

**LAND DISPOSITION REPORT  
TO THE  
COMMON COUNCIL OF THE CITY OF MILWAUKEE**

**DATE**

February 3, 2004

**PARCEL ADDRESS & DESCRIPTION**

1100 North Cass Street and 1101 North Marshall Street: A surplus City parking lot that contains approximately 1.2 acres of land area.

**BACKGROUND**

The City of Milwaukee, through the Department of City Development (DCD), issued Requests for Proposals for the two sites with the goals of creating a high quality residential development that would complement the surrounding neighborhood and return the properties to the tax roll. Four proposals were received, and three finalists were interviewed. The proposal submitted by New Land Enterprises, LLC was recommended as the development proposal for the site.

**DEVELOPER**

New Land Enterprises, LLP. Boris Gokhman, the president, is an experienced developer of high-quality, residential projects. Recent projects include the Crescent Condominiums in the Beerline "B" Redevelopment Area, Highbridge and Riverbridge Condominiums along Water and Kane Streets, the Abbotsford Condominiums on Farwell, the Maisonette Condominiums on Warren Street, the Jefferson Block Apartments in the Third Ward and Lyon Court Condominiums at the northwest corner of Lyon and Van Buren Streets.

**PROPOSED REUSE**

Development of a \$38 million mixed-use project. The project will consist of three buildings containing a variety of housing types: a ten story building on Marshall Street with 44 condominium units with projected values in the range of \$365,000 to \$500,000 per unit, an eight story building on Cass Street with 48 condominium units with projected values in the range of \$168,000 to \$298,000 per unit, and a six story apartment building on Cass Street with projected rents in the range of \$1,100 to \$1,575 per month. The buildings on Cass Street will also include 6,200 square feet of ground floor retail space. The development will contain 364 enclosed parking spaces, including 126 spaces specifically reserved for public use to be guaranteed by a deed restriction and/or easement. An extensive landscaping plan will include street trees, hedges, lawns and other features designed to enhance the development's relationship to the neighborhood.

**OPTION TERMS AND CONDITIONS**

The purchase price will be \$575,000, plus the provision that the developer construct (at his cost) and operate 126 parking spaces specifically dedicated for public use. An Option fee of \$18,500 will be charged. The buyer is also required to submit a Performance Deposit in the amount of \$18,500, which will be held until satisfactory completion of the project.

The base option term is six months to enable the buyer to obtain final building plans and financing for approval by the DCD. The Option to Purchase may be extended by the Commissioner of DCD for up to two additional three-month periods upon submission of a written progress report and a \$250.00 renewal fee. The option fee may be credited toward the purchase price if the Buyer closes within the option or option extension period and if the developer has demonstrated significant progress in fulfilling all the requirements necessary to begin construction of the project.

The purchase price will be paid in full at the time of closing. 20% of the sales price will be paid to RACM as a development fee. The sale will be further conditioned upon satisfactory review and approval of site and building plans by DCD staff and upon submittal of firm financing commitments for the development.

**FUTURE ACTIONS**

Upon approval of this Report by your Honorable Body, and receipt of requisite approvals by regulatory bodies, the City of Milwaukee 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,

Gregory J. Shelko  
Manager, Real Estate and  
Development Services

MP