

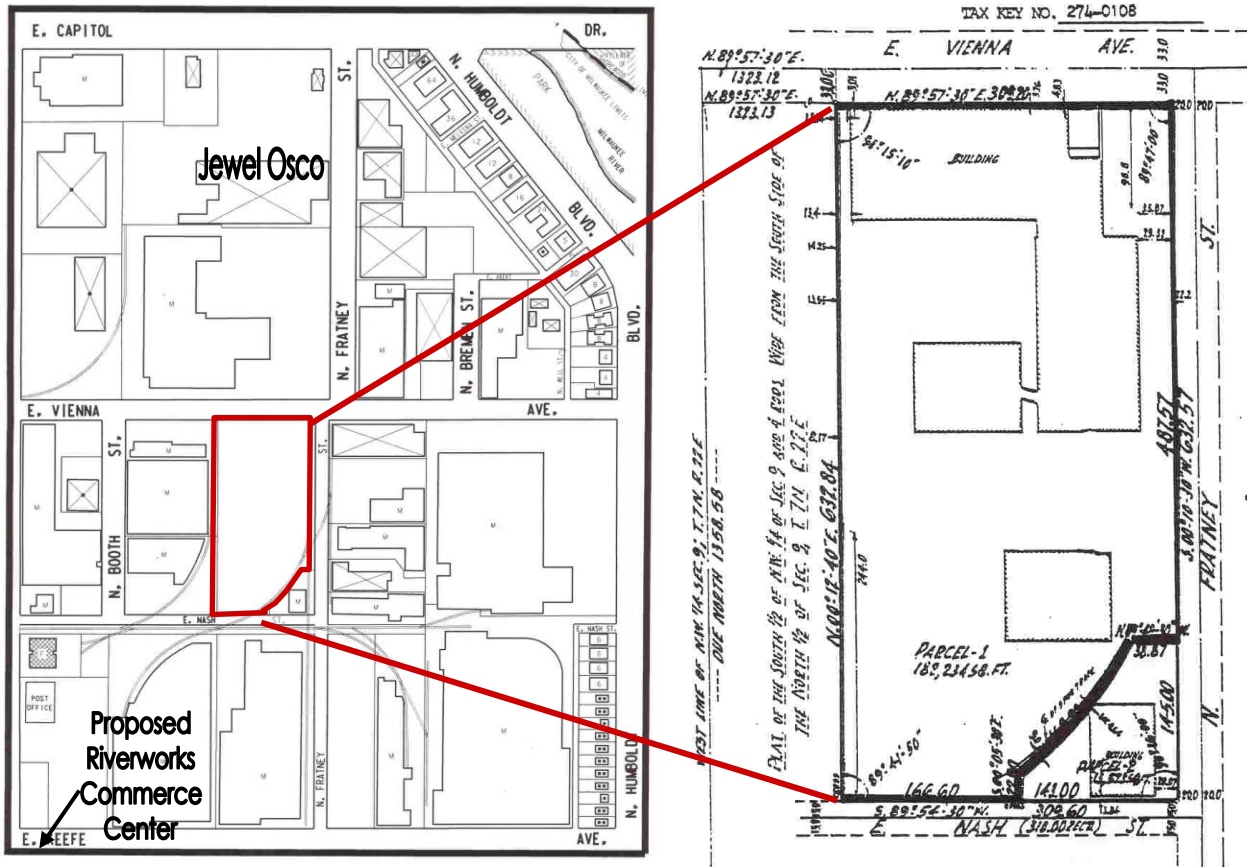
**LAND DISPOSITION REPORT
REDEVELOPMENT AUTHORITY
COMMON COUNCIL OF THE CITY OF MILWAUKEE**

DATE
June 16, 2005

RESPONSIBLE STAFF
Elaine Miller, Real Estate Section (286-5732)

REDEVELOPMENT PROJECT AREA

Blight Elimination/Riverworks: In April 2001, the Redevelopment Authority authorized the acquisition of several properties in the Riverworks Industrial Center, including the manufacturing building at 701 East Vienna. The property was acquired in 2003 and the improvements were subsequently razed. The property is part of the Riverworks Business Improvement District and Tax Incremental District No. 24.



