

## LRB – RESEARCH AND ANALYSIS SECTION ANALYSIS

**JANUARY 10, 2006 AGENDA**

**ITEM 13, FILE 051102**

**ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE**

**Emma J. Stamps**

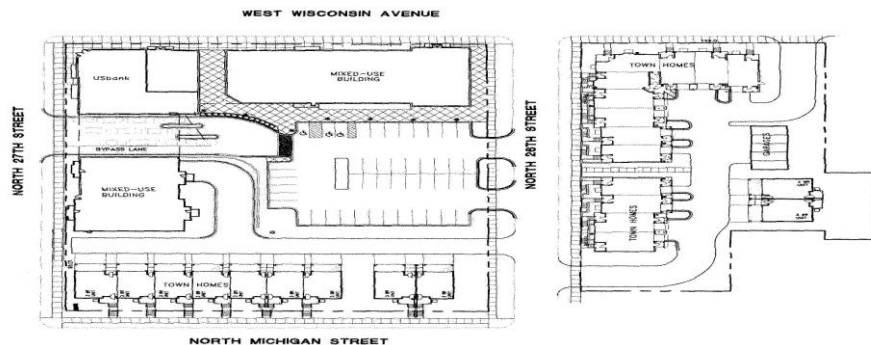
File No. 051102 is a resolution approving the blight designation and acquisition of the city-owned vacant lot at 620 North 26<sup>th</sup> street by the Redevelopment Authority and approving the land Disposition Report for the property and the Authority-owned properties at 2601 West Wisconsin Avenue and 612 North 26<sup>th</sup> Street for sale to Sherman Associates, Inc. for mixed-use development, in the 4<sup>th</sup> Aldermanic District. (RACM)

### **Background**

1. RACM often holds public hearings to declare properties as “blighted”, conditions for acquiring property without for adopting redevelopment plans.
2. Pursuant to Wisconsin Statutes, and as a condition precedent to the sale, lease or transfer of land, RACM must submit to the Common Council, a Land Disposition Report describing the terms and conditions of the proposed sale.
3. On February 10, 1998, the Common Council created and funded a \$2,187,000 TID No. 35 (27<sup>th</sup> & Wisconsin Avenue) to redevelop N. 26<sup>th</sup> St. to N. 28<sup>th</sup> St., W. Wisconsin Ave to W. Michigan Ave.

### **Discussion**

1. US Bank owns the property located on the southeast corner of N. 26<sup>th</sup> & W. Wisconsin Avenue. Adjacent to this property are a city-owned vacant lot located at 620 N. 26<sup>th</sup> St. and RACM owned lots located at 612 N. 26<sup>th</sup> St. and 2601 W. Wisconsin Avenue (a full city block directly west of the aforementioned). Developer, Sherman Associates, Inc., offered \$473,634 for the commercial site (portion of 2601 W. Wisconsin Avenue) and \$5,000 per buildable lot for the other city- and RACM-owned lots.
2. Sherman Associates, Inc., plans to apply for WHEDA tax credits to build a \$17,500,000 mixed-use and single-family housing redevelopment that requires assemblage of city- and RACM-owned properties.



- New mixed-use development on 2601 W. Wisconsin Avenue parcel (commercial space, rental and affordable housing) plus townhouses on most southern section of this parcel
  - Relocating US Bank from the southeast side of N. 26<sup>th</sup> St. into the proposed development on the southwest side of N. 26<sup>th</sup> St. (currently 2601 W. Wisconsin Ave.)
  - Building single-family housing on current US Bank property, city-owned and RACM-owned properties on southeast side of N. 26<sup>th</sup> Street
3. File 051102 approves the Land Disposition Report and conditions of the purchase option. It does not contain a final agreement for sale.

**Fiscal Impact**

According to the fiscal note, TID No. 35 (27<sup>th</sup> & W. Wisconsin Avenue) will pay \$473,634 less sales expenses and 25% development fee to RACM. Financing must be secured and the close of the sale, tied directly to the WHEDA application, must occur by December 31, 2006.

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