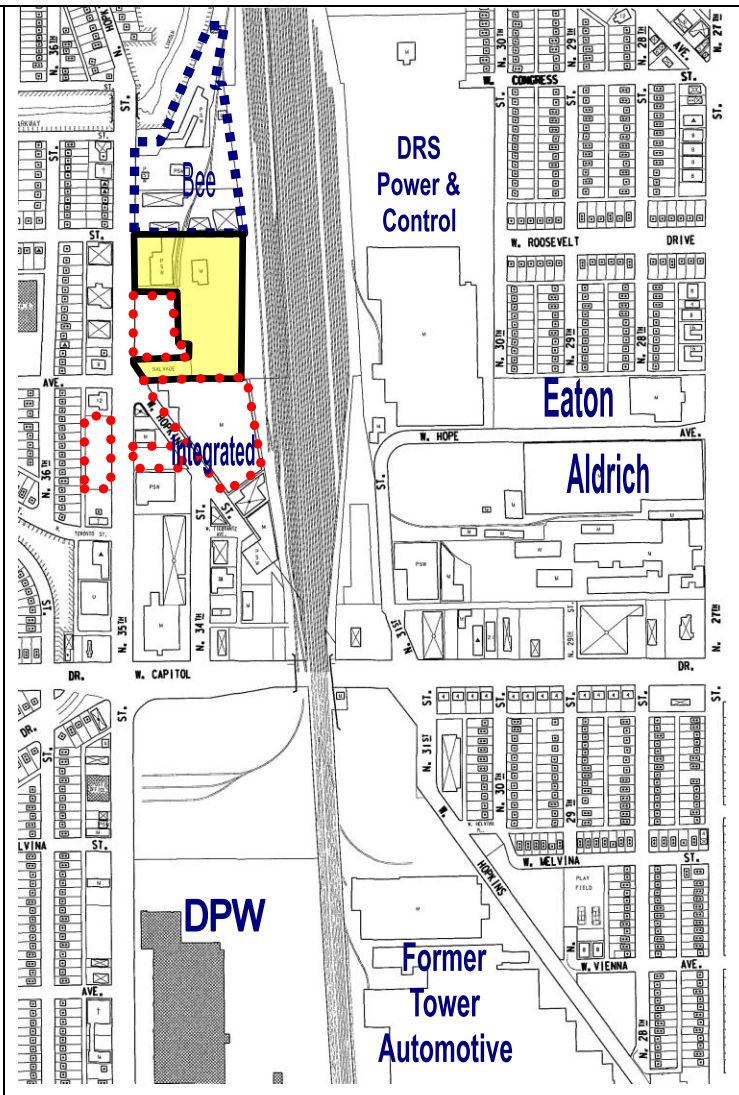
PROPOSED ACTIVITY

Declare three privately owned properties "blighted" for acquisition by the Redevelopment Authority and allow subsequent conveyance to Integrated Mail Industries, Ltd. for industrial expansion. All acquisition expenses will be paid by Integrated Mail pursuant to a Redevelopment and Eminent Domain Contract.

The project is part of the 30th Street Industrial Corridor, the mayor's initiative to revitalize the former Tower Automotive facility and other industrial properties along the rail line. The effort will greatly expand industrial job opportunities in the City.

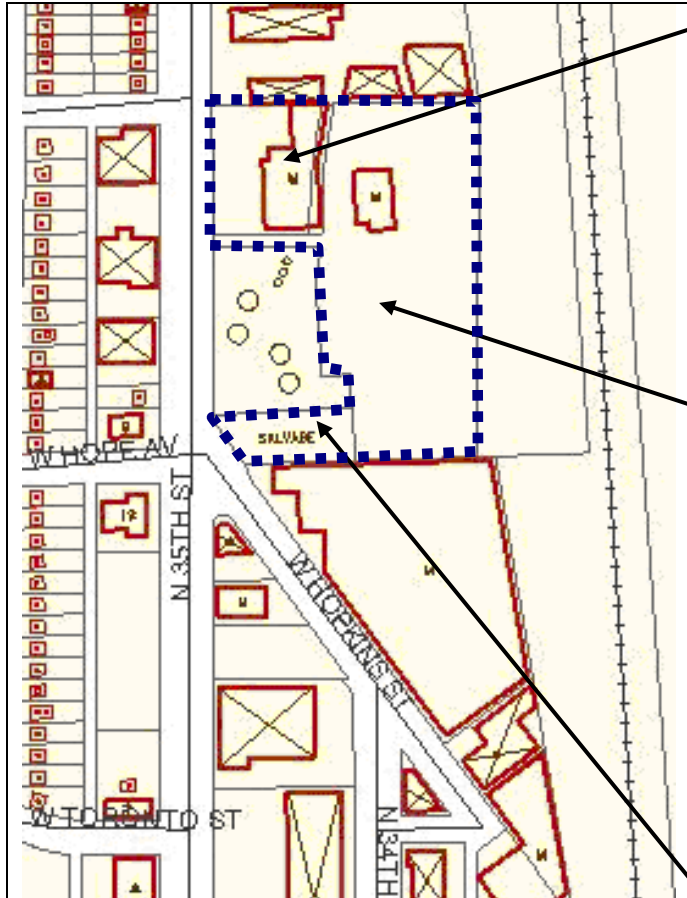
Recent activities in the area include the new DPW yard at 3700 North 35th Street. DCD is also actively working with businesses in the area, such as Eaton Manufacturing and Aldrich Chemical to stabilize the area.

