

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

**DATE**

June 21, 2007

**RESPONSIBLE STAFF**

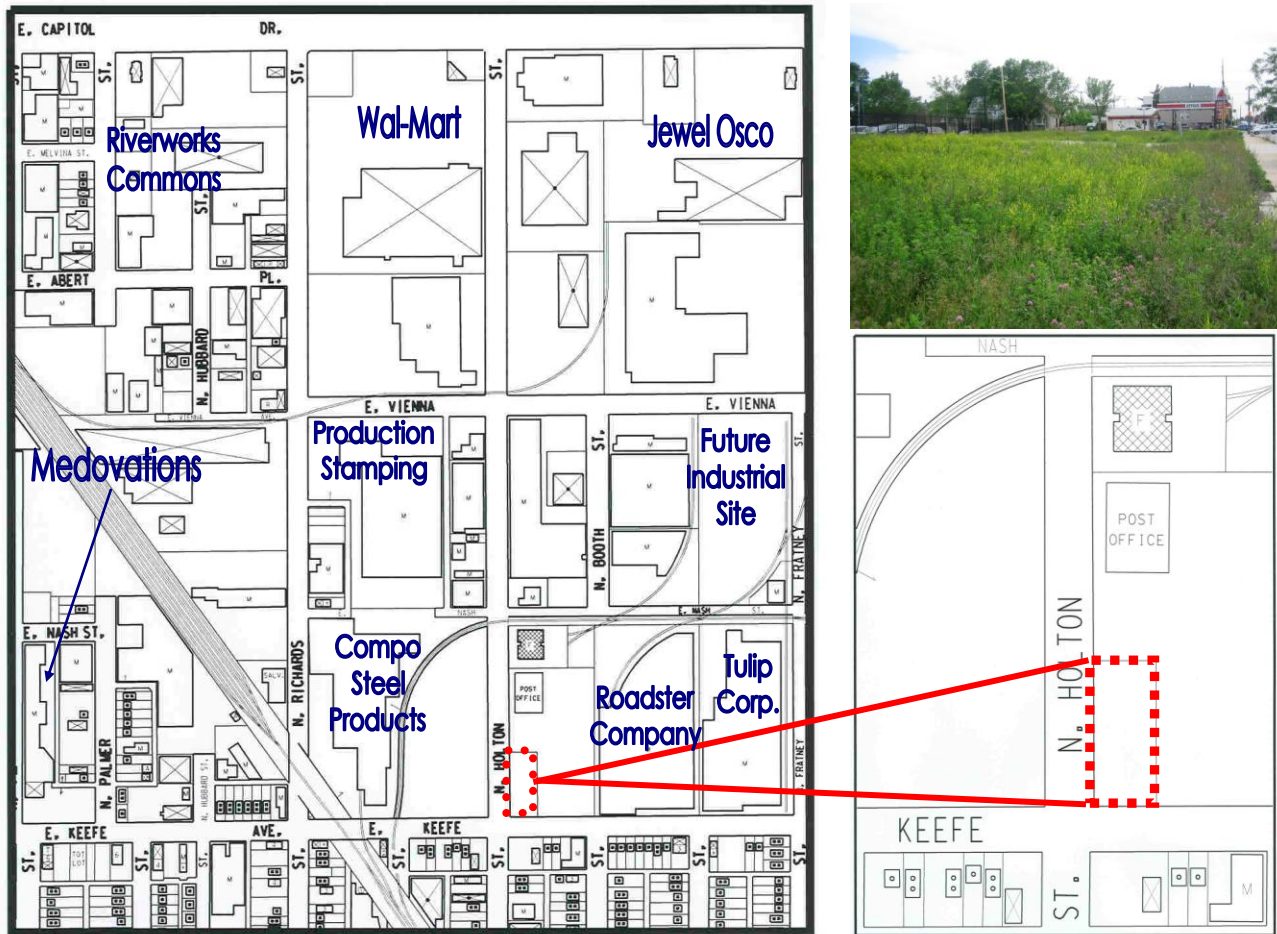
Matt Haessly, Real Estate Section  
286-5736

