

LAND DISPOSITION REPORT

REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE AND COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

June 21, 2018

RESPONSIBLE STAFF

Benji Timm, Project Manager, DCD

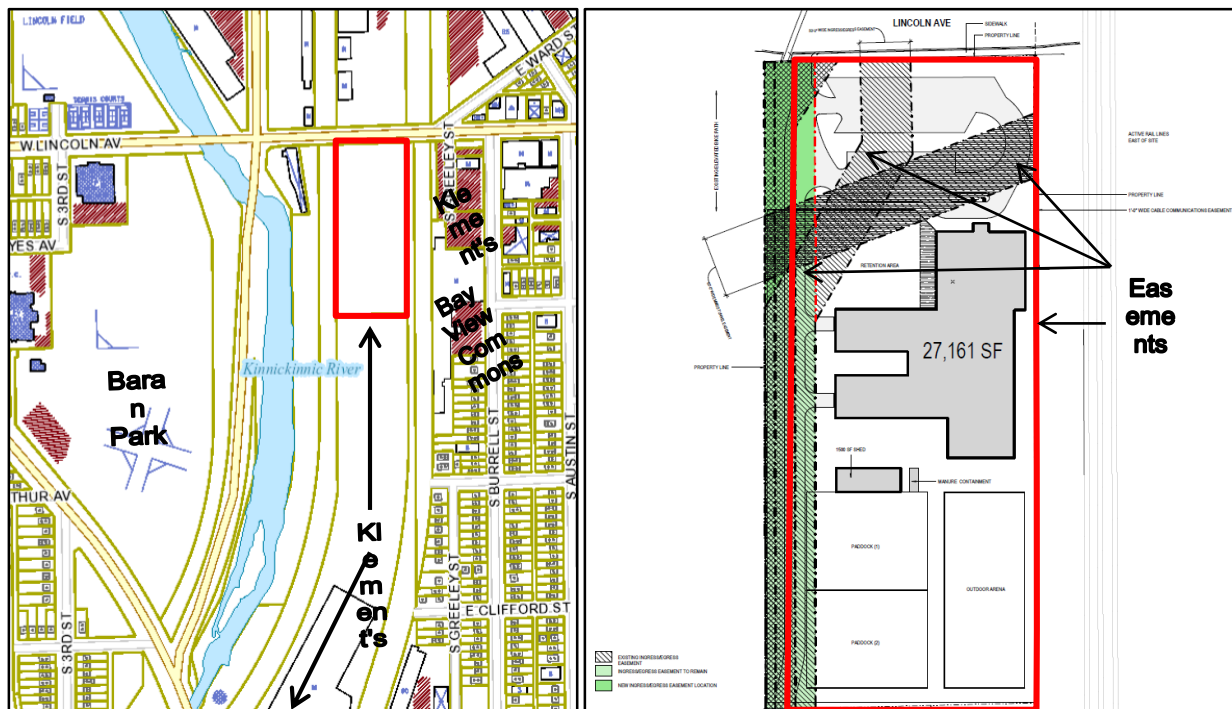
REDEVELOPMENT PROJECT AREA

131 East Lincoln Avenue (expired 2006): The City of Milwaukee foreclosed on this land and created a Redevelopment Plan in 1981 to promote redevelopment. The land was subdivided in 1987 and Klement's Sausage Company constructed a facility fronting onto South Chase Avenue. The Redevelopment Authority of the City of Milwaukee ("RACM") took title to the property in 1993. The Redevelopment Plan expired in 2006. The area is part of the Harbor District and is included in the Water and Land Use Plan, which was approved by the Common Council on February 6, 2018.

PARCEL ADDRESS AND CONDITIONS

143 East Lincoln Avenue (the "Property"). The Property is a vacant lot totaling approximately 4.0 acres and is zoned Industrial-Heavy ("IH"). It was historically occupied by a glass bottle manufacturer, which included coal fired ovens and underground storage tanks. The historic use left residual contamination throughout the Property. RACM initiated an environmental investigation in 2005 and identified soil and groundwater contamination, primarily PAHs and VOCs. RACM was awarded a cleanup grant from the U.S. EPA in 2011 to remediate the contamination and it is working with the developer to implement a remedial action plan and obtain regulatory closure through the Wisconsin Department of Natural Resources.

In addition to environmental impacts, the Property has poor geotechnical conditions and multiple sewer and utility easements. The site will be regraded and the elevation will be raised a few feet to accommodate an environmental cap. All of these conditions would likely restrict major development on the Property.



143 EAST LINCOLN AVENUE

BUYER AND PROJECT DESCRIPTION

MCEC Development, LLC (the "Buyer") is a single-purpose non-profit organization created to undertake the mission of developing and managing the Milwaukee Urban Stables. The Buyer has been around since 2015 with the purpose of fundraising and planning the development of this site. The registered agent for the Buyer is the Wisconsin Preservation Fund, Inc. led by Bruce T. Block. The Wisconsin Preservation Fund has been around since 1989 and its mission is to promote the preservation of historic structures, reverse urban deterioration, revitalize urban areas and promote affordable housing, through direct ownership and development of real estate and/or providing loans and grants to entities or individuals who are furthering these same initiatives.

The Buyer will develop a community equestrian facility that includes a 6,000 SF building for the Milwaukee Police Department's (MPD) mounted patrol, a large community room and offices for equine-assisted therapy programs and other community outreach. There will be a 20,000 SF indoor riding arena, 24 stables (12 for MPD and 12 for the therapy program) and two outdoor riding paddocks.

At the Stables, community members and police will come together to care for the horses, to care for the stable facility, to care for fellow community members and to share that experience. As a place of service and healing, the Stables also will be a safe space for community members and police to learn how to better care for themselves and each other. The Stables will be a focal point for the MPD's community relations and outreach efforts.

The overall project budget is \$5,650,000. The Buyer is financing \$1,500,000 through Forward Community Investments and has been fundraising over the past few years to raise the remaining \$4,100,000. The U.S. EPA provided a \$200,000 cleanup grant to help address soil and ground water contamination in conjunction with the proposed development.

The Buyer understands that the proposed project may require certain City approvals in addition to the approval of the Land Disposition Report.



Proposed Site Plan



Proposed Elevations

PURCHASE TERMS AND CONDITIONS

The purchase price is \$1.00. The conveyance will be on an "as is, where is" basis, including environmental concerns, if any. Provided the sale is approved by a two-thirds vote of the Common Council, the deed shall not contain a prohibition on the Buyer applying for an exemption from real estate taxation.

RACM shall have a Retained Reversionary Interest in the Property to guarantee the Redeveloper's performance. RACM's reversionary right is a material provision to the conveyance of the Property, without which, RACM would not have entered into this transaction. Upon the issuance of a certificate of completion, the RACM Reversionary Interest shall be released.

The Buyer has retained Cross Management Services, Inc. to assist with SBE and RPP participation during the construction phase of the project. The building itself will be pre-fabricated modular units, however, there may be opportunities for SBE certified companies to participate in the finish work (drywall, painting, electrical, etc.).

The closing is contingent upon the Buyer obtaining all necessary approvals, financing, DCD approval of the final building elevations and landscaping plan and a signed lease between the Buyer and City of Milwaukee acting through the MPD.