REDEVELOPER

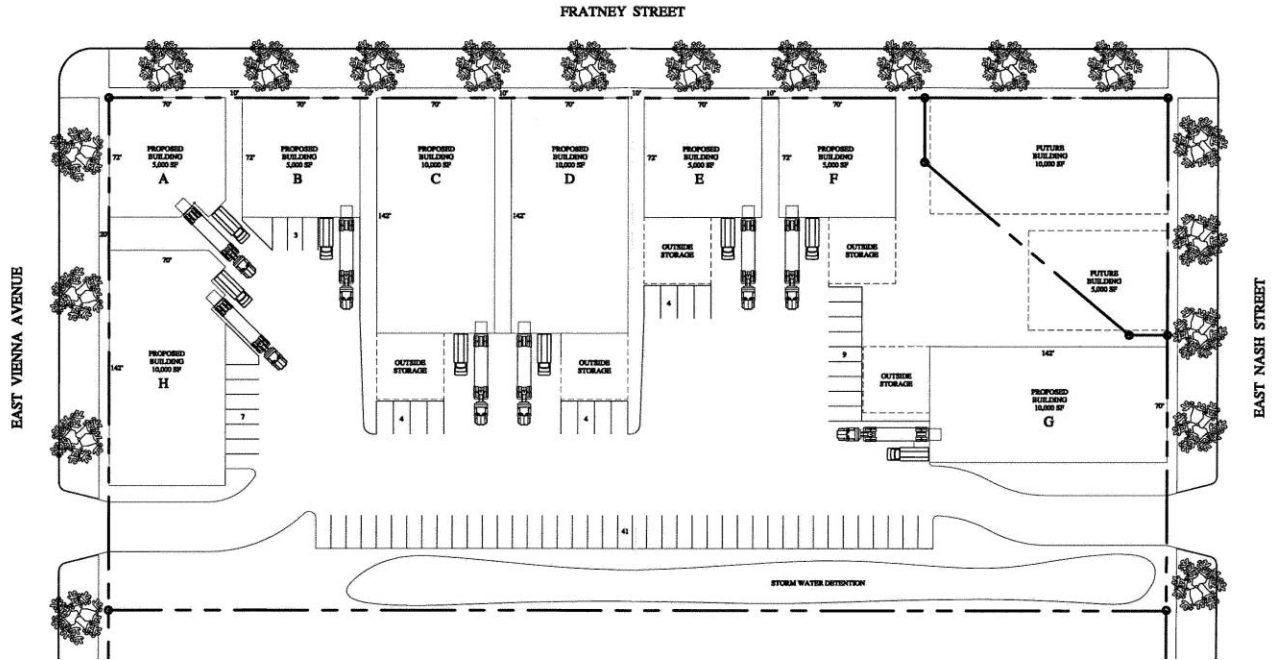
Gleichman Sumner Company, Inc., a full service real estate development and management firm. Mark Gleichman is President, Mark Sumner is Executive Vice President and Jeanine Schaal is Secretary. One recent project includes the renovation of the Bowman Loft Condominiums at 715-23 North Milwaukee Street that was financed in part with TID funds from the Authority. The architect is R.G. Keller of Wellman Architects. Bob Gintoft with NAI/MLG Commercial is the broker that presented the offer to the Authority.

PARCEL ADDRESSES & DESCRIPTION

701 East Vienna Avenue: A 4.18-acre vacant lot at the southwest corner of Vienna and Fratney. The site is mostly rectangular and at grade. The property has some environmental impacts that require management during construction. The Authority has obtained funding from \$200,000 from EPA to assist with soil management and disposal, if needed. The buildings and parking lot will also serve as an environmental cap.

PROJECT DESCRIPTION

Development of flexible multi-building, multi-user industrial facility targeted toward small manufacturing firms. The developer intends to offer space to industrial users in 5,000 SF increments. The conceptual plan shows eight buildings with either 5,000 or 10,000 SF, but the actual buildings would be constructed in sizes based on market demand. Overall, 60,000 to 70,000 SF of building area is expected to be constructed. The buildings will be placed close to the street with minimal setback and will have parking and truck docking in the rear. A condominium form of ownership is anticipated rather than a subdivision with cross access easements. Overall project costs will be about \$2.0 million.



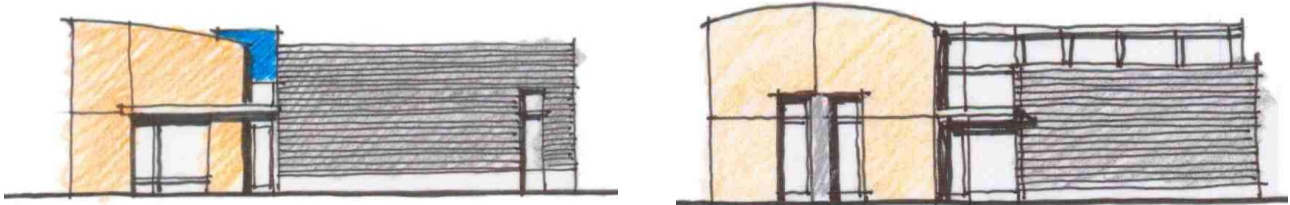
The proposed buildings will provide a stylish, but functional and economical design. The developer will use a modular building system with masonry and metal exterior walls that will vary with each user, but will offer similarities in overall scale and design. Interior areas will provide a flexible mix of office, warehouse, assembly, laboratory or showroom space or any combination thereof. Each building will have a loading dock, grade-level door and outdoor storage.



FRATNEY STREET ELEVATION NONTRADITIONAL

FRATNEY & VIENNA INDUSTRIAL

Sample buildings



OPTION TERMS AND CONDITIONS

The offering price was \$200,000, or about \$50,000 per acre, which is indicative of market value for industrial sites in established areas. A \$4,000 Option Fee is required and shall be credited toward the purchase price if the Redeveloper closes within the initial option period. A \$10,000 performance deposit will be submitted at closing and shall be held until satisfactory completion of the project. The base option period is six months and will allow the Redeveloper time to obtain financing and final plans that are satisfactory to the Authority. The Executive Director may extend the option for up to two three-month periods upon submission of a \$500 non-refundable renewal fee and satisfactory progress report on efforts to obtain financing and final plans. A 6% brokerage fee will be paid at closing.

In addition to the aforesaid terms, the sale will be further conditioned as required in the Redevelopment Authority resolution adopted on June 16, 2005, and in the Option to Purchase negotiated by the Authority and the Redeveloper.

PAST ACTIONS

The Redevelopment Authority held a public hearing on June 16, 2005, after which it conditionally accepted the Option to Purchase of the named Redeveloper.

FUTURE ACTIONS

Upon Common Council approval, the Redeveloper will obtain firm financing and approval of final plans prior to closing. An Agreement for Sale will be drafted in accordance with the terms and conditions expressed herein and contained in the resolution adopted by the Authority.