-  Properties to be declared Blighted for acquisition
-  Active Bee Bus Property
-  Integrated Mail Property



PROPERTIES TO BE ACQUIRED

Three properties at 3478 West Hopkins Street, 4250 North 35th Street and 4260-4300 North 35th Street that are owned by Bee Bus Line, Inc. James Pittman is the principal and operator. Bee Bus Line operates school buses under contract to MPS and has its offices, garages, repair facilities and outdoor parking on its adjacent properties at 4320, 4330 and 4350 North 35th Street. Bee Bus acquired the subject properties in March 2006 and does not use them for its bus operations.

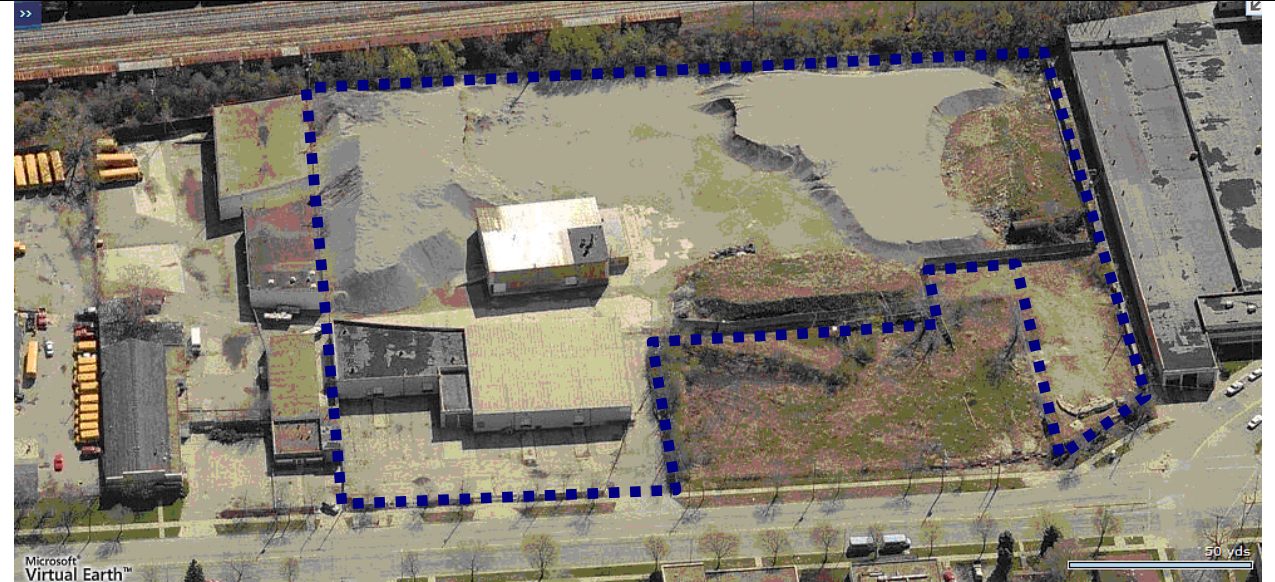


4260-4300 North 35th Street
 46,607 SF of land improved with a 21,375 SF warehouse. Based on an external inspection, the building is in fair to poor condition with signs of deferred maintenance; fencing is in fair condition.
 Assessment: \$137,000
 Tax Status: Current
 Code Status: No unabated violations.
 Occupancy: The building and lot are not used based on the external view.

4250 North 35th Street
 99,186 SF lot improved with a 33,758 SF building. The building is in fair to poor condition with signs of deferred maintenance; fencing is in fair condition. The lot was previously used to store materials from highway construction projects, but such materials have now been removed.
 Assessment: \$191,000
 Tax Status: Current
 Code Status: No violations.
 Occupancy: The building and lot are not used based on the external view.

3478 West Hopkins Street
 A 46,958 SF vacant lot with minimal site improvements. The lot is not used.
 Assessment: \$28,300
 Tax Status: Current
 Code Status: No violations.
 Occupancy: The lot is not used based on the external view.

