

**CITY OF MILWAUKEE - OFFER TO PURCHASE**  
**Commercial Improved Property. GH DRAFT 226609 (3/14/2016)**

The Buyer, the **Milwaukee Metropolitan Sewerage District** ("MMSD"), offers to purchase from the **Redevelopment Authority of the City of Milwaukee** ("RACM") RACM's right, title, and interest in the property at 4250 N 35<sup>th</sup> Street, Milwaukee, Wisconsin ("**Property**") on the terms and conditions contained herein (the "**Offer**"). As used herein, "**City**" means the City of Milwaukee, and "**DCD**" means the City's Department of City Development.

**1. Purchase Price.** MMSD offers to purchase the Property for \$1 ("**Purchase Price**") to be paid by MMSD to RACM by cashier's check at time of **Closing (hereafter defined)**, subject to usual and customary prorations and deductions pursuant hereto ("**Net Price**"). RACM may request that MMSD allocate the Net Price to RACM expenses as outlined on RACM's closing statement.

**2. Project; Performance Duty;**

**A. Project.** MMSD warrants to RACM that MMSD will use the Property, in conjunction with adjoining lands that MMSD owns for storm water management infrastructure for the 30<sup>th</sup> Street Industrial Corridor, including a storm water detention basin. Prior to Closing, RACM must approve MMSD's stormwater project plans for the Property and adjoining lands, and MMSD's estimated timetable for construction of improvements, including construction commencement date.

MMSD understands that MMSD's use of the Property may require Board of Zoning Appeals approval and has agreed to work with the City's Development Center and if needed, the Board of Zoning Appeals and City Permit Center, to obtain all necessary approvals and permits to implement all improvements and uses at the Property.

**B. Compliance with Laws.** MMSD must comply with applicable federal, state and local laws regarding its construction/rehabilitation, use, and occupancy of the Property, and obtain at MMSD's expense necessary governmental permits and approvals.

**C. Financing/Equity.** MMSD represents that MMSD has, or will by Closing, have equity and financing to pay the Net Price and to undertake the project.

**D. RACM Contribution.** While the Purchase Price is \$1, MMSD and RACM agree that the value of the Property is \$120,000, and that RACM is effectively contributing the Property to MMSD for the project. Rather than having MMSD pay RACM \$120,000 for the Property, and then having RACM contribute \$120,000 toward MMSD's project costs, the parties have structured the transaction in accordance with this Offer. MMSD shall undertake and complete the project.

**3. Broker Commission.** There are no brokers involved in this transaction. No Brokerage Fee Shall Be Paid.

**4. Earnest Money.** None. MMSD shall pay RACM the Net Price at Closing.

**5. Buyer Identification and Disclosures.** MMSD is and will take title in its own name at Closing.

MMSD certifies that MMSD, indirectly and directly, is now and will at Closing be in compliance with the following “**General Buyer Policies**” pursuant to Milwaukee Code of Ordinances (“**MCO**”) 304-49-9:

- a) Not delinquent in the payment of any property tax (real and personal property), special assessment, special charge or special tax to the City of Milwaukee.
- b) Not a party against whom the City has an outstanding judgment.
- c) Not have outstanding building or health code violations or orders from the City’s Health Department or Department of Neighborhood Services that are not actively being abated.
- d) Not a party who has been convicted of violating an order of the Health Department or Department of Neighborhood Services within the past year.
- e) Not been convicted of a felony that causes neighborhood or community concerns with respect to neighborhood stability, health, safety or welfare.
- f) Not subject to a property tax foreclosure by the City within the past five years.

RACM will reject Offers from parties that violate the General Buyer Policies and RACM may terminate an accepted Offer if such conditions exist at any time after acceptance of this Offer or at Closing.

RACM may reject an Offer from parties with outstanding City of Milwaukee offers or recently purchased property from City where improvements or renovations have not been completed.

6. MMSD certifies that MMSD:

- has  has no outstanding accepted Offers to Purchase with City
- has  has not acquired other property from City for which all required rehabilitation, repair, improvement or development has not been completed

MMSD certifies that MMSD  is  is not an employee of the City of Milwaukee, the Redevelopment Authority of the City of Milwaukee, the Housing Authority of the City of Milwaukee, the Milwaukee Economic Development Corporation or Neighborhood Improvement Development Corporation (individually and collectively “**City Agency**”). City Agency employees must complete and submit with the Offer a DCD Conflict of Interest Form that has been signed by the employee’s supervisor and DCD Commissioner.

7. **Acceptance.** This Offer becomes binding on both parties upon signature of the Executive Director or Asst. Executive Director of RACM or designee (“**Effective Date**”). RACM shall, if it signs and accepts, provide a fully-signed copy of the Offer to MMSD through Broker identified above or directly to MMSD if no Broker is identified. MMSD may withdraw the Offer at any time prior to delivery of RACM’s acceptance signature by sending a written notice of withdrawal to RACM. In the case of timely and proper MMSD withdrawal, Earnest Money (if any) shall be returned to MMSD.

