

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

**DATE**

February 19, 2004

**PROJECT**

North 5<sup>th</sup> Street – West Wisconsin Avenue Redevelopment Project for which a Redevelopment Plan was recorded in the Milwaukee County Register of Deeds Office on December 1, 1981 as Document No. 5313949 (as amended by Amendment No. 1, recorded on November 8, 1982 as Document No. 5575434).

**REDEVELOPER**

Milwaukee Convention Center Hotel, LLC, ("MCC") or its assigns.

**PARCEL ADDRESS & DESCRIPTION**

401 West Wisconsin Avenue: An 86,400 square foot parking lot on the south side of Wisconsin Avenue between North 4<sup>th</sup> and North 5<sup>th</sup> Streets. The property is a major development site along Wisconsin Avenue in downtown Milwaukee and offers excellent proximity to the Midwest Airlines Center, the Grand Avenue and area businesses.

**PROPOSED REDEVELOPMENT**

MCC shall redevelop the Property in accordance with the Redevelopment Plan as follows:

MCC shall construct on the Property a full-service, six-story, four-star hotel on the south side of Wisconsin Avenue between 4<sup>th</sup> and 5<sup>th</sup> Streets, with approximately 253 rooms, and approximately 150,000 square feet, with approximately 6,600 square feet of meeting space, approximately 86 valet parking spaces, a full-service destination restaurant, and other commercial uses such as a coffee house, living room bar, swimming pool, health club, club level lounge, and a full-service-business center (the foregoing is herein called the "Project").

**LAND SALE AGREEMENT TERMS AND CONDITIONS**

The purchase price is \$1.00. While the appraised value is \$4,000,000, the financial projections of the project do not support the market value of the site. RACM will participate in excess cash flow should such cash flow exist for a period of 5 years from the issuance of the Certificate of Completion.

A \$10,000 non-refundable Option Fee will be charged. Redeveloper will also be required to submit upon execution of the Agreement for Sale a \$20,000 Performance Deposit, which will be held until satisfactory completion of the project.

The Agreement for Sale will also include an 18% requirement for use of Emerging Business Enterprises. Further, the Authority will require a 21% City residency human resource requirement and a first source requirement relationship for the hotel's new hires.

In addition to the aforesaid terms, the sale will be further conditioned as required in the Redevelopment Authority resolution adopted on February 19, 2004.

**PAST ACTIONS**

The Redevelopment Authority advertised this property a Request for Proposal in early 1997 and received one

proposal from the above party. The developer was unable to finalize financing and the Option lapsed.

Subsequent to that time, RACM granted an Exclusive Right to Negotiate with MCC for the property on November 20, 2003. MCC has been refining its design drawings and an Agreement for Sale of Land has been negotiated as generally outlined above.

The Authority held a public hearing on February 19, 2004 after which it approved the Agreement for Sale of Land.

#### **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

MJW:mjw