

LRB – RESEARCH AND ANALYSIS SECTION ANALYSIS

FEBRUARY 21, 2007 AGENDA

ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE

ITEM 2, FILE 061312

Emma J. Stamps

File No. 061312 is a resolution approving the Land Disposition Report for the Redevelopment Authority properties at 1320 West National Avenue and 1333 West Pierce Street for sale to Sunlite Building Corporation for industrial development, in the 12th Aldermanic District.

Background

1. RACM receives EPA grants to help remediate brownfields parcels including those that the City acquires through in-rem foreclosure, declared surplus to municipal needs, declared blighted and subsequently conveyed to RACM.
2. Try Chem Corporation, a paint stripping, electroplating, painting and finishing firm, owned the adjacent properties at 1320-22 W. National Avenue and 1333 W. Pierce Street from 1916 through 1985. The parcels have a combined area of approximately 52,000 sq. ft.
3. The City of Milwaukee acquired the properties through the Spot Acquisition procedures set forth in Section 66.1333, Wis. Stats., declared them surplus and blighted and authorized their conveyance to RACM via Common Council Resolution File No. 051559 adopted on April 11, 2006. EPA grants have partially funded the clean up costs.

Discussion

1. A retaining wall runs east-west across the irregular shaped property, according to the Land Disposition Report.
2. File 061312 authorizes the sale of the tax deed parcels located at 1320-22 W. National Avenue and 1333 W. Pierce Street to Sunlite Building Corporation for \$90,000 to build a \$3.2 million, 44,800 sq. ft. industrial development that will be leased to Vulcan Lead.

Vulcan, a provider of shielding products, will be consolidating its Milwaukee operations to this site.

3. The Land Disposition Report provides the redeveloper a 6-month option period from Council approval, and allows credit of the \$2,800 option fee toward the purchase price if the buyer closes before the first option period expires.

If closing is delayed due to remediation activities, the option period can be extended at no cost or penalty to the redeveloper by the RACM Executive Director.

Fiscal Impact

The \$90,000 sale proceeds, less an undetermined amount in environmental and sales expenses and less a 25% RACM administrative charge, will be deposited into the Reserve for Tax Deficit account.

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