8. **Offer Term; Closing.** The Offer shall commence on the Effective Date and be in effect until noon on **July 1, 2016** (“**Expiration Date**”). “**Closing**” shall take place at the DCD Real Estate Office at 809 North Broadway, 2nd Floor, Milwaukee, or other mutually acceptable place, at a mutually acceptable time and date that will be on or before the **Expiration Date**. At Closing, MMSD and RACM agree to execute a Closing Statement.

9. Intentionally deleted.

10. **Buyer Contingencies.** Intentionally Deleted

**11. RACM Termination Right.** If (i) MMSD fails to meet the General Buyer Policies; or (ii) MMSD fails to Close by the Expiration Date and pay per the Closing Statement; RACM may terminate this Offer. RACM and MMSD each have duties of good faith and fair dealing. Notwithstanding the foregoing, however, if MMSD fails to Close due to MMSD breach, RACM may sue for specific performance.

**12. Property Condition, AS-IS.** RACM shall convey the Property to MMSD at Closing in “**AS-IS, WHERE-IS**” condition, with no warranties or representations, express or implied, and with all faults and defects, including environmental conditions, known or unknown. Such provisions shall bar all tort, warranty, and misrepresentation claims – including any action based on non-disclosure.

RACM provided to MMSD and MMSD acknowledges receipt of the following report. Provision of this report does not affect or impact the “as is, no representation or warranty” nature of this transaction, and RACM does not warrant the contents, conclusion or accuracy of the report.

- Phase II Environmental Site Assessment report for 4250 North 35th Street dated May 12, 2009 prepared by the City DCD. No additional environmental investigation shall be conducted by RACM. MMSD agrees to accept the Property in “as is, where is” condition including all environmental conditions, known, or unknown, disclosed or not disclosed.

The Property may contain adverse conditions such as lead-based paint, asbestos and underground storage tanks. MMSD acknowledges that RACM has no disclosure requirements, as Wis. Stat. Ch. 709 does not apply to this transaction.

This Offer does not pertain, in any way, to 4260R N. 35<sup>th</sup> Street, TIN 246-9988-210.

**13. Deed; Restrictions; Recording.** Upon delivery of the Net Price by MMSD, RACM shall convey the Property to MMSD by Quit-Claim Deed (“**Deed**”) in the form attached as **Exhibit A**, subject to the restrictions therein (if any).

Promptly after Closing, the Deed shall be recorded by RACM at MMSD’s expense. MMSD shall provide RACM a check at Closing for recording charges as directed on the Closing Statement.

**14. Title Insurance.** RACM will not provide MMSD with a title commitment or title insurance for the Property, nor will RACM pay for any such commitment or policy obtained by MMSD. MMSD may, at its own expense, obtain a title commitment for title insurance for the Property, provided that if MMSD obtains said commitment, MMSD shall provide RACM with copies of such prior to Closing.

**15. Legal Possession; Occupancy.** Legal possession and occupancy of the Property shall be delivered to MMSD at Closing subject to the terms and conditions contained herein. Occupancy is subject to the rights of tenants in possession, if any. RACM hereby represents to MMSD that the Property has no known tenants.

**16. Proration; Special Letters.** RACM provided, or will provide, to MMSD, City internal special letters. MMSD shall be responsible for special assessments and special charges, if any, from the date of closing forward.

- 17. Transfer Fee and Return.** No real-estate-transfer fee shall be due at closing pursuant to Wis. Stat. 77.25 (2). MMSD shall provide to RACM, at Closing, all necessary information for completion of the real estate transfer return required under Wis. Stat. Ch. 77.
- 18. DNS Property Recordings.** The Property shall be registered with the City Department of Neighborhood Services (“DNS”) Property Recording Program and Vacant Building Registration Program, if applicable, promptly after Closing. See MCO 200-51.5 and 200-33-64. At Closing, MMSD shall execute the DNS Property Recording Form and the DNS Vacant Building Registration, as applicable, and shall provide RACM with a check for the required fee as shown on the Closing Statement. RACM shall transmit the registrations to DNS.
- 19. Energy Efficiency.** Intentionally Omitted.
- 20. Personal Property.** RACM is not responsible for personal property existing at the Property on the date of Closing. MMSD shall indemnify and hold harmless RACM concerning claims or expenses associated with such personal property. There is no known personal property at the Property.
- 21. Successors and Assigns.** Once this Offer is accepted by RACM, this Offer binds and inures to the benefit of the parties hereto and their successors and assigns. However, MMSD may not assign any rights, or obligations under this Offer without RACM’s prior written consent.
- 22. Facsimile and Counterparts.** This Offer may be executed in one or more counterparts which, when taken together, shall constitute one and the same document. Facsimile, email, or PDF signatures shall be accepted as originals.
- 23. Entire Agreement; Amendment.** This Offer constitutes the entire agreement between the parties and all prior statements, written or oral, are terminated and of no effect. This Offer may only be amended by a written agreement signed by all the parties hereto.
- 24. Severable.** The terms and provisions of this Offer are severable such that the invalidity or unenforceability of any term or provision shall not affect or impair the validity or enforceability of the remaining terms and provisions.
- 25. Survival.** The terms, provisions, and agreements herein shall survive Closing and delivery and recording of the Deed.
- 26. Notices.** All notices permitted or required hereunder shall be considered given (i) upon receipt if hand-delivered by commercial courier or otherwise personally delivered, (ii) if sent by email, then the notice must be sent during business hours (i.e. 8:30 A.M to 4:30 P.M., Monday through Friday) on days that City’s City Hall is open for business, and the notice shall be deemed given when sent as per the following and so long as the notice is successfully sent (i.e. the sender does not receive any error or busy or inability to send notification), and (iii) within two business days of depositing same in the U.S. mail, postage-paid, addressed by name and address to the party intended as follows:

