

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

**DATE**

March 20, 2003

**REDEVELOPMENT PROJECT AREA**

South 5th Street - West Walker Street: A small redevelopment district created in 1984 to eliminate a blighting auto body shop at the Northeast corner of 5<sup>th</sup> & Walker to facilitate rehabilitation of a mixed use building at the Southeast corner of 5<sup>th</sup> & Walker in Historic Walkers Point. The small City-owned vacant lot at 826 South 5<sup>th</sup> Street was also conveyed to the Authority as part of the plan.

**REDEVELOPER**

Botanas, LLC, a limited liability company owned by Jaime and Marta Gonzalez who operates Botanas Mexican Restaurant. The restaurant has operated at 816-18 South 5<sup>th</sup> Street since 2000. Mr. Gonzalez also owns the adjoining parking lot at 820-24 South 5<sup>th</sup> Street.

**PARCEL ADDRESS & DESCRIPTION**

826 South 5th Street: A 3,705 lot with minor parking lot improvements. The site has 24.7 feet of frontage on South 5<sup>th</sup> Street and a depth of 150 feet. The property was originally acquired by the City of Milwaukee in 1975 through an In Rem action.

**PROPOSED REUSE**

Assemblage with Redeveloper's adjoining properties to facilitate expansion of the restaurant. A 645 square foot addition will be constructed adjacent the front of the restaurant to create a new dining area for about 40 people. In addition, a portion of the rear patio will be enclosed adding about 1,070 square feet of enclosed space for dining, restrooms and storage. Improvements to the parking lot will include ornamental fencing and landscaping. Hard construction costs are approximately \$200,000.

**OPTION TERMS AND CONDITIONS**

The purchase price is \$11,000, or approximately \$3.00 per square foot of land area based on area land sales. Pursuant to the Authority's fee schedule, a \$550 Option Fee and a \$1,100 Performance Deposit are required. The performance deposit will be retained by the Redevelopment Authority in accordance with the terms of the Agreement for Sale so as to guarantee completion of the improvements. The deed of conveyance will contain a restriction joining the Authority's lot with Redeveloper's adjoining property so as to create a single parcel that cannot be divided without the prior approval of the Common Council.

The option provides a base term of six months to allow the Redeveloper to prepare construction drawings and obtain financing. While construction is anticipated to start this spring, the option allows for two three-month extensions upon submission of a \$250 renewal fee and a satisfactory progress report on Redeveloper's efforts to obtain final plans and financing. The Authority shall provide Redeveloper with a Phase I environmental assessment. If Phase II testing is recommended, the Authority and Redeveloper shall share equally in the testing costs. The preliminary Phase I, however, does not anticipate any Phase II testing.

In addition to the aforesaid terms, the sale will be further conditioned as required in the Redevelopment Authority resolution adopted on March 20, 2003, and in the Option to Purchase submitted by Redeveloper.

**PAST ACTIONS**

The Redevelopment Authority held a public hearing on March 20, 2003, after which it conditionally accepted the Option to Purchase of the named Redeveloper.

**FUTURE ACTIONS**

Upon approval of this Report by your Honorable Body, and receipt of requisite approvals by regulatory bodies, the Redevelopment Authority will enter into said Agreement for Sale and proceed to close in accordance with the terms and conditions expressed herein and contained in the form of contract and resolution referred to above.

Respectfully submitted,

**REDEVELOPMENT AUTHORITY  
OF THE CITY OF MILWAUKEE**

A handwritten signature in black ink, appearing to read 'Gregory J. Shelko', written in a cursive style.

Gregory J. Shelko  
Assistant Executive Director-Secretary

GJS:bmm