

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

DATE

August 19, 2010

RESPONSIBLE STAFF

Benji Timm (286-5756) & Elaine Miller, Real Estate Section (286-5732)

REDEVELOPMENT PROJECT AREA

35th & Capitol (Century City): A redevelopment project area created in 2005 to address redevelopment of the former Tower Automotive facility. A plan amendment is currently being considered to clarify permitted land uses and to establish development guidelines.

TENANT

T-Mobile Central, LLC, a limited liability company that secures locations for T-Mobile wireless telecommunications facilities. The company is based in Bellevue, Washington. T-Mobile is the successor to VoiceStream, which secured the original lease at the Tower facility.

PROPERTY & LEASED PREMISES

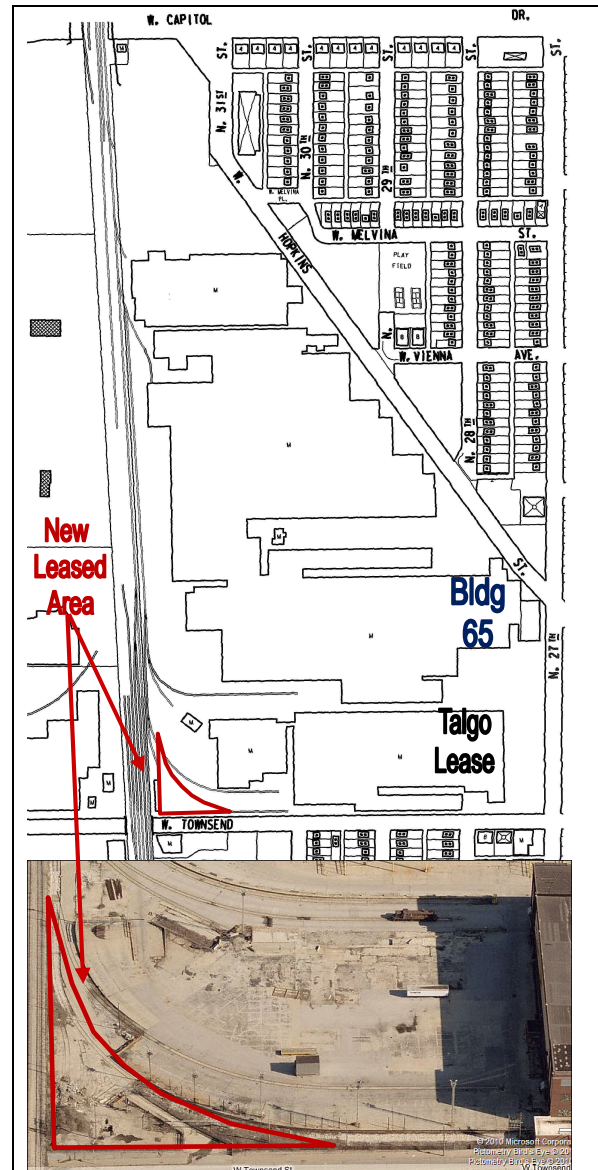
3533 North 27th Street, the 74-acre main parcel at Century City that was acquired from Milwaukee Industrial Trade Center, LLC in December 2009.

T-Mobile currently leases approximately 200 SF on the roof of Building 65, the former Tower corporate offices. T-Mobile is in the first lease renewal period of the lease. The term expires this year, but T-Mobile has three remaining five-year options. Because of power limitations and remediation activities, the cell tower should be moved.

The new lease terminates the existing lease and permits T-Mobile to shift its cellular facilities to a freestanding tower at the southwest corner of the 3533 North 27th Street property. The location is suitable for a cell tower because of the proximity of the railroad and industrial buildings and is an adequate distance from residential areas. The area will be fenced and landscaped. RACM will be provided with an access code to this area.

The tower, constructed at T-Mobile's expense, will be between 151 and 250 feet in height, which allows for up to four reception/transmission systems to be placed on the tower. T-Mobile is permitted to sublease space on the new tower. Such co-location is encouraged by the City to minimize tower locations.

Transmission towers are "Special Uses" in the zoning code and T-Mobile must secure the necessary BOZA approval for the tower. The proposed plan amendment will allow such towers in the project area.



LEASE TERMS AND CONDITIONS

Term

- Initial five-year term with four five-year renewals.
- Renewal is automatic unless T-Mobile gives written notice to terminate.

Rent

- \$1,565.64 per month, the same rent paid to the former property owners, until T-Mobile shifts service to the new transmission tower.
- \$1,800.00 per month for 12 months following the shift with annual rent increases of 3% on the anniversary date.
- RACM may enter into an agreement with T-Mobile where the rent due RACM would be paid to a related T-Mobile sales entity (OTBT, Inc.) that would pay for T-Mobile USA, Inc. wireless services for RACM staff. The remaining rent balance would then be paid to RACM. Net rental income would be returned to TID 74.
- Sublease rent shall be shared equally between RACM and T-Mobile. The minimum rent for any co-locator is \$2,000 per month and will be subject to 3% annual increases.

Release

The agreement also releases RACM from any relocation obligations under Wisconsin Statutes.

FUTURE ACTIONS

Leases longer than five-years require approval by the Common Council. Upon such approval, the lease will be executed and the tenant will begin efforts to construct the tower and relocate its transmission facilities.