

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

DATE July 13, 2006

RESPONSIBLE STAFF

Dan Casanova (286-5921), Real Estate

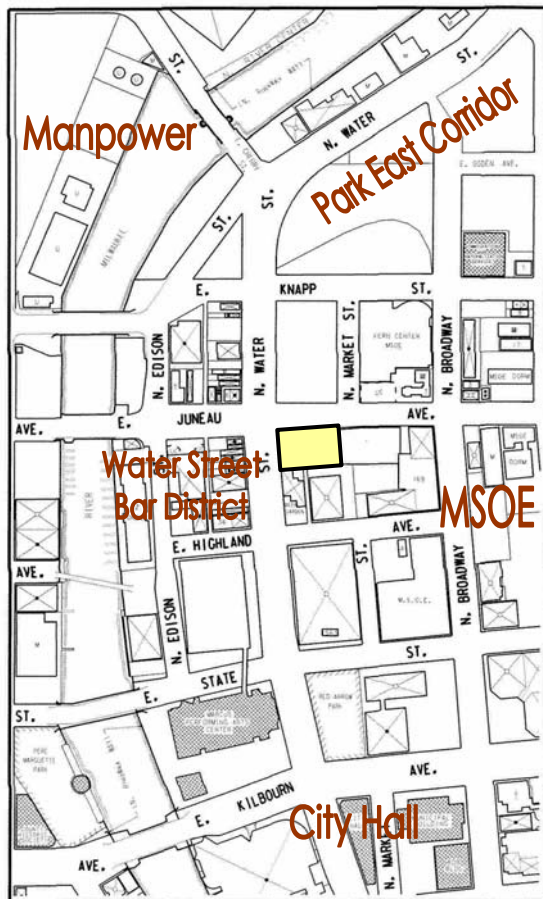
REDEVELOPMENT PROJECT AREA

North Market Street-East Highland Avenue Redevelopment Area, a redevelopment project area created in 1985 to guide development in the area, assemble land, eliminate blight and promote downtown urban development.

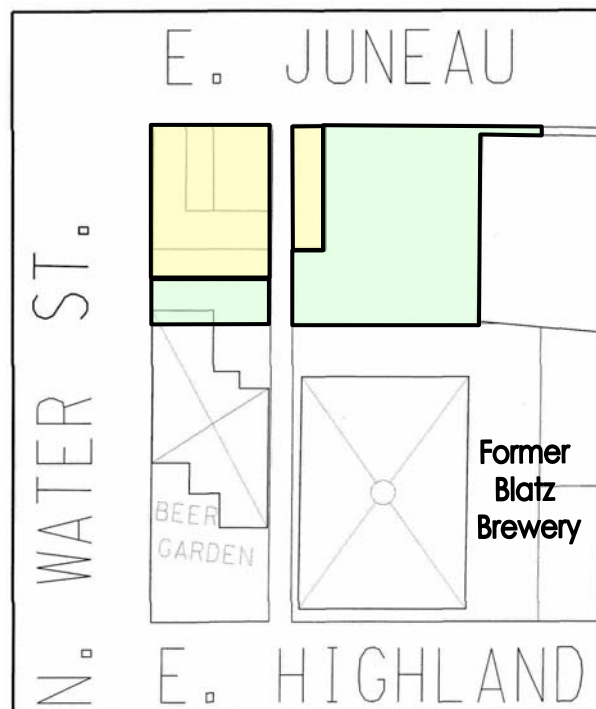
PROPERTY

1128-30 and 1132-44 North Water Street and 209, 215 and 219 East Juneau Avenue. The properties total approximately 9,200 SF. RACM acquired these properties between 1969 and 1977.

The RACM-owned properties will be combined with 1124 North Water Street and 223 East Juneau Avenue, which are controlled by Market Street Partners II, LLP, to create a single development parcel that is approximately 30,200 SF. The development will require the vacation of the alley that runs between the properties, which will be presented separately to the Common Council for approval.



- = Redevelopment Authority
- = Privately-owned properties



Market Street Partners II, LLP, for assignment to DOC Milwaukee, LLC, which is wholly-owned by DOC Development Opportunity Corporation. DOC is a hotel development company with in-house architects and general contracting services whose president is Phil Hugh. They are currently involved with hotel remodeling and development projects in Fort Meyers, FL, Pittsburgh, PA and Slippery Rock, PA.

PROJECT DESCRIPTION

A 12-story building with 120 extended-stay hotel rooms, 30 residential condominiums, 17,000 SF of restaurant/retail space on the first floor and two levels of parking for 90 cars on the second and third floors. Estimated project cost is \$20 million and buyer will be required to meet RACM's Emerging Business Enterprises (EBE) goals. Redeveloper plans to begin construction in October of 2006 and complete construction in the winter of 2007.



Preliminary Site Plan



Preliminary Rendering (looking southeast)

OPTION TERMS AND CONDITIONS

The purchase price shall be \$443,340.00 (\$48.19/SF). The option term will be for six months to enable the redeveloper to complete its environmental and geotechnical investigations, secure financing and finalize building plans. The option period may be extended by the Executive Director for two three-month extension periods upon submission of a satisfactory written progress report and a \$250 renewal fee for each request. A \$10,000 Option Fee is required to be submitted with the Option to Purchase and shall be credited toward the purchase price at closing. In addition, a \$10,000 Performance Deposit will be required at closing to guarantee satisfactory completion of the improvements.

PAST ACTIONS

The Redevelopment Authority held a public hearing on July 13, 2006, after which it conditionally accepted the Option to Purchase of the named Redeveloper.

FUTURE ACTIONS

Upon approval by the Common Council and any required approvals by regulatory bodies, Closing will occur once RACM staff has approved of the site and building plans, buyer submits satisfactory evidence of financing, and an approved subdivision plat and/or certified survey map of the site is complete.