

**County of Milwaukee County
Housing Division
Department of Health & Human Services
INTER-OFFICE COMMUNICATION**

DATE: June 3, 2010

TO: Supervisor Theodore Lipscomb, Vice Chair
Economic & Community Development Committee

FROM: Timothy Russell
Housing Division, DHHS

**SUBJECT: FROM THE ADMINISTRATOR, HOUSING DIVISION,
AN INFORMATIONAL REPORT PRESENTING THE
PROPOSED TIMETABLE FOR THE 2011 MILWAUKEE
COUNTY COMMUNITY DEVELOPMENT BLOCK
GRANT (CDBG) PROGRAM YEAR (INFORMATIONAL
ONLY UNLESS OTHERWISE DIRECTED BY THE
COMMITTEE)**

Issue

Current County and federal policy requires an annual public hearing soliciting comments on the county's housing and community development needs, and an annual solicitation of proposals for the use of Community Development Block Grant (CDBG) funds. This process is following by consideration and approval of awards of those funds to successful applicants by the Economic and Community Development Committee and the Board. It is customary for staff to present the proposed timetable for this process to the Committee. That is the purpose of this report.

Discussion

The County expects to receive approximately 1.8 million in CDBG funds for program year 2011. Of this amount, about \$738,000 will be available for County-Wide At-Large (non-municipal) projects. The proposed schedule for the public hearing, along with the solicitation, evaluation and selection of proposals seeking CDBG funding, is as follows:

June 14, 2010	Public Hearing on Housing & Community Development General Needs. (Regularly Scheduled Committee Meeting)
July 1, 2010	2011 Program Year Application Available
July 29, 2010	Application due date

- September 20, 2010 Public Hearing for presentation of proposed projects (Regularly Scheduled Committee Meeting)
- October 25, 2010 Committee on Economic & Community Development allocates CDBG and HOME Funds for 2011 Program Year activities (Regularly Scheduled Committee Meeting)
- November 4, 2010 1st Thursday County Board of Supervisors approves CDBG and HOME funds for 2011 Program Year activities
- November 15, 2010 Milwaukee County's application for 2011 CDBG and HOME Funds due at HUD
- January 1, 2011 Program Year begins.

The proposed timetable is provided for informational purposes, unless other wise directed by the Committee.

Respectfully submitted,

Timothy Russell, Administrator
Housing Division, DHHS

Cc: Scott Walker, County Executive
Lee Holloway, County Board Chairman
Cindy Archer, Director – DAS
Steve Kreklow, Fiscal & Budget Administrator – DAS
Joseph Carey, Fiscal Analyst – DAS
Glenn Bultman – County Board Analyst
Linda Durham – Committee Clerk
Leonard Jackson – Program Coordinator

Dear Block Grant Applicant:

RE: 2011 CDBG At - Large Funding Application

The Milwaukee County 2011 CDBG application is available on the County's website.

To access it, go to:

1. <http://county.milwaukee.gov/cdbg>
2. Select CDBG Application – At Large

Please note the following:

1. The Proposal submission deadline is 2:00 p.m., Thursday, July 29, 2010.
2. The policies established by the County Board for the 2011 program year are described in the Application Introduction.
3. Approximately \$738,000 will be available for all Countywide projects.

Please do not include the instructions with your application or make two-sided copies. Also, please print on letter-size paper. If you have any questions, need assistance in completing the application, or do not have Internet access and would like a copy of the application sent to you, please contact me at (414) 289-6906.

Sincerely,

Leonard Jackson
Program Coordinator

**COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION**

DATE: May 27, 2010

TO: Supervisor Theodore Lipscomb, Vice Chairman, Committee on Economic and Community Development

FROM: Lisa Marks, Interim Director, Department of Health and Human Services
Prepared by: Tim Russell, Administrator, Housing Division

SUBJECT: INFORMATIONAL REPORT FROM THE INTERIM DIRECTOR OF HEALTH AND HUMAN SERVICES REGARDING THE STATUS OF THE VARIOUS HOUSING DIVISION FUNDS

Issue

An informational report was requested providing detail relative to funds provided through various divisional programs, including Homebuyer Assistance Program, Home Repair Programs, etc.

The attached pages contain information broken out by program and, where necessary, funding source. The detail in the report is through May 27, 2010.

Recommendation

This is an informational report. No action is necessary.

Respectfully Submitted:



Lisa Marks, Interim Director
Department of Health and Human Services

attachment

cc: County Executive Scott Walker
Cynthia Archer, Director, DAS
Antionette Bailey-Thomas, Analyst - DAS
Glenn Bultman, Analyst - County Board
Linda Durham, Committee Clerk - County Board

HOME/Home Repair Funds

	Allocated/ Carryover	Program Income 5/1/2010	Committed	In Process	Program Delivery	Available	Anticipated 2010 Funds
Source: CDBG							
Emergency	110,989	12,940	31,865	3,500	50,000	38,564	0
Suburban	202,140	11,935	43,680	0	30,000	140,395	0
Architectural Barrier Removal Grants	16,418	0	5,806	0	8,000	2,612	40,000
Child Day Care Capital Loan Fund	100,953	0	0	0	0	100,953	0
Community Programs							
Cudahy	26,731	880	25,611	0	2,000	0	0
Glendale	66,585	300	66,585	0	unknown	0	0
Greenfield	5,625	3,065	5,625	0	unknown	0	0
Oak Creek	158,678	250	158,678	0	unknown	0	0
South Milwaukee	11,872	900	11,872	0	unknown	0	0
West Milwaukee	14,046	0	14,046	0	unknown	0	0
Source: Levy							
County-wide	164,871	26,501	52,510	59,000	50,000	29,862	0
HOLF	100,000	0	0	0	0	100,000	0
Source: HOME							
Home Repair	663,202		434,568	72,000	145,000	11,634	443,680
Deferred Home Repair	247,000		45,000	0	60,000	142,000	150,000
First Time Homebuyer	43,302		43,302	0	0	0	50,000
Wauwatosa HOME	98,310		71,541	48,000		-21,231	72,900
West Allis HOME	720,105		720,105			0	296,900
CHDO Set Aside	44,232		0	0	0	44,232	195,300
Administration (Combined)	246,875		163,368	83,507	0	0	93,220
							1,302,000
HOME Program Income							
Cedar Glen		550,000	550,000	0	0	0	0
Home Repair		193,254	173,254	0	20,000	0	0
First Time Homebuyer		135,620	84,570	0	2,000	49,050	0

Notes: There is an appropriation of \$100,000 that was passed by the County Board 4/22/10 that has not yet been acted on by County Executive that is not reflected above.
 The above numbers assume that carry-over requests are approved as submitted by the Department.
 The Child Day Care Capital Loan Fund may include an unprocessed fund transfers of \$65,000.

	Allocated/ Carryover	Spent YTD	Committed	Encumbered	Available
Source: CDBG Allocation					
2010 Allocation	1,868,525				124,000
Prior Years Reserve	105,391				
2010 Admin, Planning & Fair Housing			351,783		
2010 Countywide Projects			720,000		
2010 Municipal Projects			700,100		
Prior Years Municipal Projects			73,033		
Reserve for Unexpected Needs			5,000		

Note: The available balance is split between Countywide projects and municipal projects, thus \$62,000 would be available for allocation to Countywide projects

	Allocated/ Carryover	Spent YTD	Committed	Encumbered	Available
Source: HUD Allocation					
Housing Choice Voucher Program	11,896,701	6,290,589	5,606,112		0
Source: Grants					
Safe Haven Program	644,472	146,455		266,013	232,004
Shelter Plus Care	2,959,956	1,289,839	1,670,117		0
Source: Tax Levy					
Special Needs Service Contracts	816,670				51,549
Community Advocates		\$61,458		\$86,042	
Guest House of Milwaukee, Inc.		\$24,500		\$24,500	
Mercy House Lakefront		\$2,988		\$94,154	
Our Space, Inc.		\$99,071		\$108,063	
Social Rehabilitation		\$43,536		\$43,536	
Transitional Living Services		\$88,637		\$88,636	
				444,931	
Source: Levy					
Economic Development Fund	100,525	0	85,000	0	15,525
Brownfield Grant Fund	18,610	0	0	0	18,610
Source: State Trust Fund Loans					
Special Needs Housing Projects	3,000,000	2,850,000			150,000

