

**PROPOSED BLIGHT DESIGNATION SUMMARY,
VACATION REQUEST, SURPLUS DECLARATION
AND LAND DISPOSITION REPORT
EAST LOCUST/NEWHALL TO CAMBRIDGE**

Date: May 17, 2001

Proposed Activity: Declare the excess right of way on the North side of East Locust Street between Newhall and Cambridge blighted for acquisition by the Redevelopment Authority and authorize the Redevelopment Authority to submit a vacation application to the City of Milwaukee. After the vacation, the land will revert to the City of Milwaukee, which will transfer the sites to the Redevelopment Authority. This action will authorize the Authority to convey the sites to Jeffrey and Gaurie Rodman for residential development.

Property:



North side of East Locust Street, between North Newhall Street and North Cambridge Avenue, directly across Locust from Riverside University High School. The land was acquired in 1925 for the widening of East Locust Street, but not all the land acquired was used for the street. The excess area consists of two parcels on each side of the alley with frontage of 120 feet along Locust Street and a depth of 41 to 43 feet. The exact area to be vacated will be determined by the Department of Public Works and the Department of City Development after a review of the detailed building plans.

Redeveloper: Jeffrey and Gaurie Rodman, a husband and wife who currently reside on Milwaukee's east side. Both are graduates of the UWM's School of Architecture and Urban Planning. In 1997, they formed J&G Rodman Investments, a real estate company that manages several east side properties, including a three-unit residential building that they just constructed at 2910 North Newhall, across from the proposed property sale.

Proposed Use: The Newhall parcel will be used for construction of a three-story apartment building that will have a front porch, dormers and windows similar to other houses on the block. A three-story, six-unit apartment will be constructed on the Cambridge site, which will be combined with a portion of the adjoining property (2914 North Cambridge) that was recently acquired by the Redevelopers. The building will have an "H" shape with a center entrance. Both buildings will accommodate their parking in small fenced parking courts at the rear of their respective buildings. Total estimated development costs are approximately \$800,000.

Option Terms: After acquisition, the Authority will enter into an Option to Purchase with the Redevelopers. The purchase price will be \$7,500 per unit or \$22,500 for each site. The Executive Director-Secretary may adjust the price, though, after review of the coordinate vacation report with estimated costs. A \$2,250 Option Fee will be required to be submitted upon Council approval and shall be credited toward the purchase price if the Redeveloper closes during the initial option period. At closing, a \$4,500 Performance Deposit will be required and shall be held until satisfactory completion of the project.

The base option period shall be six months or for three-months upon completion of the coordinated vacation report, whichever is longer, so that Redeveloper can prepare final

building plans and obtain financing for the project. Two additional three-month extensions may also be granted by the Executive Director-Secretary upon submission of a written progress report on the project and a \$250 renewal fee. The Executive Director-Secretary may waive the renewal fees and allow the option fee credit if delays in closing are the result of the issues related to the vacation, such as survey preparation or utility relocation.

Past Actions: On May 17, 2001, the Redevelopment Authority held a Public Hearing on the blight designation and on the disposition of the property pursuant to Wisconsin Statutes.

Future Actions: Upon approval by the Common Council, the Redevelopment Authority will submit a vacation application and request preparation of a coordinated report. Upon vacation, the land will revert to City of Milwaukee, which will convey the site to the Redevelopment Authority for no monetary consideration. Closing is contingent on staff approval of final building plans and evidence of financing.

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