

LAND DISPOSITION REPORT

COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

March 1, 2011

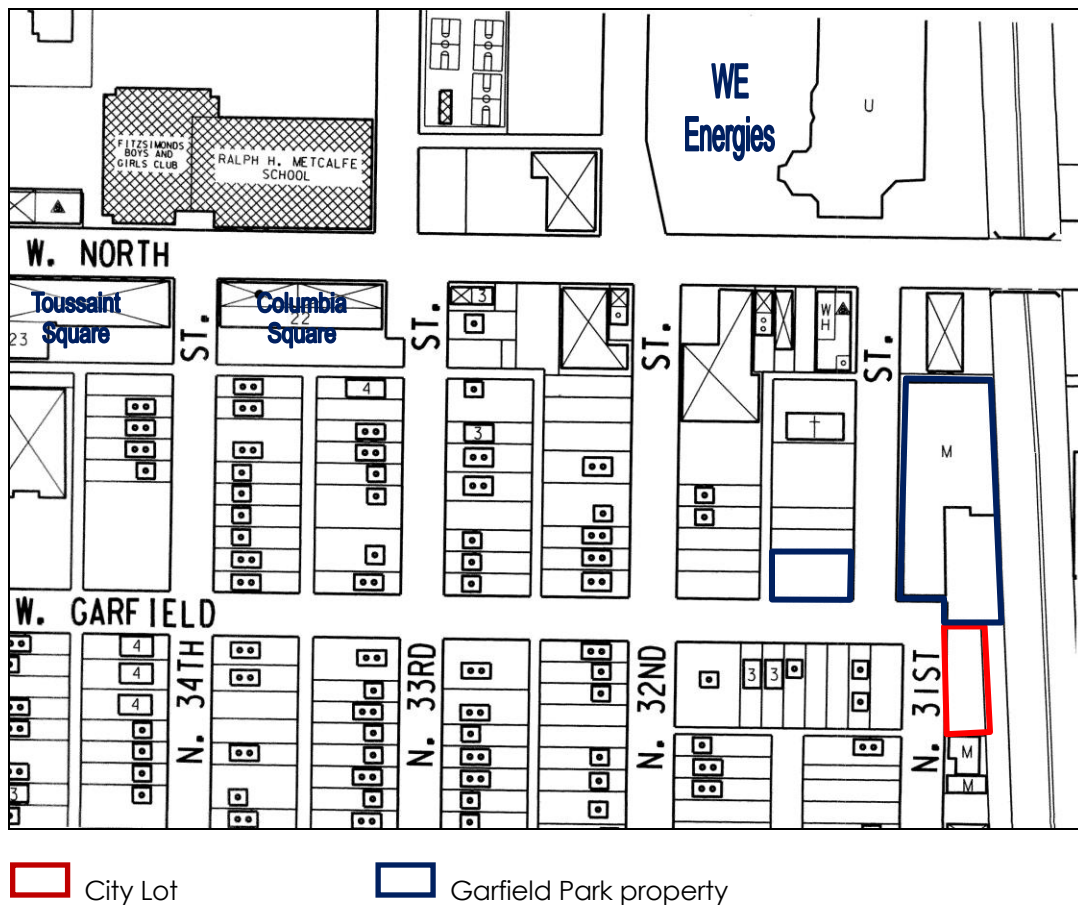
RESPONSIBLE STAFF

Matthew Haessly, DCD Real Estate

PARCEL ADDRESS & DESCRIPTION

2154 North 31st Street: A vacant lot containing approximately 17,280 square feet. The property is in the Fond du Lac and North Planning Area, the plan for which was adopted as an element of the City's comprehensive plan in June 2006. The plan encourages adaptive reuse of former industrial buildings.

An EPA grant allowed the City to conduct environmental testing and prepare a remedial action plan. The plan has been approved by the WDNR and will be implemented by the buyer.



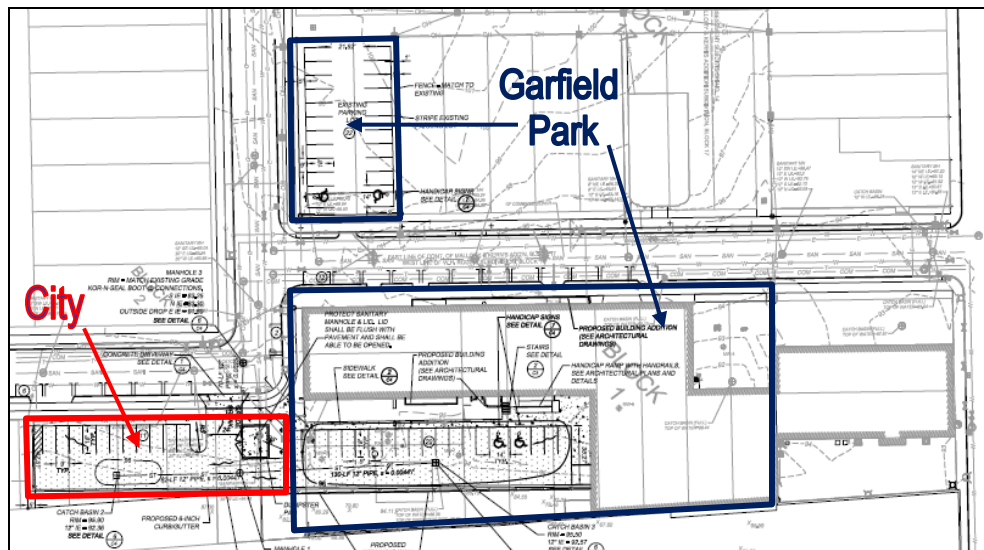
BUYER

Garfield Park, LLC, an entity created by Landmark Asset Services, Inc. of Winston-Salem, North Carolina. The Landmark Group has completed or has under development more than \$450 million worth of mixed-use projects to revive downtowns, restore aging neighborhoods and create affordable housing in the Carolinas, Florida, Georgia, Tennessee, Texas, Virginia, Washington, Maryland and now Wisconsin. The company currently manages more than 70 properties with over 3,100 multi-family and elderly units. The ownership group includes a local member: Keith Terry.