COUNTY OF MILWAUKEE
Housing Division
Department of Health & Human Services
INTER-OFFICE COMMUNICATION

4

DATE: June 7, 2010

TO: Supervisor Theodore Lipscomb, Vice Chairman – Committee on Economic and Community Development

FROM: Tim Russell, Administrator, Housing Division
Prepared by: James Mathy, Special Needs Housing Manager, Housing Division, DHHS

SUBJECT: INFORMATIONAL REPORT SUMMARIZING THE PROPOSED USE FOR MILWAUKEE COUNTY CONSORTIUM NEIGHBORHOOD STABILIZATION FUNDS FOR SUPPORTIVE HOUSING

Background

The Wisconsin Department of Commerce awarded the Milwaukee County Consortium \$1,997,556 in recouped Neighborhood Stabilization Program (NSP) dollars in February 2010. The Consortium is made up of the City of Milwaukee (managing member), Milwaukee County, City of West Allis, and City of Cudahy. The funds were awarded upon a successful application from the Consortium to the Department of Commerce. The funds were recouped by the Department of Commerce from other counties who did not find eligible projects for NSP during the previous round of funding.

Discussion

The Neighborhood Stabilization Program provides assistance to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. The program was authorized under Title III of the Housing and Economic Recovery Act of 2008. The U.S. Department of Housing and Urban Development is treating Neighborhood Stabilization Program funds as a special allocation of Fiscal 2008 CDBG funding. Neighborhood Stabilization funds can be used to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of property values of neighboring homes. The Milwaukee County Consortium must ensure that 30 percent of the funds must assist households with incomes not to exceed 50 percent of County Median income, adjusted for family size.

The Milwaukee County Housing Division is proposing to use \$650,000 of NSP acquisition dollars to create 18 units of supportive housing. The potential owner will sign a development agreement with the Housing Division and will commit to leasing all units for individuals at or below 30 percent of median income or a 15 year period. The funds would be given to Milwaukee County under a sub-recipient contract with the City of Milwaukee as they are the managing member of the Consortium. All four members of

the Consortium are in support of this use as a majority vote is needed to authorize the funds. The funds need to be committed by June 30, 2010. This commitment can be met with an accepted offer to purchase from the potential owner with a closing date at the end of July.

The units will be located in a multifamily building in the City of Milwaukee. The potential owner intends on providing services on-site and will not be funding these services through grant funding and partnerships with non-profit agencies. Milwaukee County will not be directly funding the services.

Recommendation

This is an informational report. No action is necessary.

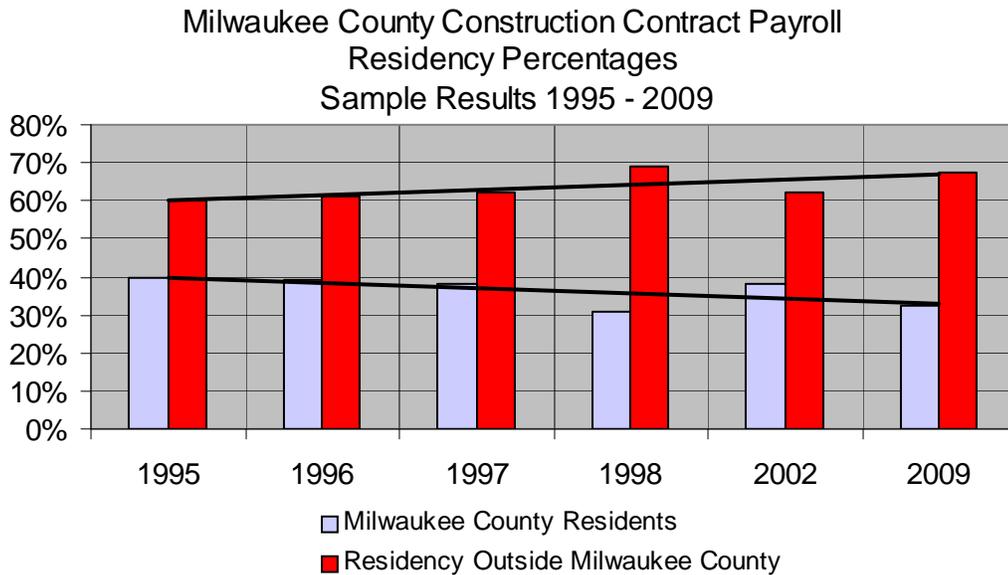
Respectfully Submitted,

Tim Russell, Administrator
Housing Division

cc: Scott Walker, County Executive
Kelly Rindfleisch, Deputy Chief of Staff – County Executive's Office
Cindy Archer, Director – DAS
Steve Kreklow, Fiscal & Budget Administrator – DAS
Joseph Carey – DAS
Glenn Bultman – County Board Staff
Jennifer Collins – County Board Staff
Jodi Mapp, Committee Clerk
Dee Hervey, Committee Clerk

Date: March 31, 2010
To: Chairman Lee Holloway, County Board of Supervisors
From: Jerome J. Heer, Director of Audits
Subject: Residency of Contractor Employees Working on County Construction Contracts

We have completed a review of the residency of construction workers charged to County construction contracts in July 2009. As in previous years, we selected a sample month for review due to the labor-intensive nature of this type of analysis. The results for July 2009 showed 33% of nearly \$1 million in gross wages were paid to County residents. This percentage is similar to the results of previous years' analyses, where the percentage of gross wages paid to County residents ranged from 32% to 40%, with the results trending lower, as shown in the following table. The goal is 50%, established by the County Board in Resolution 95-573.



Source: Payroll information supplied by contractors to the Department of Transportation and Public Works. A total of \$1,0006,382 was paid for July 2009 invoices. However, residency data was not provided by one contractor involving gross wages of \$25,228, and was therefore excluded from our analysis.

It should be noted that residency information, required by Chapter 30.04 of the County Ordinances, was initially missing for one-third of the \$1 million in total gross wages invoiced in July 2009. We were able to obtain the required data to perform our analysis for all but \$25,228 by contacting the employers directly. The Director of Architectural Engineering and Environmental Services stated that this requirement would be emphasized and enforced for future construction work.

This information has been shared with the Milwaukee County Residency Contracting Workgroup, which will report to the Committees on Economic and Community Development and Transportation, Public Works and Transit in the May 2010 meeting cycle.

Chairman Lee Holloway, County Board of Supervisors
March 31, 2010
Page Two

Please contact me if you have any questions.

Jerome J. Heer

JJH/DCJ/cah

cc: Milwaukee County Board of Supervisors
Timothy Schoewe, Acting Corporation Counsel
Cynthia Archer, Director, Department of Administrative Services
Stephen Cady, Fiscal and Budget Analyst, County Board Staff
Jack Takerian, Interim Director, Department of Transportation and Public Works
Greg High, Director, Architectural Engineering and Environmental Services, DTPW
Terrence Cooley, Chief of Staff, County Board Staff

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: May 3, 2010

To: Economic and Community Development Committee
Transportation, Public Works and Transit Committee

From: Residency Contracting Workgroup

Subject: Residency Contracting Workgroup (File No. 10-135)

On March 18, 2010 the Milwaukee County Board of Supervisors adopted a resolution calling for a Residency Contracting Workgroup. The Workgroup is tasked with developing recommendations on strategies to achieve the County's 50% residency contracting goal for public works construction projects and making recommendations on enhanced administrative strategies and policy recommendations for monitoring and achieving the goal. The Workgroup is comprised of representatives of the Office of Corporation Counsel, the Department of Transportation and Public Works, the Department of Administrative Services, County Board Staff and the Department of Audit.