**IF TO RACM:**

David Misky  
Redevelopment Authority of the  
City of Milwaukee  
809 North Broadway  
Milwaukee, WI 53202  
Phone: 414-286-8682  
Email: dmisky@milwaukee.gov

**IF TO MMSD:**

Donald R. Nehmer  
Controller  
260 W. Seeboth Street  
Milwaukee, WI 53204  
Phone: 414-225-2190  
Email: DNehmer@mmsd.com

**WITH COPY TO:**

Gregg Hagopian  
Asst. City Attorney  
841 N. Broadway, 7<sup>th</sup> Floor  
Milwaukee, WI 53202  
Phone: 414-286-2620  
Email: ghagop@milwaukee.gov

**WITH COPY TO:**

Intentionally Deleted

**27. Remedies.** Except as otherwise provided herein, in the event of breach of this Offer or of any restrictive covenant in the Deed, the non-breaching party shall have all rights and remedies available at law and in equity against the breaching party. In the event of breach by MMSD prior to or at Closing, RACM may elect to retain the Earnest Money (if any) as liquidated damages or as partial offset against damages otherwise occasioned by the breach or RACM may seek specific performance. In the event of breach by MMSD of a restrictive covenant in the Deed (if any), RACM’s remedies may include bringing suit for damages and/or specific performance. RACM retains all rights, including all rights under Wis. Stat. 893.80.

**IN WITNESS WHEREOF**, MMSD enters and extends this Offer to RACM as of the date written below.

**MMSD: MILWAUKEE METROPOLITAN  
SEWERAGE DISTRICT**

Date of MMSD’s Offer: \_\_\_\_\_

By: \_\_\_\_\_  
Kevin L. Shafer, P.E.  
Executive Director

**ACCEPTANCE BY RACM**

Date Accepted (“**Effective Date**”) \_\_\_\_\_

Transmitted to Buyer: \_\_\_\_\_

Expiration Date (\_\_\_\_\_, **2016 NOON**)

CAO 226361

**RACM: REDEVELOPMENT  
AUTHORITY OF  
THE CITY OF MILWAUKEE**

By \_\_\_\_\_

David P. Misky

Assistant Executive Director/Secretary

RACM Resolution No. \_\_\_\_\_

Common Council Resolution No. \_\_\_\_\_

**EXHIBIT A**  
QUIT CLAIM DEED

Document Number

**After Recording, Return To:**

MMSD

[Name]

[Address]

**Parcel Identification Number (TIN) :** 246-0441-000

**Exempt From Fee.** This Deed and conveyance are exempt from the Wisconsin Real Estate Transfer Fee per Wisconsin Statute 77.25 (2).

**Drafted By:** Gregg Hagopian, Milwaukee City Attorney's Office.

Recording Area

**THIS QUIT-CLAIM DEED** is made as of this \_\_\_\_ day of \_\_\_\_\_, 2016 by the **REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE**, a Wis. Stat. 66.1333 entity, ("**RACM**"), as Grantor, to the **MILWAUKEE METROPOLITAN SEWERAGE DISTRICT ("**MMSD**")**, as Grantee.

**Conveyance of Property.** RACM hereby conveys and quit-claims to MMSD, on an "AS-IS, WHERE-IS" basis, with all faults and defects, known or unknown, physical or otherwise, and without representation or warranty, express or implied, all of RACM's right, title, and interest, whatsoever, in and to the real estate described (the "**Property**") as follows:

**[LEGAL DESCRIPTION]**

Address: 4250 North 35th Street, Milwaukee, WI

TIN: 246-0441-000

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, RACM, as Grantor, caused this Deed to be signed as of the date first written above.

**AUTHENTICATION**

Gregg Hagopian, as a member in good standing of the Wisconsin State Bar, hereby authenticates the signatures of the RACM signatories identified herein under Wis. Stat. 706.06 so this document may be recorded in the Milw. County Register of Deeds Office per Wis. Stat. 706.05 (2)(b).

Date: \_\_\_\_\_

\_\_\_\_\_  
Gregg Hagopian, Asst. City Attorney

WI State Bar No. 1007373

CAO 226361

**RACM: REDEVELOPMENT AUTHORITY OF**

By: \_\_\_\_\_  
Lois A. Smith, RACM Board Chair

And  
By: \_\_\_\_\_  
David P. Misky, RACM Assistant Executive Director,  
Secretary

RACM Resolution File No. \_\_\_\_\_

City Common Council Resolution File No. \_\_\_\_\_