

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

DATE

August 3, 2018

RESPONSIBLE STAFF

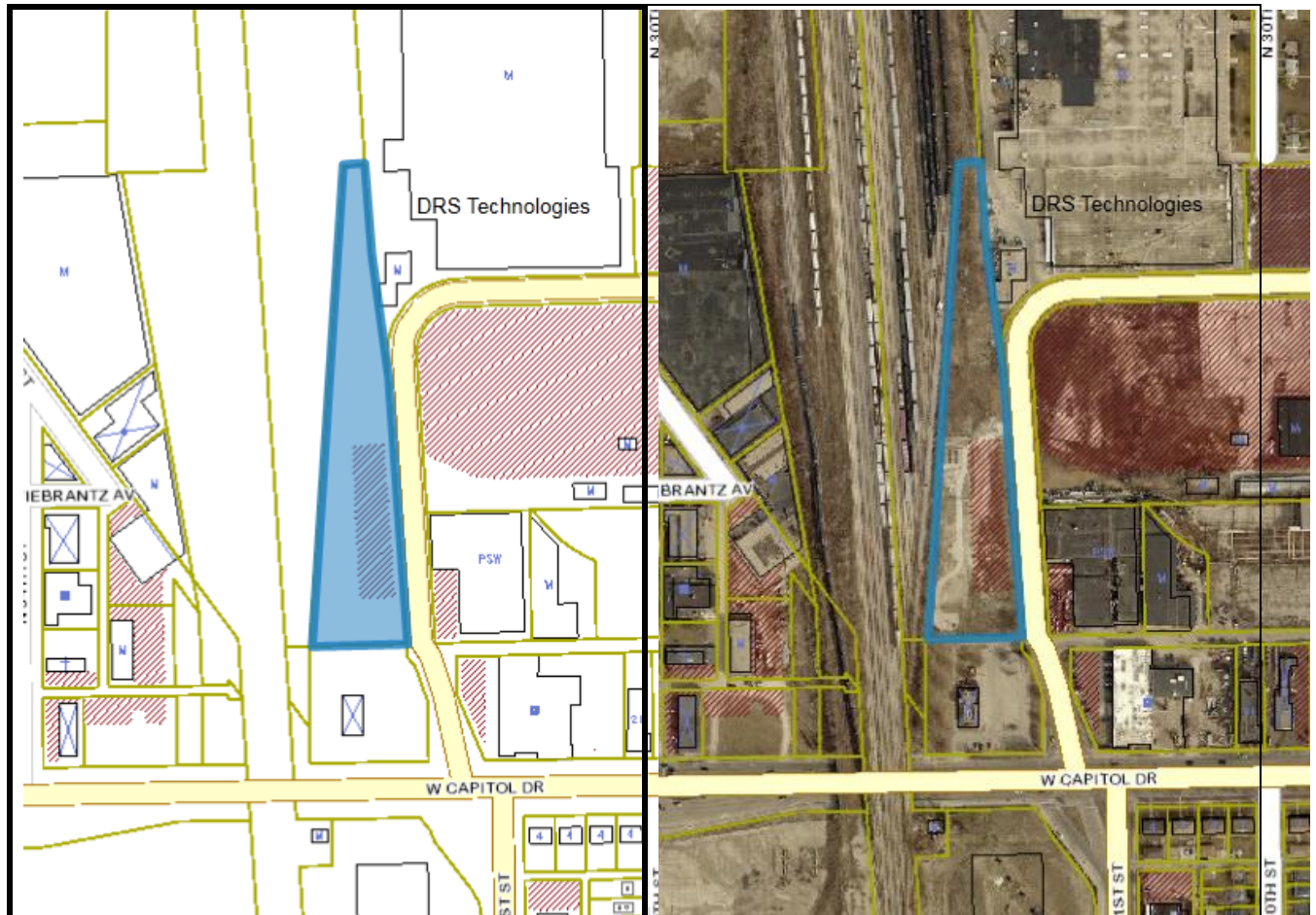
Tory Kress (286-8268)

LESSEE

Northwest Side Community Development Corporation (NWSCDC) ("Lessee") is a 35-year-old community organization that serves the economic development needs of Milwaukee's low-income communities on the northwest side of Milwaukee. NWSCDC's mission is to create jobs, build partnerships and strengthen communities.

