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

DATE

November 16, 2022

RESPONSIBLE STAFF

Dave Misky, Department of City Development ("DCD")

REDEVELOPMENT PROJECT AREA

On December 11, 1986, the Redevelopment Authority of the City of Milwaukee ("RACM") adopted File No. 6015 and the Common Council of the City of Milwaukee adopted File No. 86-1316-a approving the Redevelopment Plan for the 444 North Plankinton Avenue Project Area. The property located at 406 North Plankinton Avenue ("Property") was a remnant parcel created as a result of the design and construction of the West Saint Paul Avenue Bridge and North Plankinton Avenue off-ramp. The Property was one of three parcels within the Redevelopment Plan boundary and was conveyed to RACM in 1987 so that RACM could work on a larger redevelopment initiative.

PARCEL ADDRESS AND DESCRIPTION

The Property consists of a 5,481 square foot vacant lot (roughly 35 feet by 145 feet) that has an irregular shape, challenging grade, and abuts the Milwaukee River. RACM has been holding on to the Property until a development is proposed for the adjacent privately-held property that comports to the City of Milwaukee's ("City") downtown plans in bringing a larger investment opportunity to the neighborhood and community.



BUYER

The primary driver for Foxtown MKE, LLC, (the "**Buyer**") is Thomas Nieman, owner of the Buyer and head of Fromm Family Foods, a fifth-generation family-owned-and-operated pet food company based in Mequon, Wisconsin. Fromm Family Foods has a history that dates back to the early 1900s including the company introduced concept of premium pet food combining meat and grain to create dry kibble in 1949, which transformed the pet food industry. Fromm's success in pet food manufacturing has given the family the opportunity to expand their interests where other Fromm-Nieman related entities have redeveloped blighted areas in the Northshore and other areas in Wisconsin, including the Foxtown Center which contains Foxtown Brewing and Annex, Fromm Pet Foods World Headquarters, Foxtown Station, Foxtown Heritage Meats, and other retail and commercial uses. In all, members of the Fromm Family Foods have developed well over 17 acres and invested over \$40 million in the Milwaukee area.

PROJECT DESCRIPTION

A non-profit coalition led by Business Improvement Districts ("BID") No. 2 (Historic Third Ward) and No. 21 (Downtown) looked to improve the blighting influence of the areas under the I-794 bridges into public amenities. One concept that advanced is the first public, off-leash dog exercise area in downtown under I-794 along North Plankinton Avenue on the west of the Milwaukee River. The coalition undertook a significant fund-raising campaign to design and build the dog exercise area which will include fenced small and large dog areas, pet turf, additional lighting, water stations, agility stations, and public art.

While the BID coalition enlisted supporters from residents, members of the philanthropic community, private sector partners, the coalition secured a title sponsorship from Fromm Family Pet Food. Due to the proximity to the dog exercise area to a large vacant lot (412 North Plankinton Avenue), and the range of the title sponsor's various business interests, the Buyer is planning a larger commercial redevelopment project for the area south of the dog exercise area.

The Buyer's plan is to build an approximately 28,000+ square foot commercial redevelopment project that creates a district with a pet-friendly food and beverage operation that operates with the dog exercise area. In addition to the commercial building with expansive outdoor space, the development will continue the public Riverwalk across the dog exercise area, across the adjacent property at 412 North Plankinton Avenue, and will create a public connection to the existing pedestrian network, primarily via the vacant RACM-owned property at 406 North Plankinton Avenue. This development would include a Riverwalk segment consisting of 375 feet. A permanent parking arrangement is being secured at a lot under I-794 between 2nd and 3rd Streets. The Buyer estimates the commercial development will create 60 new service-sector jobs.

While the Redevelopment Plan for the 444 North Plankinton Avenue Project Area expired in 2006, this project still meets the Redevelopment Plan Objectives including: (1) eliminating blighting influences which detract from the general appearance of the area; (2) promoting multi-use non-residential development; (3) promoting development of the Riverwalk system; and (4) generating employment opportunities for city residents.

The estimated budget is approximately \$10,000,000, with the project being entirely privatelyfinanced.



Looking Southwest



Looking Northwest



Looking Northeast

PURCHASE TERMS AND CONDITIONS

Due to the significant investment being made by the Buyer, the purchase price is \$25,000.00 and Buyer shall pay all closing costs. The conveyance will be on an "as is, where is" basis, including all environmental and geotechnical conditions, if any. The Buyer agrees to obtain all necessary City permits and approvals, including Board of Zoning Appeals approvals, as needed. The Buyer will pay a \$5,000 performance deposit regarding Buyer's duty to complete construction and obtain a Certificate of Occupancy within 24-months of closing. Buyer will be required to meet the City's General Buyer Policies.

The deed will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status, will impose a deed a joinder deed restriction and combining the RACM Property with the Buyer's property at 412 North Plankinton Avenue, and will contain a deed restriction prohibiting Buyer from conveying to another prior to Buyer obtaining the Certificate of Occupancy. The sale proceeds shall be made to the appropriate RACM account.