

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

DATE

November 21, 2002

REDEVELOPMENT PROJECT AREA

Hay Market Square - The Hay Market Square Redevelopment Area was approved in 1967 to eliminate blight and promote commercial and light industrial development. The area is generally located north of downtown and two blocks north of the Park East Corridor.

PROJECT

502-04 West Cherry Street – An offer to purchase the property for adaptive reuse of the existing building as a mixed-use (commercial/residential) development.

REDEVELOPER

Roadtrip Properties, LLC is a new limited liability corporation created by Matthew and Heather Weglarz to redevelop the property at 502-04 W. Cherry Street. Mr. and Mrs. Weglarz are both engineers with Harley-Davidson, Inc. They recently completed the redevelopment of a mixed-use (commercial/residential) building at 1331 N. Dr. Martin Luther King Jr. Dr., which is also located within the Hay Market Square Redevelopment Area.

PARCEL ADDRESS & DESCRIPTION

502-04 West Cherry Street is located within the Hay Market Redevelopment Area: The property consists of a three-story unoccupied building constructed in 1866. The site is located north of the downtown area near the Park East Corridor. The building has approximately 12,100 square feet of space and a lot size of 12,200 square feet. Redevelopment of this site will complement the new development activities in the area just north of the Park East Corridor.

PROPOSED REUSE

The existing building would be converted into live/work spaces. The space will be utilized by artisans and artists for studio space and potentially retail/gallery space. The lot would be used for parking with additional parking on the streets. All construction will conform to the City of Milwaukee design guidelines. In addition, the building is eligible for the National Register of Historic Places. If the nomination is awarded the developer will also conform to the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings (Revised 1990).

OPTION TERMS AND CONDITIONS

The purchase price is \$100,000. The net sale proceeds will be delivered to the Milwaukee Economic Development Corporation (MEDC). MEDC acquired the property and subsequently transferred it to RACM for disposition purposes.

Pursuant to the Authority's fee schedule, a \$3,000 Option Fee and a \$10,000 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 option may be extended by the Executive Director for two additional three-month periods upon submission of a 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 November 21, 2002, and in the Option to Purchase submitted by Redeveloper.

PAST ACTIONS

The Redevelopment Authority held a public hearing on October 17, 2002, after which the Option to Purchase was held over until the next RACM meeting on November 21, 2002.

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

GJS:bmt