The goal of having 50% of County construction wages paid to County residents was established in 1995. Information provided by the Department of Audit for 1995, 1996 and 1997 indicates that the percentage of wages paid to County residents was 40%, 38% and 37%, respectively. In 1998, the Director of Public Works noted that, because of a robust local construction economy with the building of a new stadium and convention center, the local work force was being fully utilized. His recommendation at that time was that the 50% goal be held in abeyance for two years. While the record does not reflect any official action to pull back from the goal, it has not been in effect since that time. A review by the Department of Audit shows that the percentage of contract dollars paid to County residents in 2009 was 33% (see attached March 31, 2010 memo).

The Workgroup has met to develop strategies for implementing this initiative and reviewed information regarding similar programs at the City of Milwaukee, Milwaukee Public Schools and the Milwaukee Metropolitan Sewerage District. The Workgroup has concluded that the following actions should be taken:

1. A 50% County residency goal should be included in bid documents and contracts for all public works projects, including Time and Materials contracts.
2. Contracts will be awarded to the lowest responsive, responsible bid with the residency goal identified as a factor in the responsiveness of a bid.
3. The basis for the goal shall be the percentage of gross payroll dollars expended on the project.
4. Prior to the implementation of revisions to bid and contract documents, the Office of Corporation Counsel will review draft language to ensure that implementation of the policy will be as defensible as possible. A recent County Circuit Court case on the City of Milwaukee's residency preference program upheld the City initiative but some legal issues are still being resolved.
5. Monitoring of goal achievement shall be done by the Department of Audit on a sample basis similar to the process used when the residency goals were initiated in 1995. Contractors will be required to provide invoices that facilitate monitoring efforts. The reports will be provided on a semi-annual basis.

6. Consideration will be given to the establishment of waiver opt-out charges and / or liquidated damages that may generate funds that could be targeted for job training.

All of these steps will be addressed in time for a report in the June 2010 cycle of the Committees on ECD and TPWT for implementation effective July 1, 2010.

We recommend that this report be received and placed on file with a report back in the June 2010 cycle.

Jerome J. Heer, Director of Audits

Steve Cady, Fiscal & Budget Analyst, County Board Staff

Jack Takerian, Interim Director, Department of Public Works

Steve Kreklow, Fiscal & Budget Administrator, Department of Administrative Services

John Schapekahn, Principal Assistant Corporation Counsel

JJH/SC/JK/SK/JS/cah

cc: Milwaukee County Board of Supervisors
Scott Walker, Milwaukee County Executive
Cynthia Archer, Director, Department of Administrative Services
Timothy Schoewe, Acting Corporation Counsel

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: June 2, 2010

To: Economic and Community Development Committee
Transportation, Public Works and Transit Committee

From: Residency Contracting Workgroup

Subject: Residency Contracting Workgroup (File No. 10-135)

The May 3, 2010 report from the Residency Contracting Workgroup provided a status report on implementation of an adopted resolution calling for the implementation of a 50% residency contracting goal for public works construction projects and recommendations on enhanced administrative strategies and policy recommendation for monitoring and achieving the goal. The Workgroup is comprised of representatives of the Office of Corporation Counsel, the Department of Transportation and Public Works, the Department of Administrative Services, County Board Staff and the Department of Audit.

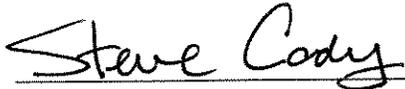
In the May 3 report, the Workgroup reported that the following actions should be taken:

1. A 50% County residency goal should be included in bid documents and contracts for all public works projects, including Time and Materials contracts.
2. Contracts will be awarded to the lowest responsive, responsible bid with the residency goal identified as a factor in the responsiveness of a bid.
3. The basis for the goal shall be the percentage of gross payroll dollars expended on the project.
4. Prior to the implementation of revisions to bid and contract documents, the Office of Corporation Counsel will review draft language to ensure that implementation of the policy will be as defensible as possible.
5. Monitoring of goal achievement shall be done by the Department of Audit on a sample basis similar to the process used when the residency goals were initiated in 1995. Contractors will be required to provide invoices that facilitate monitoring efforts. The reports will be provided on a semi-annual basis.
6. Consideration will be given to the establishment of waiver opt-out charges and / or liquidated damages that may generate funds that could be targeted to job training.

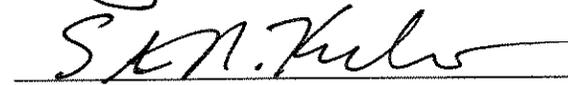
All of these steps were to be addressed in time for implementation effective July 1, 2010.

Items 1 through 4 above are proceeding as planned with a July 1, 2010 target date for implementation in all bids and contracts processed after that effective date. Item 5, monitoring of the initiative by the Department of Audit, will be conducted after the first six months of activity. Item 6, the consideration of opt-out charges or liquidated damages provisions to generate job training funds, has not yet been finalized and should not be a barrier to the July 1 start-up date. Rather, the Workgroup will continue to meet and refine an approach to enhanced workforce development that may be linked to the Contractor Residency initiative. Various models including those used by the Southeast Wisconsin Professional Baseball Park District and the Milwaukee Metropolitan Sewerage District will be considered.


Jerome J. Heer, Director of Audits


Steve Cady, Fiscal & Budget Analyst, County Board Staff


Jack Takorian, Interim Director, Department of Public Works


Steve Kreklow, Fiscal & Budget Administrator, Department of Administrative Services


John Schapekahm, Principal Assistant Corporation Counsel

JJH/SC/JK/SK/JS/cah

cc: Milwaukee County Board of Supervisors
Scott Walker, Milwaukee County Executive
Cynthia Archer, Director, Department of Administrative Services
Timothy Schoewe, Acting Corporation Counsel

INTER-OFFICE COMMUNICATION

DATE: June 9, 2010
TO: Committee on Economic and Community Development
FROM: Craig C. Dillmann, Manager, Real Estate Services
SUBJECT: Status of 2010 excess property sales (**INFORMATION ONLY**)

The Real Estate Services Division of the Department of Transportation and Public Works reports to the Committee, on a monthly basis, the status of excess property sales. Attached is the monthly report for period ending May 31, 2010.

Craig C. Dillmann, Manager
Real Estate Services

Meeting Date: June 14, 2010

cc. Scott Walker, County Executive
Lee Holloway, County Board Chairman
Jack Takerian, Interim Director of Transportation and Public Works
Josh Fudge, Fiscal Mgmt. Analyst - DAS

REAL ESTATE SERVICES DIVISION
EXCESS LAND SALES STATUS REPORT
 Period ending May 31, 2010

CLOSED PROPERTIES – REAL ESTATE SALES REVENUE

Property	Committee Date	Closed	Sale Proceeds
Block 1E – Park East Development	March 9, 2009 December 7, 2009	RSC forfeiture	\$ 25,000.00 ¹
4900 North Shoreland Avenue, Whitefish Bay	March 8, 2010	April 23, 2010	\$ 89,000.00
2113 South 84 th Street, West Allis	March 8, 2010	April 30, 2010	\$ 20,000.00
		Total	\$ 134,000.00
		2010 Budget	\$
400,000.00			

CLOSED PROPERTIES – MILWAUKEE COUNTY RESEARCH PARK REVENUE

Lot	Buyer	Date	Sale Price	Amt. To Econ. Dev. Div.
	TOTAL			\$

PENDING PROPERTY CLOSINGS

Property	Committee Date	Pending Closing	Sale Proceeds
Block 6E, Park East Development	April 3, 2006	3 rd quarter 2010	\$ 406,000.00 ²
Land west of the Southwest corner of E. Layton & S. Pennsylvania Avenues	June 12, 2006	3 rd quarter 2010	\$ 183,000.00
6375 North 76 th St., Milwaukee	October 27, 2008 March 8, 2010	3 rd quarter 2010	\$ 475,000.00 ³
NE Quadrant County Grounds	May 11, 2009 December 15, 2009	3 rd quarter 2010	\$ 5,000,000.00 ⁴
TOTAL			\$ 6,064,000.00