**REDEVELOPMENT AREA**

Blight Elimination/Riverworks: In June 2003, the Redevelopment Authority authorized the blight designation and acquisition of the vacant building at 3500 North Holton, the former Outpost Food building. The property was acquired in April 2004 and the improvements were subsequently razed. The property is part of the Riverworks Business Improvement District No. 25 and Tax Incremental District No. 24. The previously authorized option with Riverworks Development Corporation has expired.

**PARCEL ADDRESSES & DESCRIPTION**

3500 North Holton Street: A 19,474 square-foot vacant lot at the northwest corner of Holton and Keefe. The site serves as the southern gateway to the Riverworks neighborhood.



**REDEVELOPER**

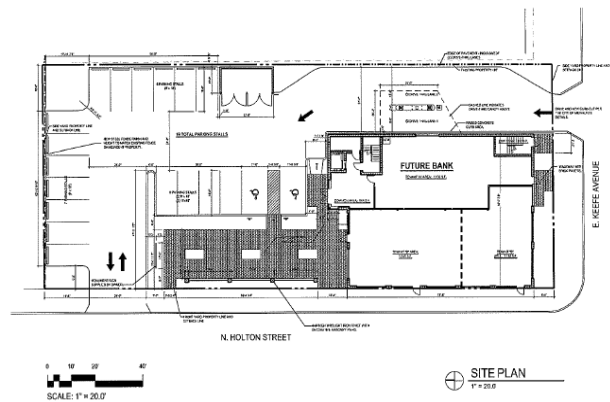
3500 N. Holton St., LLC, a limited liability company formed by Riverworks Development Corporation

("RDC"). RDC is a nonprofit organization formed in 1992 to promote development in the vicinity of the former AMC/Chrysler property on Capitol Drive. Darryl Johnson is the Executive Director. Martha Toran, a Harambee resident, serves as president of the Board of Directors.

RDC has revitalized the area by attracting new firms and retaining existing businesses through real estate marketing and development, job training and placement, along with technical assistance to the small industrial firms. In partnership with Wispark Corporation, RDC created Milwaukee's first urban industrial park on the former AMC site and has sold all 33 acres to new companies. RDC recently completed the Riverworks Commons Shopping Center on North Richards Street with the opening of the Goodwill Store at 3900 North Palmer Street.

### PROJECT DESCRIPTION

The Riverworks Commerce Center will be a two-story commercial building containing approximately 10,000 square feet on two floors. The ground floor will be partially occupied by a bank with two drive-up windows and the remaining space will be marketed for tenants. The second floor will provide office space for the Riverworks BID and the Riverworks Development Corporation. Total development costs are approximately \$1.47 million.



### OPTION TERMS AND CONDITIONS

The gross purchase price will be \$12,500, which is \$.64/SF. A below-market sale price is justified by the project economics. A \$625 Option Fee is required and shall be credited toward the purchase price if the Redeveloper closes within the initial option period. A \$1,250 performance deposit will be submitted at closing and shall be held until satisfactory completion of the project. The base option period is six months and will allow the Redeveloper time to obtain financing and final plans that are satisfactory to the Authority. The Executive Director may extend the option for up to two three-month periods upon submission of a \$500 non-refundable renewal fee and satisfactory progress report on efforts to obtain financing and final plans.

In addition to the aforesaid terms, the sale will be further conditioned as required in the Redevelopment Authority resolution adopted on June 21, 2007 and in the Option to Purchase negotiated by the Authority and the Redeveloper.

### FUTURE ACTIONS

Upon Common Council approval, the Redeveloper will obtain firm financing and approval of final plans prior to closing. An Agreement for Sale will be drafted in accordance with the terms and conditions expressed herein and contained in the resolution adopted by the Authority.