PARCEL ADDRESS AND DESCRIPTION

4101 North 31st Street (Tax Key No. 246-9886-221) ("Parcel"): The Parcel is approximately 134,075 square feet acquired by the Redevelopment Authority of the City of Milwaukee (RACM) via blight designation transfer from the City of Milwaukee (City) on November 24, 2014. The City acquired the site via in-rem tax foreclosure in 2007. The triangular shaped Parcel is located near the intersection of West Capitol Drive and North 31st Street. The Parcel is currently a vacant brownfield site, a large portion of which is encumbered by an MMSD easement for maintenance and access to the deep tunnel system.



Parcel Boundaries =



PROJECT DESCRIPTION

NWSCDC has been working collaboratively over the past few years with RACM to plan for the redevelopment of 4101 North 31st Street into a "Green Tech Station," a demonstration site for green technologies accessible to school groups and green infrastructure practitioners for education and training. NWSCDC has applied for and received multiple grants that will fund construction of the various project elements, which will include green infrastructure elements such as bioswales, stormwater trees, native prairie, permeable pavement and an underground cistern. Future project elements are envisioned to include a solar powered distribution system that will allow for irrigation of the site landscaping and an outdoor classroom space. NWSCDC seeks to lease the Parcel from RACM so that it can construct the funded improvements and manage the site programming for the benefit of the local and regional community.

GENERAL LEASE TERMS AND CONDITIONS

NWSCDC will lease the Parcel for the purposes of managing and maintaining it as a green infrastructure demonstration site.

In lieu of monetary rent, as consideration for this lease, NWSCDC will construct and install the site amenities and assume routine maintenance of the premises and new improvements.

NWSCDC shall pay for or self-perform maintenance, repairs, inspections, cleaning and landscape maintenance, while RACM will retain responsibility for maintenance of the site perimeter fence, as stated in the lease and maintenance plan.

The term of this Lease is ten (10) years beginning approximately October 1, 2018 and ending September 30, 2028. Two five (5) year extensions are available upon mutual agreement by NWSCDC and RACM.

DUE DILIGENCE CHECKLIST

Address: 4101 North 31st Street – Tax Key No. 246-9886-221

The Commissioner's assessment of the lease rate.	In lieu of monetary rent, as consideration for this lease, NWSCDC will construct and install the site amenities and assume routine maintenance of the premises and new improvements.
Full description of the project.	NWSCDC will lease the property and construct the green infrastructure elements, including bioswales, stormwater trees, native prairie, permeable pavement and an underground cistern. Future tenant improvements are envisioned to include a solar powered distribution system that will allow for irrigation of the site landscaping and an outdoor classroom space. NWSCDC will then maintain the site as a "Green Tech Station," a demonstration site for green technologies accessible to school groups and green infrastructure practitioners for education and training.
Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.	NWSCDC and RACM have collaborated to create the complete site plans, which are currently going through the permitting process.
Tenant's History	NWSCDC has been in operation since 1982 and has innovated and adapted to changes in the community and economic development landscape, lending over \$10 million to several major catalytic projects on the Northwest Side since 2000. The projects have created over 1,000 jobs.
Capital structure of the project, including sources, terms and rights for all project funding.	Construction of the Green Tech Station consists primarily of the following grant funds awarded to NWSCDC and RACM: <ul style="list-style-type: none"> • \$200,000 GLRI US Forestry Service Grant (NWSCDC) • \$134,500 MMSD Green Infrastructure Partnership Program (NWSCDC) • \$42,000 MMSD Green Solutions (NWSCDC) • \$50,000 Fund for Lake Michigan (NWSCDC) • \$160,000 USEPA Brownfield Cleanup (RACM) Operation and maintenance will be funded or self-performed by NWSCDC, with the exception of the perimeter fence, which will be maintained by RACM.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	Maintenance of the site is NWSCDC's responsibility by terms of the grant agreements they received, as well as the lease agreement. If NWSCDC fails to maintain the site, RACM would revert to having sole responsibility for site maintenance, as it currently has. The green infrastructure system is designed to be able to be abandoned if necessary to minimize future maintenance expenses.
Tax consequences of the project for the City.	Not applicable.