GENERAL PROPERTY STATUS

Property	Committee Date	Status	Asking Price
3231 South 122 nd Street, West Allis		Available for sale	\$ 214,900.00
4812 South 39 th Street, Greenfield		Available for Sale	\$ 84,900.00
5478 South Packard, Cudahy		Available for sale	\$ 19,900.00
3618 East Grange, Cudahy		Available for sale	\$ 4,900.00
5414-22 South Packard Avenue, Cudahy	Presenting offer	Available for sale	\$ 35,000.00
3749 East Squire, Cudahy		Available for sale	\$ 25,000.00
8450 West Beatrice Ct., Milwaukee		Available for sale	\$ 375,000.00 ²
3672 East Lunham Avenue, St. Francis		Available for sale	\$ 85,000.00

- RSC closed the sale of Block 1E for \$2,725,000 in December 2007 and entered into a Development Agreement to construct the proposed development. The Committee dates refer to extensions of the Excavation Commencement Date granted to RSC.
 The March 9, 2009 meeting granted an extension until November 30, 2009.
 The December 7, 2009 meeting granted an extension until May 31, 2010.
 The \$25,000 was received from RSC for not meeting the January 29, 2010 Excavation Completion Date.
RSC is requesting an extension to the May 31, 2010 Excavation Commencement Date and will forfeit an additional \$25,000 for not meeting the July 30, 2010 Excavation Completion Date.
- County's share of \$ 700,000 sales price.
- Net proceeds to Federal Transportation Administration.**
- First installment payment of the \$13,550,000 sales price. See attached comments for full payment schedule.

REAL ESTATE SERVICES DIVISION

SUMMARY DETAIL OF PENDING PROPERTY CLOSINGS

PROPERTY	PURCHASER	CLOSING	COMMENTS
Block 6E, Park East	Rainier Properties II, LLC	3 rd quarter 2010	Option extended until June 30, 2010. Rainier to furnish project update at the July 19, 2010 ECD Committee meeting.
Land west of the SW corner of E. Layton & S. Pennsylvania Avenues	Cobalt Partners	3 rd quarter 2010	Landlocked County-owned 4-acre strip. Sale dependent upon purchase of adjacent 20 acre parcel. Purchaser awaiting TIF funding so anticipating closing in August 2010.
6375 North 76 th St., Milwaukee	O'Reilly Auto Parts	3 rd quarter 2010	120 day extension to contingency period granted (July 31, 2010) and offer assigned to major tenant of the development. Closing to occur if contingencies are satisfied or waived. Former transit site so net proceeds go to Federal Transit Administration.
NE Quadrant County Grounds	UWM	3 rd quarter 2010	Buyer under a 9 month option to complete due diligence and 30 days to close. Buyer granted extension to contingency period until July 31, 2010, with closing in August 2010. Purchase price to be paid by following installments: 2010 \$5,000,000 2011 \$5,000,000 2012 \$ 887,500 2013 \$ 887,500 2014 \$ 887,500 2015 \$ 887,500

COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

DATE: June 1, 2010

TO: Supervisor Theodore Lipscomb, Vice Chair
Committee on Economic & Community Development

Supervisor Elizabeth Coggs, Chairperson
Committee on Finance and Audit

FROM: Craig C. Dillmann, Manager of Real Estate Services
Department of Transportation and Public Works

SUBJECT: From the Manager, Real Estate Services, DTPW, monthly informational report for the land sale closing on UWM/Innovation Park.

This update highlights activities taken place since the last report to the Economic and Community Development Committee on May 17, 2010 and the Finance & Audit Committee on May 20, 2010.

The Purchase Agreement contractual time frames are currently as follows:

- Due diligence commencement date –July 1, 2009 (Purchase Agreement executed)
- Escrow Deposit of \$25,000 paid- July 6, 2009
- Contingency Waiver (“CW”) Date Expiration-December 31, 2009
- CW Date Extension w/in Purchase Agreement- March 31, 2010
- CW Date Extension-July 31, 2010 (3/18/10 County Board approval)
- Closing Date- on or before August 31, 2010

As previously reported, on May 4, 2010 the City of Wauwatosa (“City”) Common Council approved the Preliminary Business Planned Development, the change of zoning and the proposed land division by Certified Survey Map for the proposed UWM Innovation Park.

Discussions between the City and UWM Foundation officials continue regarding a tax incremental financing (“TIF”) request to fund the needed street and other public infrastructure improvements for Innovation Park. A preliminary approval timeline envisions consideration of the TIF request by the City Common Council on July 20, 2010.

Staff continues to meet with UWM on a monthly basis to monitor progress and furnish information and assistance needed for UWM to satisfy the conditions of sale and secure the City approvals by the July 31, 2010 Contingency Waiver Date and close the sale on or before August 31, 2010.

Craig C. Dillmann, Manager
Real Estate Services

Meeting Dates: June 14, 2010 (ECD)
June 17, 2010 (F&A)

Attachment

cc: Scott Walker, County Executive
Lee Holloway, County Board Chairman
Cynthia Archer, Director of DAS
Steven Kreklow, Fiscal & Budget Administrator, DAS
Josh Fudge, Fiscal Mgt Analyst-DAS
Jack Takerian, Interim Director- DPTW
Steve Cady, Fiscal and Budget Analyst, County Board

cd\UWM Finance/ECD update June 2010

INTER-OFFICE COMMUNICATION

DATE: June 9, 2010

TO: Supervisor Theo Lipscomb, Vice Chairperson
Committee on Economic & Community Development

FROM: Craig C. Dillmann, Manager, Real Estate Services

SUBJECT: Offer to purchase on County-owned vacant land located at 5414-20 South Packard Avenue, Cudahy, Wisconsin.

POLICY ISSUE:

County Board Resolution File No. 10-14 was established by the County Board Chairperson relative to offers-to-purchase on lands under County control.

BACKGROUND:

The Real Estate Division of the Department of Transportation and Public Works received an Offer to Purchase on vacant land located at 5414-20 South Packard Avenue in the City of Cudahy. Milwaukee County acquired the subject property through tax foreclosure proceedings by the County Treasurer. A copy of the offer as well as an exhibit depicting the location of the property is attached.

The subject property measures 90' X 120' and contains 10,800 square feet of land area. The subject property is suitable for the development of retail, office, or service use. The area is of a mixed use with retail development being more prominent in recent years. The City of Cudahy encourages non-automotive retail, office or service development for the subject property.

The cash offer is from Gard N Angel Child Care, Ltd. (Buyer) at the appraised value of \$32,000. The offer is contingent upon the approval of the City of Cudahy to build a child care center on the subject property and approval from the State of Wisconsin to operate the child care center at the subject property. Cudahy requires a conditional use permit, which the Buyer has applied for. The offer is also contingent upon the Buyer receiving an acceptable phase one environmental report. Contingencies shall be satisfied within 45 days of acceptance of the offer to purchase with closing to occur on or before September 30, 2010.

Gard N Angel has operated a childcare center in a leased area of the Nativity of the Lord School located at 3776 East Hammond Avenue in the City of Cudahy. The Buyer has operated at this site for over 20 years and desires to own their facility for greater control and ability to expand.

RECOMMENDATION:

Staff respectfully requests that the Committee on Economic and Community Development recommend to the County Board of Supervisors acceptance of the above-described offer from Gard N Angel Child Care, Ltd. in the amount of \$32,000.

FISCAL NOTE:

Sale proceeds less expenses will be deposited in the Sale of Capital Assets Account 5804-4905.