•••• Approximate property line of properties to be acquired.



FINDINGS OF BLIGHT

The properties meet the statutory definition of blight by virtue of the vacant or partially vacant status of the buildings and lots, the abandoned, dilapidated and deteriorated condition of the buildings and site improvements, building age, irregular lot platting and/or potential environmental condition all of which substantially impairs and arrests the sound growth, use and development of the community and adversely affects the public welfare. The condition of the subject parcels inhibits redevelopment of the 30th Street Industrial Corridor and restricts job creation and retention in the neighborhood.

REDEVELOPER & PROPOSED REDEVELOPMENT

Integrated Mail Industries, Ltd., or affiliate. The company, founded in 1987, is a full service, direct marketing company specializing in large volume mail and data processing services. Bruce Arbit is co-managing director.

Integrated Mail operates at a 167,000 SF facility at 3410 West Hopkins Street and currently employs 120. The company also has a satellite employee parking lot at 3411 West Hopkins Street and a lot at 4125 North 35th Street for truck parking. The company also has acquired the property at 4220 North 35th Street that it plans to use for its expansion.

Integrated Mail has a critical expansion need at its Hopkins facility in order to relocate digital printing and other operations from outside Milwaukee. Direct purchase negotiations with Bee Bus Line have been unsuccessful. Integrated expects to create 50 full time jobs, as well as retain the existing 120 employees, with the expansion. The expansion also will allow Integrated to park trailers on-site, rather than adjacent residential properties at the existing lot at 4125 North 35th Street. Without the expansion, Integrated will need to relocate outside of the 30th Street Industrial Corridor and possibly outside the city limits.

The three Bee Bus parcels will be assembled with Integrated's existing manufacturing building at 3410 West Hopkins and the expansion lot at 4220 North 35th Street. All demolition work and any needed environmental remediation will be the responsibility of Integrated Mail. Building plans will be prepared during the Authority's acquisition period. Integrated is committed to the use of 18% Emerging Business Enterprises in the expansion.

REDEVELOPMENT & EMINENT DOMAIN CONTRACT

Integrated Mail will pay all acquisition expenses as outlined in the Redevelopment and Eminent Domain Contract, a copy of which was submitted for the RACM Journal of Proceedings. Redevelopment Authority acquisition procedures will be followed including obtaining site access for any recommended Phase II environmental testing prior to the appraisal and incorporation of environmental information in the valuation. As required by Chapter 32.05, Wisconsin Statutes, the property owner will be provided with an independent appraisal by the Authority and shall be given the opportunity to have the property appraised by an appraiser of its selection at the Redevelopment Authority's expense. The owner also will have all rights to challenge the taking and the amount of compensation as provided by Chapter 32.05.

After acquisition, the properties will be conveyed to Integrated Mail upon payment and reimbursement of all Authority expenses. The conveyance will be on an "as is, where is" basis.

PAST ACTIONS

On December 13, 2007, the Redevelopment Authority held a Public Hearing on the blight designation after which it conditionally approved the blight designation and acquisition of the properties at 3478 West Hopkins Street, 4250 North 35th Street and 4260-4300 North 35th Street and which are described in Exhibit A attached hereto. The hearing concurrently addressed the subsequent disposition of the properties pursuant to Wisconsin Statutes.

FUTURE ACTIONS

Upon approval by the Common Council, the Redevelopment Authority will execute the Redevelopment and Eminent Domain Contract with Integrated Mail and proceed with the acquisition of properties pursuant to Section 32.05, Wisconsin Statutes, upon Integrated's initial deposit of acquisition funds. Because the properties will be conveyed to a third-party buyer after acquisition, the Authority also will follow, without admitting or denying that Section 32.03(6) applies, the procedures outlined in Wisconsin Statutes Section 32.03(6) that requires providing the owner with the findings of blight and other information. No Relocation Plan will be required since the properties are vacant and are not used for Bee Bus Line's operations.

Exhibit A
Legal Description
Parcels to be Acquired from Bee Bus Line, Inc.

