



Department of City Development

City Plan Commission
Neighborhood Improvement
Development Corporation
Redevelopment Authority

Rocky Marcoux
Commissioner

Martha L. Brown
Deputy Commissioner

April 18, 2011

Members of the Public Works Committee
Milwaukee Common Council
City Hall, Room 205

Dear committee members:

File #101489 is scheduled to be considered at the April 20, 2011 Public Works Committee meeting. The Department of City Development does not recommend adoption of this file.

The file would lease 2732 S. Logan Ave., a 10-acre parcel of City-owned property, to Sweet Water Organics, for development of an industrial park. The file proposes a lease term of 20 years, with an annual rent of \$1.00.

The southeast side plan, adopted by the Common Council on Oct. 29, 2008, identifies this site as having catalytic development potential, and recommends residential re-use of the property. The relevant pages from the plan are attached.

Also on Oct. 29, 2008, the Council declared the Logan Ave. property surplus to municipal need. Consistent with the southeast side plan recommendations and the current residential zoning of the property and adjacent neighborhoods, the Council directed the Department of City Development to market it for a "mix of taxable single-family, townhouse and multi-family residential units that positively impact the surrounding neighborhood." Seven developers responded to a 2009 request for proposals for the land.

In light of extremely limited conventional credit availability for development projects during the recession, the disposition process ultimately ended with a decision not to move forward with any of the proposals. However, we believe the property continues to have a great deal of potential for residential development. We also would note that, when the 2009 disposition process was abandoned, the department notified RFP respondents that they would be contacted when the property was once again made available for sale. We believe it would be imprudent to bypass the request for proposal process in disposing of this high-value property, which generated a great deal of interest from qualified residential developers just two years ago.

Elaine Miller, DCD's real estate manager, will be present at the committee meeting to respond to any questions.

Sincerely,

Martha L. Brown
Deputy Commissioner

Attachment