Craig C. Dillmann, Manager
Real Estate Services

Meeting Date: June 14, 2010
Attachments

cc: Scott Walker, County Executive
Supervisor Patricia Jursik, District 8

(ITEM) Reference file established by the County Board Chairperson relative to offers to purchase on lands under County control with an undesignated use, by recommending adoption of the following:

A RESOLUTION

WHEREAS, the Real Estate Division of the Department of Transportation and Public Works received an offer to purchase on an Offer to Purchase on vacant land located at 5414-22 South Packard Avenue in the City of Cudahy; and

WHEREAS, Milwaukee County acquired the subject property through tax foreclosure proceedings by the County Treasurer; and

WHEREAS, the subject property measures 90' X 120' and contains 10,800 square feet of land area. The subject property is suitable for the development of retail, office, or service use; and

WHEREAS, the area is of a mixed use with retail development being more prominent in recent years. The City of Cudahy encourages non-automotive retail, office or service development for the subject property; and

WHEREAS, the cash offer is from Gard N Angel Child Care, Ltd. (Buyer) at the appraised value of \$32,000. The offer is contingent upon the approval of the City of Cudahy to build a child care center on the subject property and approval from the State of Wisconsin to operate the child care center at the subject property. Cudahy requires a conditional use permit, which the Buyer has applied for. The offer is also contingent upon the Buyer receiving an acceptable phase one environmental report. Contingencies shall be satisfied within 45 days of acceptance of the offer to purchase with closing to occur on or before September 30, 2010; and

WHEREAS, Gard N Angel has operated a childcare center in a leased area of the Nativity of the Lord School located at 3776 East Hammond Avenue in the City of Cudahy. The Buyer has operated at this site for over 20 years and desires to own their facility for greater control and ability to expand; and

WHEREAS, the Committee on Economic and Community Development at their meeting on June 14, 2010 recommended acceptance of the above-described offer from Gard N Angel Child Care, Ltd. in the amount of \$32,000; now, therefore,

BE IT RESOLVED, that the Manager of Real Estate Services is hereby authorized to sign the above described offer to purchase from Gard N Angel Child Care, Ltd.; and

46 BE IT FURTHER RESOLVED, that the County Executive and the County Clerk are
47 hereby authorized to convey by Warranty Deed the subject property located at 5414-22
48 South Packard Avenue in the City of Cudahy to Gard N Angel Child Care, Ltd. and/or
49 assigns for the consideration of \$32,000, pursuant to the terms and conditions of their offer
50 to purchase.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: June 1, 2010

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Offer to purchase on County-owned vacant land located at 5414-20 South Packard Avenue, Cudahy, Wisconsin.

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input checked="" type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$ 1,000	
	Revenue	\$ 32,000	
	Net Cost	- \$ 31,000	
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

FISCAL NOTE: Sale proceeds less expenses will be deposited in the Sale of Capital Assets Account 5804-4905

Department/Prepared By Craig C. Dillmann

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

WB-13 VACANT LAND OFFER TO PURCHASE

1 **BROKER DRAFTING THIS OFFER ON** 05/24/2010 [DATE] IS (AGENT OF SELLER) (AGENT OF BUYER) (DUAL AGENT) ~~STRIKE TWO~~
2 **GENERAL PROVISIONS** The Buyer, GARD N ANGEL Gard Enterprise, LLC CHILD CARE, LTD.,
3 offers to purchase the Property known as [Street Address] 5414-20 South Packard Avenue
4 _____ in the _____ City _____ of _____ Cudahy _____, County of _____ Milwaukee _____,
5 Wisconsin, (Insert additional description, if any, at lines 179 - 187 or attach as an addendum, line 188), on the following terms:
6 ■ **PURCHASE PRICE:** THIRTY TWO THOUSAND AND 00/100
7 _____ Dollars (\$ 32,000.00).
8 ■ **EARNEST MONEY** of \$ -0- accompanies this Offer and earnest money of \$ 1,000.00
9 will be paid within 3 days of acceptance.
10 ■ **THE BALANCE OF PURCHASE PRICE** will be paid in cash or equivalent at closing unless otherwise provided below.
11 ■ **ADDITIONAL ITEMS INCLUDED IN PURCHASE PRICE:** Seller shall include in the purchase price and transfer, free and clear of
12 encumbrances, all fixtures, as defined at lines 15 - 18 and as may be on the Property on the date of this Offer, unless excluded at line 14,
13 and the following additional items: NONE
14 ■ **ITEMS NOT INCLUDED IN THE PURCHASE PRICE:** NONE
15 A "Fixture" is defined as an item of property which is physically attached to or so closely associated with land so as to be treated as part
16 of the real estate, including, without limitation, physically attached items not easily removable without damage to the Property, items
17 specifically adapted to the Property, and items customarily treated as fixtures including but not limited to all: perennial crops; garden
18 bulbs; plants; shrubs and trees. CAUTION: Annual crops are not included in the purchase price unless otherwise agreed at line 13.
19 ■ **ZONING:** Seller represents that the Property is zoned M-1 Light Industrial.
20 **ACCEPTANCE** Acceptance occurs when all Buyers and Sellers have signed an identical copy of the Offer, including signatures on
21 separate but identical copies of the Offer. CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider
22 whether short term deadlines running from acceptance provide adequate time for both binding acceptance and performance.
23 **BINDING ACCEPTANCE** This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on or
24 before July 14, 2010. CAUTION: This Offer may be withdrawn prior to delivery of the accepted Offer.
25 **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES** Unless otherwise stated in this Offer, delivery of documents and written notices
26 to a Party shall be effective only when accomplished by one of the methods specified at lines 27 - 36.
27 (1) By depositing the document or written notice postage or fees prepaid in the U.S. Mail or fees prepaid or charged to an account with
28 a commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery designated at lines 30 or 32 (if any),
29 for delivery to the Party's delivery address at lines 31 or 33.
30 Seller's recipient for delivery (optional): Gerald A. Baker
31 Seller's delivery address: 2711 West Wells Street, Room 528, Milwaukee, WI 53208
32 Buyer's recipient for delivery (optional): JULIA GARD
33 Buyer's delivery address: 3695 S. KK AVE, ST. FRANCIS 53235
34 (2) By giving the document or written notice personally to the Party or the Party's recipient for delivery if an individual is designated at lines 30 or 32.
35 (3) By fax transmission of the document or written notice to the following telephone number:
36 Buyer: (414) 483-0913 Seller: (414) 223-1917
37 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this Offer (lines
38 179 - 187 or in an addendum per line 188). Occupancy shall be given subject to tenant's rights, if any. Caution: Consider an agreement
39 which addresses responsibility for clearing the Property of personal property and debris, if applicable.
40 **LEASED PROPERTY** If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights under said
41 lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the (written) (oral) ~~STRIKE ONE~~
42 lease(s), if any, are vacant land - no leases.
43 **PLACE OF CLOSING** This transaction is to be closed at the place designated by Buyer's mortgagee or 2711 W. Wells St.,
44 Milwaukee, WI 53208 no later than SEPTEMBER 30, 2010 unless another date or place is agreed to in writing.
45 **CLOSING PRORATIONS** The following items shall be prorated at closing: real estate taxes, rents, private and municipal charges,
46 property owner's association assessments, fuel and none
47 _____. Any income, taxes or expenses shall accrue to Seller, and be prorated, through the day prior to closing.
48 Net general real estate taxes shall be prorated based on (the net general real estate taxes for the current year, if known, otherwise on
49 the net general real estate taxes for the preceding year) (Tax exempt for 2010 pursuant to WI STATS. 77.25). ~~STRIKE AND COMPLETE AS APPLICABLE~~
50 _____).
51 **CAUTION: If proration on the basis of net general real estate taxes is not acceptable (for example, completed/pending**
52 **reassessment, changing mill rate, lottery credits), insert estimated annual tax or other formula for proration.**
53 **PROPERTY CONDITION PROVISIONS**
54 ■ **PROPERTY CONDITION REPRESENTATIONS:** Seller represents to Buyer that as of the date of acceptance Seller has no notice
55 or knowledge of conditions affecting the Property or transaction (see below) other than those identified in Seller's Real Estate Condition
56 Report dated report exempt, which was received by Buyer prior to Buyer signing this Offer and which is made a part of this Offer
57 by reference COMPLETE DATE OR STRIKE AS APPLICABLE and Buyer purchases property in its "as is" condition
58 _____ INSERT CONDITIONS NOT ALREADY INCLUDED IN THE CONDITION REPORT

