

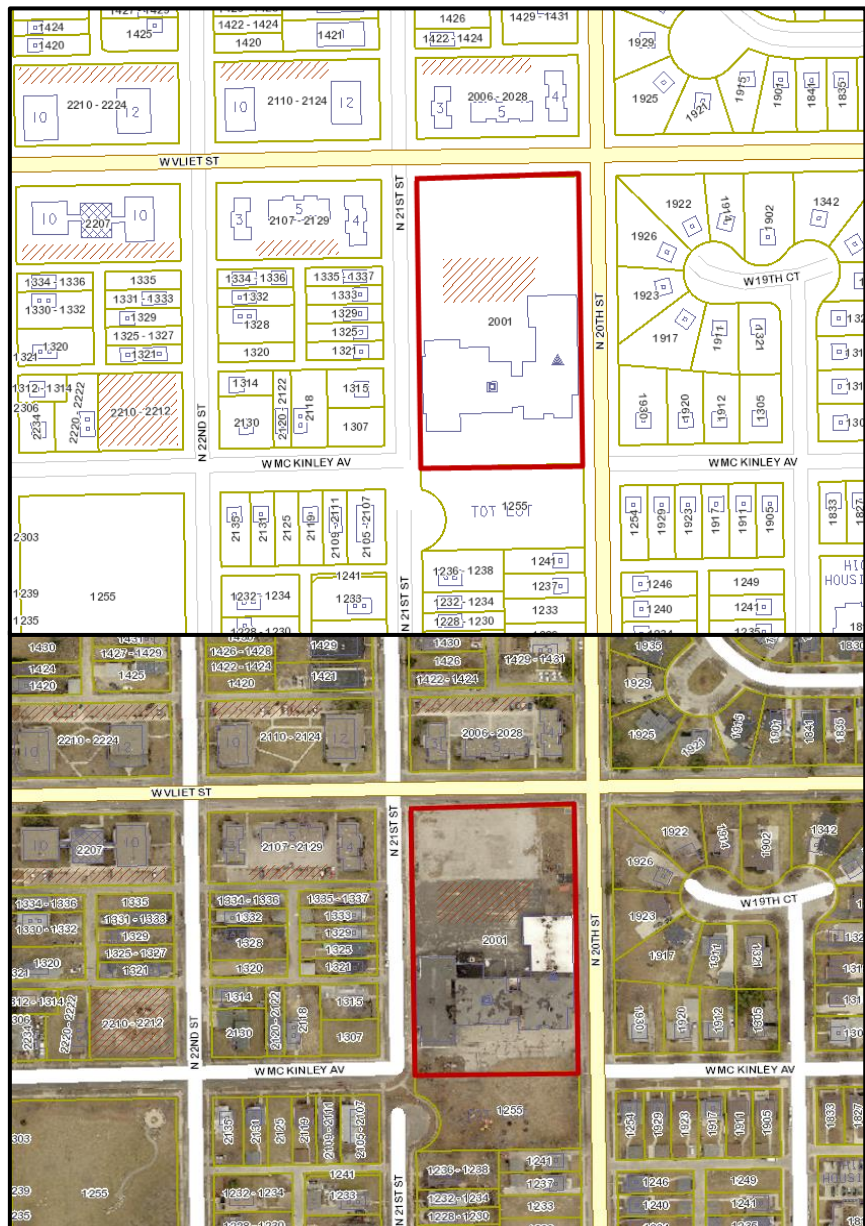
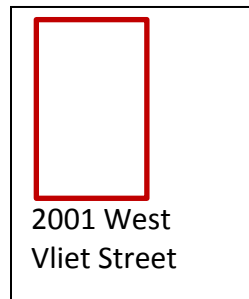
SITE CONTROL REPORT COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE
May 15, 2017

RESPONSIBLE STAFF
Amy Turim, Real Estate Development Services Manager (414-286-5732)

PARCEL ADDRESS AND DESCRIPTION

The City-owned parcel located at 2001 West Vliet Street (the "Property") has an area of approximately 95,988 square feet. The Property is zoned RT4. The Property is improved with a 60,000 square-foot building. The building was originally constructed in 1897, with additional portions built in the 1940s and the 1970s. The Property is located in the Midtown neighborhood and is within the Near West area plan, in the 4th Aldermanic District. The Property is a former Milwaukee Public Schools location known as both the William McKinley School and the Fifteenth District School. Milwaukee Public Schools sold the Property to V.E. Carter Child Development Corporation in 1991, which operated a school and day-care facility at the location until 2013. The Property was acquired through in rem tax foreclosure in July of 2016.



SITE CONDITIONS

The Property was fire damaged in November of 2013 and has not been occupied since that time. A condemnation order was issued by the Department of Neighborhood Services. The site has fallen into disrepair and requires significant renovation as well as environmental remediation. The Wisconsin Department of Natural Resources identified multiple hazards within the building and confirmed that entry should not occur to the Property until the hazards are contained and/or removed. The Department of City Development ("DCD") has been working with the U.S. Environmental Protection Agency ("EPA") and a contractor of the EPA since April of 2017 to remediate environmental hazards within the building on the Property. Due to the raze order on the premises and the significant environmental concerns, the Property poses significant redevelopment challenges.



2001 West Vliet Street: North Elevation

POTENTIAL BUYER

Gorman and Company, Inc. or a successor or assignee of Gorman and Company, Inc. ("Gorman"). With multiple home offices throughout the United States, Gorman and Company specializes in meeting community needs through unique developments with high-quality amenities. Formed by Chief Executive Officer Gary Gorman in 1984, Gorman focuses on providing affordable multi-family housing in both rural and urban settings. Previous historic renovation projects include the Jackie Robinson School in Milwaukee that was renovated into senior housing and the Red Brick School in Oregon, Wisconsin, which serves as Gorman's Wisconsin headquarters.

POTENTIAL PROJECT DESCRIPTION

If Gorman develops the project, development will include completing required environmental remediation and renovating the existing building on the Property into an affordable housing development, such as senior housing, consistent with its past renovation work in school properties throughout the Midwest. To investigate feasibility of this project, Gorman will require a limited term site control letter and right of entry for the purposes of exploring the condition of the premises and full due diligence analysis.

The significant deterioration of the premises will require careful inspection, after entry to the building is permissible.

TERMS AND CONDITIONS OF SITE CONTROL

The site control letter shall be in effect until December 31, 2017. The City may extend the site control letter for up to two six-month periods, based upon the Buyer's written request and DCD-approval of a satisfactory progress report.

Upon completion of Gorman's due diligence assessment of the Property, Gorman may submit an offer to purchase to the City to acquire, renovate and reuse the Property. If Gorman submits an offer to purchase, DCD shall evaluate the submittal based upon the: proposed use(s) in accordance with the area plan and zoning regulations, site plan, building elevations, scope of work to renovate the building and property, proposed budget and schedule to complete the renovation and obtain an occupancy permit. The submittal also will be shared with the local Alderman.

If DCD approves or tentatively approves the Gorman submittal, DCD shall prepare a resolution and a land disposition report for Common Council consideration. If the file is approved by the Common Council, closing will be contingent upon all necessary public bodies, including, but not limited to, DCD approval of the Buyer's site plan, building elevations and the Buyer providing firm financing for the development. Conveyance will be by quit claim deed on an "as is, where is" basis. The Property will be sold as taxable property.