

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

DATE

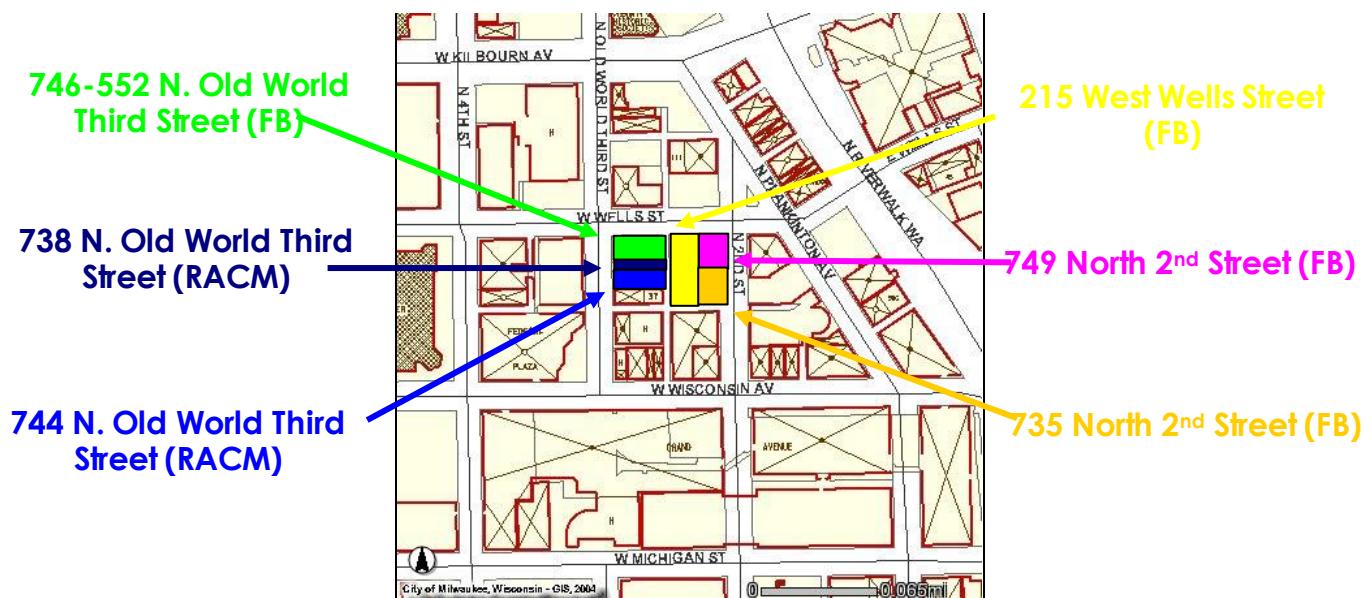
September 13, 2005

RESPONSIBLE STAFF

Mike Wisniewski, Economic Development (286-5852)

REDEVELOPMENT PROJECT AREA

Wisconsin – 4th Redevelopment Project Area: The project was created in 1979 in conjunction with TID No. 4 to assemble land and redevelop the downtown area west of the river. The plan was amended in 1983 to acquire the blighted Princess Theater and an adjacent tavern. A major development in the project area was the Reuss Federal Building at 3rd and Wisconsin.



REDEVELOPER

FB Properties Joint Venture, which is comprised of Towne Realty, Inc., The Zilber Family Partnership LLP and the Arthur & Mary Ann Wigchers Revocable Trust of 1995. The Redeveloper recently acquired the adjoining parking lots (746-52 North Old World Third Street, 215 West Wells Street, 735-49 North 2nd Street) from Wispark, LLC.

PARCEL ADDRESSES AND DESCRIPTION

738 and 744 North Old World Third Street: a surface parking lot totaling 11,699 SF.

PROJECT DESCRIPTION

The lease will allow the Redeveloper to pursue development options that include these parcels and their adjoining parcels. In the interim, the Redeveloper will continue to operate the property as a surface parking lot.

LEASE TERMS AND OPTION TO PURCHASE

The lease term will be for eight years at a monthly rent of \$2,275.00 with a 3% annual increase. The Authority and City of Milwaukee will be indemnified from and against all liabilities, claims, demands, judgments, losses and all suits at law.

The lease includes an option to purchase that may be exercised at any point during the lease term upon Authority staff approval of a development proposal for the assembled property. The purchase price will be at market value as determined by mutual agreement or by a mutually agreed upon independent appraiser. Closing shall be contingent on final plan approval and

evidence of financing. An Agreement for Sale shall be executed to guarantee satisfactory completion of the improvements.

RACM PURCHASE AGREEMENT

If an acceptable development proposal is not submitted by the end of the lease term, the Authority will have the option to acquire Redeveloper's adjacent property at 746-752 North Old World Third Street. The purchase price will also be determined by mutual agreement or by a mutually agreed upon independent appraiser.

PAST ACTIONS

The Redevelopment Authority held a public hearing on September 13, 2005, after which it conditionally accepted the proposal by FB Properties Joint Venture.

FUTURE ACTIONS

Upon Common Council approval, a Lease-Option Agreement, substantially in the form attached hereto, will be drafted in accordance with the terms and conditions expressed herein and contained in the resolution adopted by the Authority.