59 A "condition affecting the Property or transaction" is defined as follows:

- 60 (a) planned or commenced public improvements which may result in special assessments or otherwise materially affect the Property
61 or the present use of the Property;
- 62 (b) completed or pending reassessment of the Property for property tax purposes;
- 63 (c) government agency or court order requiring repair, alteration or correction of any existing condition;
- 64 (d) any land division involving the subject Property, for which required state or local approvals had not been obtained;
- 65 (e) any portion of the Property being in a 100 year floodplain, a wetland or shoreland zoning area under local, state or federal laws;
- 66 (f) conditions constituting a significant health or safety hazard for occupants of Property;
- 67 (g) underground or aboveground storage tanks on the Property for storage of flammable or combustible liquids including but not limited to
68 gasoline and heating oil which are currently or which were previously located on the Property; **NOTE: Wis. Adm. Code, Chapter**
69 **Comm 10 contains registration and operation rules for such underground and aboveground storage tanks.**

- 70 (h) material violations of environmental laws or other laws or agreements regulating the use of the Property;
- 71 (i) high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the Property;
- 72 (j) any portion of the Property being subject to, or in violation of, a Farmland Preservation Agreement under a County Farmland Preservation
73 Plan or enrolled in, or in violation of, a Forest Crop, Woodland Tax, Managed Forest, Conservation Reserve or comparable program;
- 74 (k) boundary disputes or material violation of fence laws (Wis. Stats. Chapter 90) which require the erection and maintenance of legal
75 fences between adjoining properties where one or both of the properties is used and occupied for farming or grazing purposes;
- 76 (l) wells on the Property required to be abandoned under state regulations (Wis. Adm. Code NR 112.26) but which are not abandoned;
- 77 (m) cisterns or septic tanks on the Property which are currently not servicing the Property;
- 78 (n) subsurface foundations, organic or non-organic fill, dumpsites or containers on Property which contained or currently contain toxic or
79 hazardous materials, high groundwater, soil conditions (e.g. low load bearing capacity) or excessive rocks or rock formations on the Property;
- 80 (o) a lack of legal vehicular access to the Property from public roads;
- 81 (p) prior reimbursement for corrective action costs under the Agricultural Chemical Cleanup Program; (Wis. Stats. §94.73.)
- 82 (q) other conditions or occurrences which would significantly increase the cost of the development proposed at lines 271 to 272 or
83 reduce the value of the Property to a reasonable person with knowledge of the nature and scope of the condition or occurrence.

84 **PROPERTY DIMENSIONS AND SURVEYS:** Buyer acknowledges that any land dimensions, total square footage/acreage figures,
85 or allocation of acreage information, provided to Buyer by Seller or by a broker, may be approximate because of rounding or other
86 reasons, unless verified by survey or other means. **CAUTION: Buyer should verify land dimensions, total square footage/acreage**
87 **figures or allocation of acreage information if material to Buyer's decision to purchase.**

88 **ISSUES RELATED TO PROPERTY DEVELOPMENT:** WARNING: If Buyer contemplates developing Property for a use other than the
89 current use, there are a variety of issues which should be addressed to ensure the development or new use is feasible. Municipal and zoning
90 ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or uses and therefore should
91 be reviewed. Building permits, zoning variances, Architectural Control Committee approvals, estimates for utility hook-up expenses, special
92 assessments, charges for installation of roads or utilities, environmental audits, subsoil tests, or other development related fees may need
93 to be obtained or verified in order to determine the feasibility of development of, or a particular use for, a property. Optional contingencies
94 which allow Buyer to investigate certain of these issues can be found at lines 271 - 314 and Buyer may add contingencies as needed in
95 addenda (see line 188). Buyer should review any plans for development or use changes to determine what issues should be addressed
96 in these contingencies.

97 **INSPECTIONS:** Seller agrees to allow Buyer's inspectors reasonable access to the Property upon reasonable notice if the inspections
98 are reasonably necessary to satisfy the contingencies in this Offer. Buyer agrees to promptly provide copies of all such inspection
99 reports to Seller, and to listing broker if Property is listed. Furthermore, Buyer agrees to promptly restore the Property to its original
100 condition after Buyer's inspections are completed, unless otherwise agreed in this Offer. An "inspection" is defined as an observation
101 of the Property which does not include testing of the Property, other than testing for leaking LP gas or natural gas used as a fuel source,
102 which are hereby authorized.

103 **TESTING:** Except as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property.
104 A "test" is defined as the taking of samples of materials such as soils, water, air or building materials from the Property and the laboratory
105 or other analysis of these materials. If Buyer requires testing, testing contingencies must be specifically provided for at lines 179 - 187 or
106 in an addendum per line 188. Note: Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose
107 of the test, (e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any other material terms of
108 the contingency (e.g., Buyer's obligation to return the Property to its original condition). Seller acknowledges that certain inspections or tests
109 may detect environmental pollution which may be required to be reported to the Wisconsin Department of Natural Resources.

110 **PRE-CLOSING INSPECTION:** At a reasonable time, pre-approved by Seller or Seller's agent, within 3 days before closing, Buyer shall
111 have the right to inspect the Property to determine that there has been no significant change in the condition of the Property, except for
112 changes approved by Buyer.

113 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING:** Seller shall maintain the Property until the earlier of closing or
114 occupancy of Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary wear and tear. If, prior
115 to closing, the Property is damaged in an amount of not more than five percent (5%) of the selling price, Seller shall be obligated to repair
116 the Property and restore it to the same condition that it was on the day of this Offer. If the damage shall exceed such sum, Seller shall
117 promptly notify Buyer in writing of the damage and this Offer may be canceled at option of Buyer. Should Buyer elect to carry out this
118 Offer despite such damage, Buyer shall be entitled to the insurance proceeds relating to the damage to the Property, plus a credit towards
119 the purchase price equal to the amount of Seller's deductible on such policy. However, if this sale is financed by a land contract or a
120 mortgage to Seller, the insurance proceeds shall be held in trust for the sole purpose of restoring the Property.

121 **FENCES:** Wisconsin Statutes section 90.03 requires the owners of adjoining properties to keep and maintain legal fences in equal
122 shares where one or both of the properties is used and occupied for farming or grazing purposes. **CAUTION: Consider an agreement**
123 **addressing responsibility for fences if Property or adjoining land is used and occupied for farming or grazing purposes.**

124 **DELIVERY/RECEIPT:** Unless otherwise stated in this Offer, any signed document transmitted by facsimile machine (fax) shall be treated
125 in all manner and respects as an original document and the signature of any Party upon a document transmitted by fax shall be considered
126 an original signature. Personal delivery to, or actual receipt by, any named Buyer or Seller constitutes personal delivery to, or actual receipt
127 by Buyer or Seller. Once received, a notice cannot be withdrawn by the Party delivering the notice without the consent of the Party receiving
128 the notice. A Party may not unilaterally reinstate a contingency after a notice of a contingency waiver has been received by the other Party.
129 The delivery provisions in this Offer may be modified when appropriate (e.g., when mail delivery is not desirable (see lines 25 - 36)).
130 Buyer and Seller authorize the agents of Buyer and Seller to distribute copies of the Offer to Buyer's lender, appraisers, title insurance companies
131 and any other settlement service providers for the transaction as defined by the Real Estate Settlement Procedures Act (RESPA).

