

**PROPOSED BLIGHT DESIGNATION SUMMARY
AND LAND DISPOSITION REPORT
3409-11 WEST NORTH AVENUE & 3419-23 WEST NORTH AVENUE**

Date: November 15, 2001

Proposed Activity: Declare the privately owned properties at 3409-11 West North Avenue and 3419-23 West North Avenue blighted for acquisition by the Redevelopment Authority. After acquisition, the properties will be conveyed to MB Real Estate Investment, LLC, or its assigns, for assemblage with adjoining City-owned land and properties that the Redeveloper has acquired privately for commercial redevelopment.

Related Activities: Both properties are located in the North Avenue Commercial Gateway, the commercial corridor that generally runs along North Avenue from 32nd to 39th Street. The property is situated near the new Todd Wehr Metcalfe Park Community Center – the Metplex – and the Jewel Osco at 35th & Meinecke that recently opened.

**Proposed Acquisitions:
3409-11 West North Avenue**



Description: A 2,444 square foot building built in 1902 situated on a 3,600 square foot lot. The two-story building is currently occupied with Lawson Woodworking and Hardware on the first floor. A second floor apartment is vacant. The property is in fair to poor condition.

Assessment: \$ 1,800 Land
17,100 Improvements
 \$ 18,900 Total

Owner: Leroy Lawson
Tax Status: One year delinquent in property taxes
Code Status: Outstanding violation for not contacting NSS for annual fire inspection.

3419-23 West North Avenue



Description: A 4,140-square foot mixed used building constructed in 1909. The building has two commercial spaces on the first floor, one of which is occupied by Yard Mon Beauty & Barber Salon. The building also has two second-floor apartments. The property is in fair to poor condition.

Assessment: \$ 1,800 Land
23,400 Improvements
 \$ 25,200 Total

Owner: Dennis Edwards. Treasurer records indicate the owner is in bankruptcy.
Tax Status: Two years delinquent in real estate taxes; tax foreclosure not possible due to bankruptcy.
Code Status: Some outstanding violations; property has also been the subject of a number of

complaints to the Building Inspector for roof leaks, inoperable heating and mice.

Acquisition Conditions: Both acquisitions are contingent on a satisfactory Phase I environmental assessment, which is currently being prepared by the City, and Phase II testing if recommended.

Redeveloper: MB Real Estate Investment, LLC is a company formed by the Martin Brothers. Derrick Martin is the President. The Martin family owns Lena's Supermarket on Fond du Lac Avenue and several other commercial properties in the City.

Proposed Use: The Redeveloper has obtained an option to purchase the building at the southeast corner of 35th and North and plans to rehabilitate it for commercial and residential use. The remaining buildings on North Avenue, including the Authority acquisitions, will be demolished and a new commercial building would be constructed at the Southwest corner of 34th and North. The Redeveloper's property at 2214 North 35th Street may also be rehabilitated for a new commercial tenant.

City Properties: The City owns several properties in the block of the proposed development. The City also expects to acquire the property at 3401 West North Avenue through tax foreclosure. This action will also declare these properties surplus to municipal needs and allow conveyance to the Redeveloper upon the recommendation of the Commissioner of the Department of City Development, or her designee.

Option Terms: After acquisition, the Authority will enter into an Option to Purchase with the Redeveloper. The purchase price will be appraised value of the properties and may include other acquisition expenses. The Executive Director-Secretary, though, may authorize a credit toward purchase price in consideration of the project's financial feasibility. A \$250 Option Fee and a \$1,000 Performance Deposit will be required. The Redeveloper will be given six-months to prepare satisfactory redevelopment plans and obtain financing for the project. The initial option may be extended by the Executive Director-Secretary upon submission of a written progress report on the project and a \$250 renewal fee. If the Redeveloper closes prior to the expiration of the base option period, the option fee shall be credited toward the purchase price.

Past Actions: On November 15, 2001, the Redevelopment Authority held a Public Hearing on the blight designation and on the disposition of the property pursuant to Wisconsin Statutes.

Future Actions: Upon approval by the Common Council, the Redevelopment Authority will proceed to acquire the properties pursuant to Section 32.05, Wisconsin Statutes. After acquisition, the properties will be conveyed without monetary consideration to the City of Milwaukee.

Respectfully submitted,

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE**



Gregory J. Shelko
Assistant Executive Director-Secretary