PROJECT DESCRIPTION

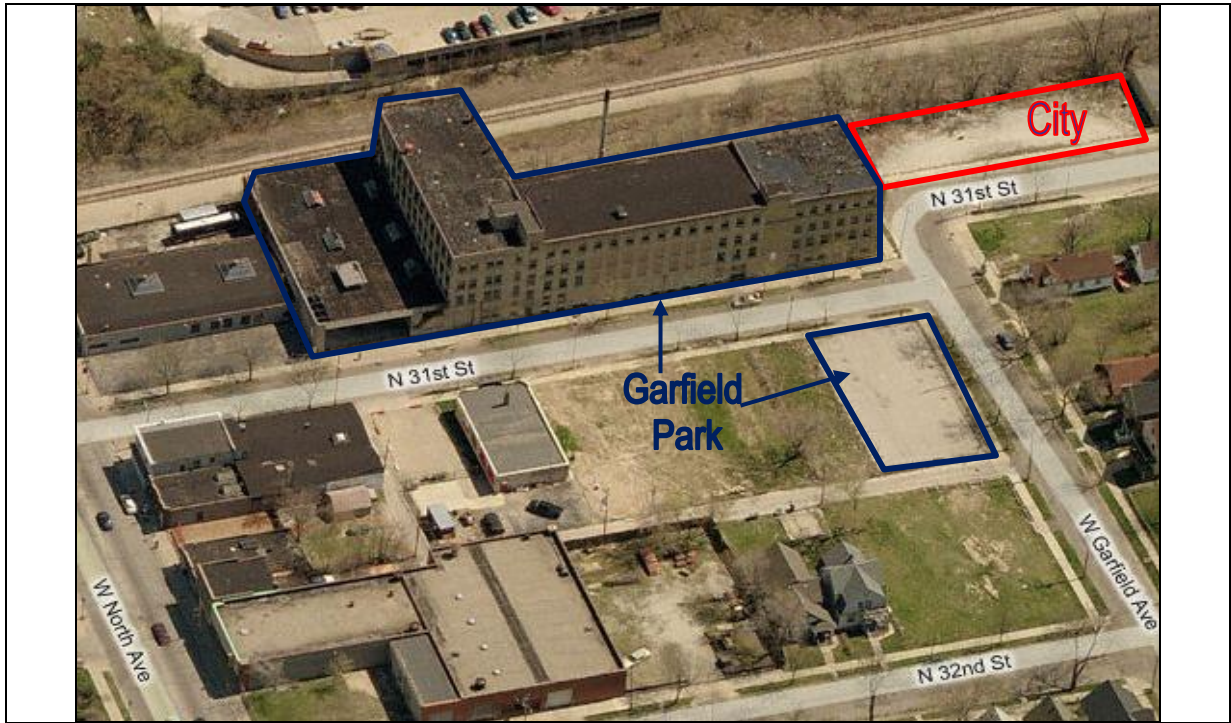
The City lot will be combined with the adjacent property at 2200 North 31st Street for development of Garfield Park, an adaptive reuse of the former A. F. Meckelberg Sash and Door Co., for affordable housing. The building is being converted into 69 loft-style apartments for families earning 50 and 60 percent of the area median income. The unit mix will include 34 one-bedroom, 17 two-bedroom and 18 three-bedroom units with rents between \$500 to \$700 per month. Unit amenities will include stove ranges, refrigerators, dishwashers, washers and dryers. Each unit also will feature gas heat, air conditioning and gas hot water heaters. Property amenities available to residents will include: a computer/business center with computers, printers and scanners, fitness room, indoor playground, community room and tenant storage. The property also will have a full-time site manager and maintenance person.

The City lot will be improved as an 11-space surface parking lot for the residents and guests. The lot will have fencing and landscaping on North 31st Street.



Total construction and rehabilitation costs are estimated to be approximately \$11,700,000. A contractor has not been selected, but Garfield Park is committed to EBE participation.

PROJECT DESCRIPTION (CONTINUED)



The project was awarded housing tax credits from the Wisconsin Housing and Economic Development Authority in 2009. US Bank is an equity syndicator in the project assuming a 99.99% ownership interest during the tax credit period. Bank of America will be providing the construction financing and permanent debt financing.

OPTION TERMS AND CONDITIONS

The purchase price will be \$15,000 and conveyance will be on an "as is" basis. Sale proceeds, less sale expenses and a 30% disposition cost reimbursement to the Redevelopment Authority of the City of Milwaukee, will be deposited in the Reserve For Tax Deficit Fund. After approval by the Common Council, the City will proceed to close the transaction according to the terms of a purchase and sale agreement.