133 PROPERTY ADDRESS: 5414-22 South Packard Avenue, Cudahy, WI 53110
134 **TIME IS OF THE ESSENCE** "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3) occupancy; (4)
135 date of closing; (5) contingency deadlines **STRIKE AS APPLICABLE** and all other dates and deadlines in this Offer except: none
136

137 applies to a date or deadline, failure to perform by the exact date or deadline is a breach of contract. If "Time is of the Essence" does
138 not apply to a date or deadline, then performance within a reasonable time of the date or deadline is allowed before a breach occurs.
139 **DATES AND DEADLINES** Deadlines expressed as a number of "days" from an event, such as acceptance, are calculated by excluding
140 the day the event occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day. Deadlines
141 expressed as a specific number of "business days" exclude Saturdays, Sundays, any legal public holiday under Wisconsin or Federal
142 law, and other day designated by the President such that the postal service does not receive registered mail or make regular deliveries
143 on that day. Deadlines expressed as a specific number of "hours" from the occurrence of an event, such as receipt of a notice, are
144 calculated from the exact time of the event, and by counting 24 hours per calendar day. Deadlines expressed as a specific day of the
145 calendar year or as the day of a specific event, such as closing, expire at midnight of that day.

146 **THE FINANCING CONTINGENCY PROVISIONS AT LINES 148 - 162 ARE A PART OF THIS OFFER IF LINE 148 IS MARKED,**
147 **SUCH AS WITH AN "X". THEY ARE NOT PART OF THIS OFFER IF LINE 148 IS MARKED N/A OR IS NOT MARKED.**

148 **FINANCING CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a ~~SBA BUSINESS LOAN~~
149 **INSERT LOAN PROGRAM OR SOURCE** first mortgage loan commitment as described below, within _____ days of acceptance of this
150 Offer. The financing selected shall be in an amount of not less than \$ _____ for a term of not less than _____ years,
151 amortized over not less than _____ years. Initial monthly payments of principal and interest shall not exceed \$ _____.
152 Monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private
153 mortgage insurance premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay a loan fee not to exceed
154 _____% of the loan. (Loan fee refers to discount points and/or loan origination fee, but DOES NOT include Buyer's other closing
155 costs.) If the purchase price under this Offer is modified, the financed amount, unless otherwise provided, shall be adjusted
156 to the same percentage of the purchase price as in this contingency and the monthly payments shall be adjusted as necessary to maintain
157 the term and amortization stated above. **CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 158 OR 159.**

158 **FIXED RATE FINANCING:** The annual rate of interest shall not exceed _____%.
159 **ADJUSTABLE RATE FINANCING:** The initial annual interest rate shall not exceed _____%. The initial interest rate shall
160 be fixed for _____ months, at which time the interest rate may be increased not more than _____% per year. The maximum
161 interest rate during the mortgage term shall not exceed _____%. Monthly payments of principal and interest may be adjusted
162 to reflect interest changes.

163 **LOAN COMMITMENT:** Buyer agrees to pay all customary financing costs (including closing fees), to apply for financing promptly, and
164 to provide evidence of application promptly upon request by Seller. If Buyer qualifies for the financing described in this Offer or other
165 financing acceptable to Buyer, Buyer agrees to deliver to Seller a copy of the written loan commitment no later than the deadline for loan
166 commitment at line 149. Buyer's delivery of a copy of any written loan commitment to Seller (even if subject to conditions) shall
167 satisfy the Buyer's financing contingency unless accompanied by a notice of unacceptability. **CAUTION: BUYER, BUYER'S LENDER**
168 **AND AGENTS OF BUYER OR SELLER SHOULD NOT DELIVER A LOAN COMMITMENT TO SELLER WITHOUT BUYER'S PRIOR**
169 **APPROVAL OR UNLESS ACCOMPANIED BY A NOTICE OF UNACCEPTABILITY.**

170 **SELLER TERMINATION RIGHTS:** If Buyer does not make timely delivery of said commitment, Seller may terminate this Offer if Seller
171 delivers a written notice of termination to Buyer prior to Seller's actual receipt of a copy of Buyer's written loan commitment.

172 **FINANCING UNAVAILABILITY:** If financing is not available on the terms stated in this Offer (and Buyer has not already delivered an
173 acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of same including copies
174 of lender(s)' rejection letter(s) or other evidence of unavailability. Unless a specific loan source is named in this Offer, Seller shall then
175 have 10 days to give Buyer written notice of Seller's decision to finance this transaction on the same terms set forth in this Offer and this
176 Offer shall remain in full force and effect, with the time for closing extended accordingly. If Seller's notice is not timely given, this Offer shall
177 be null and void. Buyer authorizes Seller to obtain any credit information reasonably appropriate to determine Buyer's credit worthiness
178 for Seller financing.

179 **ADDITIONAL PROVISIONS/CONTINGENCIES**
180 Buyer is responsible to obtain any environmental testing, if desired, at Buyer's expense.
181 Buyer shall not hold Seller liable for any environmental contamination found on property.
182 Seller does not warrant condition or suitability of subsoils for construction purposes.
183 Buyer responsible for any and all cost associated with the extension and hookup of all utilities.
184 Acceptance of this offer and sale of this property is subject to the approval of the Milwaukee
185 County Board of Supervisors and the County Executive.

186 _____
187 _____
188 **ADDENDA:** The attached _____ is/are made part of this Offer.

189 **TITLE EVIDENCE**
190 **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty deed (or other
191 conveyance as provided herein) free and clear of all liens and encumbrances, except: municipal and zoning ordinances and
192 agreements entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use
193 restrictions and covenants, general taxes levied in the year of closing and **NONE**

194 _____
195 _____ (provided none of the foregoing prohibit present use of the Property), which constitutes merchantable title
196 for purposes of this transaction. Seller further agrees to complete and execute the documents necessary to record the conveyance.

197 = **FORM OF TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of the
198 purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. **CAUTION: IF TITLE**
199 **EVIDENCE WILL BE GIVEN BY ABSTRACT, STRIKE TITLE INSURANCE PROVISIONS AND INSERT ABSTRACT PROVISIONS.**

200 = **PROVISION OF MERCHANTABLE TITLE:** Seller shall pay all costs of providing title evidence. For purposes of closing, title evidence
201 shall be acceptable if the commitment for the required title insurance is delivered to Buyer's attorney or Buyer not less than 3 business
202 days before closing, showing title to the Property as of a date no more than 15 days before delivery of such title evidence to be
203 merchantable, subject only to liens which will be paid out of the proceeds of closing and standard title insurance requirements and
204 exceptions, as appropriate. **CAUTION: BUYER SHOULD CONSIDER UPDATING THE EFFECTIVE DATE OF THE TITLE**
205 **COMMITMENT PRIOR TO CLOSING OR A "GAP ENDORSEMENT" WHICH WOULD INSURE OVER LIENS FILED BETWEEN THE**
206 **EFFECTIVE DATE OF THE COMMITMENT AND THE DATE THE DEED IS RECORDED.**

207 = **TITLE ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of objections to title by
208 the time set for closing. In such event, Seller shall have a reasonable time, but not exceeding 15 days, to remove the objections, and
209 the time for closing shall be extended as necessary for this purpose. In the event that Seller is unable to remove said objections, Buyer
210 shall have 5 days from receipt of notice thereof, to deliver written notice waiving the objections, and the time for closing shall be extended
211 accordingly. If Buyer does not waive the objections, this Offer shall be null and void. Providing title evidence acceptable for closing does
212 not extinguish Seller's obligations to give merchantable title to Buyer.

213 = **SPECIAL ASSESSMENTS:** Special assessments, if any, for work actually commenced or levied prior to date of this Offer shall be
214 paid by Seller no later than closing. All other special assessments shall be paid by Buyer. **CAUTION: Consider a special agreement**
215 **if area assessments, property owner's association assessments or other expenses are contemplated.** "Other expenses" are one-
216 time charges or ongoing use fees for public improvements (other than those resulting in special assessments) relating to curb, gutter,
217 street, sidewalk, sanitary and stormwater and storm sewer (including all sewer mains and hook-up and interceptor charges), parks, street
218 lighting and street trees, and impact fees for other public facilities, as defined in Wis. Stat. § 66.55(1)(c) & (f).

