

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

DATE

March 15, 2001

PROJECT

North Market Street - West Highland Redevelopment Project

PARCEL ADDRESS & DESCRIPTION

1224 North Market Street, a City parking lot that contains approximately 78,495 square feet. The site fronts four streets and has frontage of approximately 360 feet on North Market Street, 128 feet on East Juneau Avenue, 257 feet on East Knapp Street and 150 feet on North Broadway. The property is situated one block east of Water Street and is south of the Park East freeway spur that is scheduled for demolition.

REDEVELOPERS AND PROPOSED REUSE

Milwaukee School of Engineering, whose campus is situated to the east, would purchase approximately 69,207 square feet on the north end of the lot for construction of a Recreation/Health/Athletic facility. The 177,500-square foot facility will be built at an approximate cost of \$20 million. MSOE currently has pledges in hand of \$10.5 million from two donors and will raise the balance from additional donors. No financing is anticipated.

Grace Evangelical Lutheran Church, which is located at the northwest corner of Juneau and Broadway, will acquire a portion at the southwest corner of the lot that is approximately 129 feet by 72 feet, or 9,288 square feet. The church plans to expand its existing building to provide additional room for its outreach and education programs. The 46,000-square foot addition will provide ground level parking and three finished levels that will be designed in such a manner to compliment the historical architecture of the church. The project is estimated to cost \$4.5 million, which will be financed through member commitments, their endowment fund and bequests and gifts. Some private financing may be involved.

OFFER TERMS AND CONDITIONS

The purchase price will be market value as determined by an outside appraiser. Since the price is unknown at this point, the Authority will charge a \$1,000 option fee and will require submission of a \$10,000 Performance Deposit at closing. The option fee shall be credited toward the purchase price if the respective buyers close within the initial option period.

Both parties shall enter into Options to Purchase that provide for a base six-month option period in which to advance architectural plans and refine the financing strategy. The options may be extended by the Executive Director for up to three additional three-month periods upon submission of a satisfactory written progress report and a \$250.00 renewal fee for each request.

In addition to the aforesaid terms, the sale will be further conditioned as required in the Redevelopment Authority resolution adopted on March 15, 2001, and in the offers submitted by the Redevelopers.

PAST ACTIONS

The Redevelopment Authority held a public hearing on March 15, 2001, after which it conditionally accepted the offers of the named Redevelopers.

FUTURE ACTIONS

Upon approval of this Report and receipt of requisite approvals by regulatory bodies, the Redevelopment Authority will enter into Agreements for Sale with each Redeveloper and shall proceed to close in accordance with the terms and conditions expressed herein and contained in the form of contract and in the Authority's resolution.

Respectfully submitted,

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE**

Gregory J. Shelko
Assistant Executive Director-Secretary