Pursuant to Wisconsin Statutes, Section 32.03(6)(c)2, the legal description of the subject parcels to be acquired from Bee Bus Line, Inc. is as follows:

1. 3478 West Hopkins Street/ Tax Key No.: 246-9889-110-2

That part of the North $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of Section 1, Township 7 North, Range 21 East, which is bounded and described as follows: Commencing at the Southwest corner of said $\frac{1}{4}$ Section; thence due North along the West line of said $\frac{1}{4}$ Section 1323.06 feet to the South line of the North $\frac{1}{2}$ of said $\frac{1}{4}$ Section; thence North $88^{\circ}27'20''$ East along the South line of the North $\frac{1}{2}$ of said $\frac{1}{4}$ Section 107.49 feet to the point of beginning of the land to be described; thence continuing North $88^{\circ}27'20''$ East along the South line of the North $\frac{1}{2}$ of said Section 206.34 feet to a point; thence North $03^{\circ}47'00''$ West 100.00 feet to a point; thence South $86^{\circ}13'00''$ West 257.68 feet to a point on the East line of North 35th Street; thence due South along the East line of North 35th Street 10.02 feet to a point; thence South $36^{\circ}15'45''$ East along the East line of West Hopkins Street 97.13 feet to the point of beginning. Said land being in the City of Milwaukee, County of Milwaukee, State of Wisconsin.

2. 4250 North 35th Street/ Tax Key No.: 246-9887-100-4

That part of the Southeast $\frac{1}{4}$ of Section 1, Township 7 North, Range 21 East, bounded and described as follows: Commencing at the point of intersection of the East line of North 35th Street with the South line of the North $\frac{1}{2}$ of said $\frac{1}{4}$ Section, said line being the center line of West Hope Avenue, extended; thence North along the East line of North 35th Street which is 50.00 feet East of the West line of said $\frac{1}{4}$ Section, 666.50 feet to a point; thence North $89^{\circ}48'30''$ East 225.26 feet to the point of beginning of the land herein to be described; continuing thence North $89^{\circ}48'30''$ East 270.09 feet to a point, said point being 10.00 feet West of as measured at right angles from the center line of a railroad spur track and 654.80 feet North of the South line of the North $\frac{1}{2}$ of said $\frac{1}{4}$ Section; thence South $00^{\circ}48'05''$ West 655.10 feet to a point in the South line of the North $\frac{1}{2}$ of said $\frac{1}{4}$ Section; thence South $88^{\circ}27'20''$ West along the South line of the North $\frac{1}{2}$ of said $\frac{1}{4}$ Section 222.05 feet to a point; thence North $03^{\circ}47'00''$ West 160.00 feet to a point; thence South $88^{\circ}27'20''$ West 51.50 feet to a point; thence North $03^{\circ}47'00''$ West 175.48 feet to a point; thence Northerly 90.63 feet along the arc of a curve whose center lies to the West, whose radius is 328.98 feet and whose chord bears North $08^{\circ}38'30''$ East 90.35 feet to a point; thence North $00^{\circ}04'30''$ West 115.00 feet to a point; thence Northerly 124.46 feet along the arc of a curve whose center lies to the East, whose radius is 634.33 feet and whose chord bears North $09^{\circ}50'30''$ East 124.26 feet to the point of beginning. Said land being in the City of Milwaukee, County of Milwaukee, State of Wisconsin.

And

That part of the Southeast $\frac{1}{4}$ of Section 1, Township 7 North, Range 21 East, bounded and described as follows: Commencing at the point of intersection of the East line of North 35th Street with the South line of the North $\frac{1}{2}$ of said $\frac{1}{4}$ Section, said line being the center line of West Hope Avenue, extended; thence North along the East line of North 35th Street, which is 50.00 feet East of the West line of said $\frac{1}{4}$ Section, 402.69 feet to the point of beginning of the parcel to be described; thence North along the East line of North 35th Street, 24.00 feet to a point; thence North $89^{\circ}57'42''$ East 204.12 feet to a point; thence Southerly 24.04 feet on the arc of a curve whose center lies to the West, whose radius is 328.98 feet, and whose chord bears South $03^{\circ}21'55''$ West 24.04 feet to a point; thence South $89^{\circ}57'42''$ West 202.71 feet to the point of beginning. Said land being in the City of Milwaukee, County of Milwaukee, State of Wisconsin.

3. 4260 North 35th Street/Tax Key No. 246-9894-000-6

That part of the Southeast $\frac{1}{4}$ of Section 1, Township 7 North, Range 21 East, bounded and described as follows: Begin at the point on the Easterly line of 35th Street in the City of Milwaukee, distant 430 feet North of the South line of the North $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of Section 1, Township 7 North, Range 21 East, as measured along said Easterly street line; thence Northerly along said Easterly street line, 237 feet, more or less, to the Southwest corner of land described in Quit Claim Deed, recorded on Reel 340, Image 1593, as Document No. 4294409; thence Easterly at right angles 204 feet, more or less, to a point distant 9.5 feet Westerly of as measured at right angles to, the centerline of the most Westerly railroad spur track designated as Tract No. 13460; thence Southerly parallel to the centerline of said spur track, to a line drawn perpendicular to said Easterly street line and passing through the point of beginning; thence Westerly along said perpendicular line to the point of beginning. Said land being in the City of Milwaukee, County of Milwaukee, State of Wisconsin.