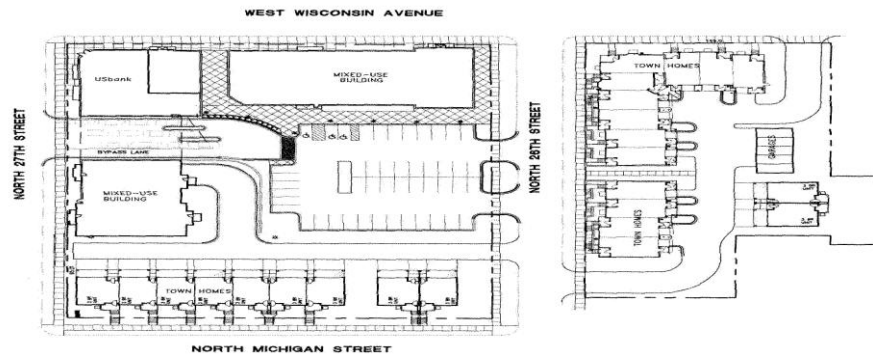


File No. 061024 is a resolution approving the Land Disposition Report for the Redevelopment Authority owned properties at 2601 West Wisconsin Avenue and 612-20 North 26th Street for sale to Sherman Associates, Inc., for mixed-use development, in the 4th Aldermanic District.

Background

1. In February 1998, the Common Council created and funded TID No. 35 (27th & Wisconsin Ave) at \$2,187,000 to redevelop N. 26th St. to N. 28th St., W. Wisconsin Ave to W. Michigan Ave.
2. On January 16, 2006, the Common Council adopted Resolution File No. 051102 approving the blight designation and RACM's acquisition of the city-owned vacant lot at 620 N. 26th St., approved the Land Disposition Report for that property and the RACM properties at 2601 W. Wisconsin Ave. and 612 N. 26th St. for assemblage and sale to Sherman Associates, Inc. for a \$17,500,000 mixed-use development including, commercial and retail space, and building single-family housing and town homes (plus affordable units), and relocating the US Bank within the TID No. 35 boundaries.



3. TID No. 35 (27th & W. Wisconsin Avenue) would 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 2006 WHEDA tax credit application, must occur by December 31, 2006.
4. This would be developer Sherman Associates, Inc.'s first Wisconsin project.

Discussion

5. Sherman Associates, Inc. applied for but did not receive a 2006 WHEDA tax-credit allocation and plans to apply for a 2007 allocation.
6. Adopting File No. 061024 approves the Land Disposition Report for the RACM properties located at 2610 W. Wisconsin Ave. and 612-20 N. 26th St for sale to Sherman Associates, Inc. for mixed use developments whose closings are subject to obtaining 2007 WHEDA tax credit allocations and conventional financing.

The sales proceeds are paid from Tax Incremental District No. 35 according to the fiscal note.

7. The Land Disposition Report allows the developer to receive at least 2 **additional** extensions from the Commissioner of City Development and/or RACM to close the sale.

Fiscal Impact

The fiscal note indicates that the \$473,634 sales proceeds will be furnished by Tax Incremental District No. 35 and that amount, less the 25% RACM administrative fee, will be returned to Tax Incremental District No. 35 if the properties close. Closing is contingent upon garnering WHEDA tax credits and conventional financing.