

LAND DISPOSITION REPORT COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

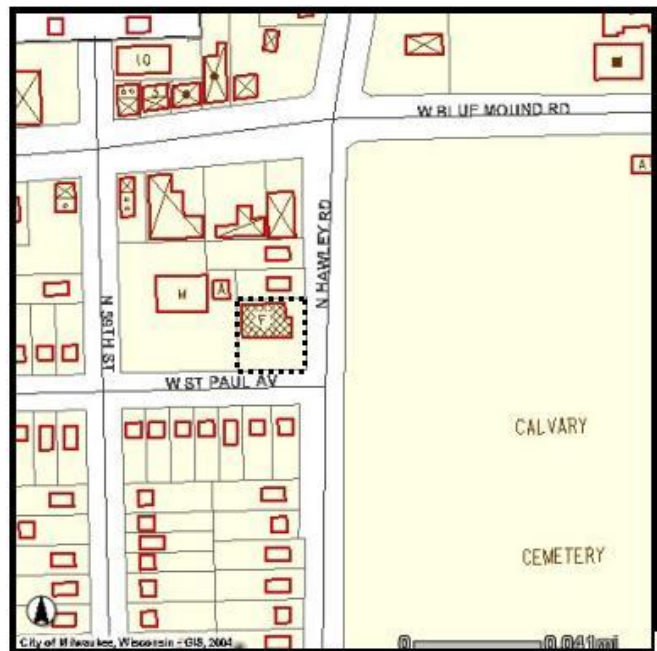
October 23, 2007

RESPONSIBLE STAFF

Karen Taylor, DCD Real Estate

PROPERTY

407 North Hawley Road: The historically designated Hawley Road Engine House fire station contains about 4,800 SF of gross area. The building is situated on approximately 13,650 SF of land with 120 feet along Hawley Road and 113.68 feet on West St. Paul Avenue. The building is primarily a one-story bungalow-style structure built in 1927. The Fire Department relocated in 2000 and the Department of Public Works no longer uses the building for offices or storage.



ENVIRONMENTAL CONDITION

The City has removed an underground storage tank, environmentally impacted soil and taken samplings from that soil. The City also has done quarterly groundwater monitoring with a final sampling event to take place in September to early October. Once completed, a closure request will be submitted to the Wisconsin Department of Natural Resources.

BUYER

Urologic Technology Services ("UTS"), a medical products company, offering services that assist surgeons in the operating room. It was established in 1999 and is owned by Dr. William Annesley. The company currently employs 3 full-time and 2 part-time people at its office in Butler, Wisconsin. Dr. Annesley plans to move his Butler office to Milwaukee and create 8 new positions (6 full-time and 2 part-time). Total project costs are expected to be \$530,000.00

OPTION TERMS AND CONDITIONS

The purchase price is \$300,000, which is slightly lower than the asking price of \$350,000, but within the range of value in the City's appraisal and projected renovation costs. A \$3,000 option fee is required to be submitted after Council approval and will be credited toward the purchase price if the buyer closes prior to expiration of the first option period.

The base option term is for six months commencing on the date of Common Council approval.

The option may be extended by the Commissioner of the Department of City Development for up to two three-month periods upon submission of a satisfactory progress report on buyer's efforts to obtain final plans and financing and payment of a \$250.00 renewal fee for each request. The commission may grant a no-fee extension and option fee credit if delays are due to environmental closure by DNR.

Prior to or at closing, the Buyer also will be required to obtain DCD and HPC approval of final construction plans and financing, execute an Agreement for Sale and submit a \$1,000 Performance Deposit, which will be held until satisfactory completion of the project, sale and environmental expense reimbursement. A 25% development fee shall be paid to the Redevelopment Authority and the remaining proceeds shall be returned to the General Fund.

FUTURE ACTIONS

Upon approval of this Report by the Common Council and receipt of requisite approvals by regulatory bodies, the City will close the transaction according to the terms in this report.