219 = **ENTIRE CONTRACT** This Offer, including any amendments to it, contains the entire agreement of the Buyer and Seller regarding the
220 transaction. All prior negotiations and discussions have been merged into this Offer. This agreement binds and inures to the benefit of
221 the Parties to this Offer and their successors in interest.

222 = **DEFAULT**
223 Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and conditions of this Offer. A
224 material failure to perform any obligation under this Offer is a default which may subject the defaulting party to liability for damages or
225 other legal remedies.

226 If Buyer defaults, Seller may:
227 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or
228 (2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) direct Broker to return
229 the earnest money and have the option to sue for actual damages.

230 If Seller defaults, Buyer may:
231 (1) sue for specific performance; or
232 (2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

233 In addition, the Parties may seek any other remedies available in law or equity.
234 The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and the
235 discretion of the courts. If either Party defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution instead of
236 the remedies outlined above. By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of law those disputes
237 covered by the arbitration agreement.

238 NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD READ
239 THIS DOCUMENT CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS OF THE OFFER BUT
240 ARE PROHIBITED BY LAW FROM GIVING ADVICE OR OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR
241 HOW TITLE SHOULD BE TAKEN AT CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.

242 = **EARNEST MONEY**
243 = **HELD BY:** Unless otherwise agreed, earnest money shall be paid to and held in the trust account of the listing broker (buyer's agent
244 if Property is not listed or seller if no broker is involved), until applied to purchase price or otherwise disbursed as provided in the Offer.
245 **CAUTION: Should persons other than a broker hold earnest money, an escrow agreement should be drafted by the Parties**
246 **or an attorney. If someone other than Buyer makes payment of earnest money, consider a special disbursement agreement.**

247 = **DISBURSEMENT:** If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after clearance
248 from payor's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest
249 money shall be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according
250 to a written disbursement agreement signed by all Parties to this Offer (Note: Wis. Adm. Code § RL 18.09(1)(b) provides that an offer
251 to purchase is not a written disbursement agreement pursuant to which the broker may disburse). If said disbursement agreement has
252 not been delivered to broker within 60 days after the date set for closing, broker may disburse the earnest money: (1) as directed by
253 an attorney who has reviewed the transaction and does not represent Buyer or Seller; (2) into a court hearing a lawsuit involving the
254 earnest money and all Parties to this Offer; (3) as directed by court order; or (4) any other disbursement required or allowed by law.
255 Broker may retain legal services to direct disbursement per (1) or to file an interpleader action per (2) and broker may deduct from the
256 earnest money any costs and reasonable attorneys fees, not to exceed \$250, prior to disbursement.

257 = **LEGAL RIGHTS/ACTION:** Broker's disbursement of earnest money does not determine the legal rights of the Parties in relation to this
258 Offer. Buyer's or Seller's legal right to earnest money cannot be determined by broker. At least 30 days prior to disbursement per (1)
259 or (4) above, broker shall send Buyer and Seller notice of the disbursement by certified mail. If Buyer or Seller disagree with broker's
260 proposed disbursement, a lawsuit may be filed to obtain a court order regarding disbursement. Small Claims Court has jurisdiction over
261 all earnest money disputes arising out of the sale of residential property with 1-4 dwelling units and certain other earnest money disputes.
262 Buyer and Seller should consider consulting attorneys regarding their legal rights under this Offer in case of a dispute. Both Parties
263 agree to hold the broker harmless from any liability for good faith disbursement of earnest money in accordance with this Offer or
264 applicable Department of Regulation and Licensing regulations concerning earnest money. See Wis. Adm. Code Ch. RL 18. NOTE:
265 WISCONSIN LICENSE LAW PROHIBITS A BROKER FROM GIVING ADVICE OR OPINIONS CONCERNING THE LEGAL RIGHTS
266 OR OBLIGATIONS OF PARTIES TO A TRANSACTION OR THE LEGAL EFFECT OF A SPECIFIC CONTRACT OR CONVEYANCE.
267 AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS REQUIRED.

268 PROPERTY ADDRESS: 5414-22 South Packard Avenue, Cudahy, WI 53110

269 OPTIONAL PROVISIONS: THE PARAGRAPHS AT LINES 271 - 314 WHICH ARE PRECEDED BY A BOX ARE A PART OF THIS OFFER IF
270 MARKED, SUCH AS WITH AN "X". THEY ARE NOT PART OF THIS OFFER IF MARKED N/A OR ARE LEFT BLANK.

271 PROPOSED USE CONTINGENCY: Buyer is purchasing the property for the purpose of: Day Care Center
272 This Offer is contingent upon Buyer obtaining the following:

273 Written evidence at (Buyer's) (Seller's) ~~STRIKE ONE~~ expense from a qualified soils expert that the Property is free of any subsoil
274 condition which would make the proposed development impossible or significantly increase the costs of such development.

275 Written evidence at (Buyer's) (Seller's) ~~STRIKE ONE~~ expense from a certified soils tester or other qualified expert that indicates that
276 the Property's soils at locations selected by Buyer and all other conditions which must be approved to obtain a permit for an acceptable private
277 septic system for: _____ [insert proposed use of Property; e.g., three

278 bedroom single family home] meet applicable codes in effect as of the date of this offer. An acceptable system includes all systems approved
279 for use by the State for the type of property identified at line 277. An acceptable system does not include a holding tank, privy, composting
280 toilet or chemical toilet or other systems (e.g. mound system) excluded in additional provisions or an addendum per lines 179 - 188.

281 Copies at (Buyer's) (Seller's) ~~STRIKE ONE~~ expense of all public and private easements, covenants and restrictions affecting the
282 Property and a written determination by a qualified independent third party that none of these prohibit or significantly delay or increase
283 the costs of the proposed use or development identified at lines 271 to 272.

284 Permits, approvals and licenses, as appropriate, or the final discretionary action by the granting authority prior to the issuance
285 of such permits, approvals and licenses at (Buyer's) (Seller's) ~~STRIKE ONE~~ expense for the following items related to the proposed
286 development construction of Day Care Center including operation approval from State of Wisconsin.

287 Written evidence at (Buyer's) (Seller's) ~~STRIKE ONE~~ expense that the following utility connections are located as follows (e.g.,
288 on the Property, at the lot line across the street, etc.): electricity to lot line gas to lot line sewer
289 to lot line; water to lot line; telephone to lot line; other to lot line

290 This proposed use contingency shall be deemed satisfied unless Buyer within 45 days of acceptance delivers
291 written notice to Seller specifying those items of this contingency which cannot be satisfied and written evidence substantiating why each
292 specific item included in Buyer's notice cannot be satisfied.

293 MAP OF THE PROPERTY: This Offer is contingent upon (Buyer obtaining) (Seller providing) ~~STRIKE ONE~~ a map of the Property prepared
294 by a registered land surveyor, within _____ days of acceptance, at (Buyer's) (Seller's) ~~STRIKE ONE~~ expense. The map shall identify the legal
295 description of the Property, the Property's boundaries and dimensions, visible encroachments upon the Property, the location of improvements,
296 if any, and: _____

297 ~~STRIKE AND COMPLETE AS APPLICABLE~~ Additional map features
298 which may be added include, but are not limited to: specifying how current the map must be; staking of all corners of the Property; identifying
299 dedicated and apparent street, lot dimensions, total acreage or square footage, easements or rights-of-way. **CAUTION: Consider the cost**
300 **and the need for map features before selecting them.** The map shall show no significant encroachment(s) or any information materially
301 inconsistent with any prior representations to Buyer. This contingency shall be deemed satisfied unless Buyer, within five days of the earlier
302 of: 1) Buyer's receipt of the map, or 2) the deadline for delivery of said map, delivers to Seller, and to listing broker if Property is listed, a copy
303 of the map and a written notice which identifies the significant encroachment or the information materially inconsistent with prior representations.

304 INSPECTION CONTINGENCY: This Offer is contingent upon a qualified independent inspector(s) conducting an inspection(s), at
305 Buyer's expense, of the Property and PHASE I ENVIRONMENTAL INSPECTION

306 _____ which discloses no defects as defined below. This contingency shall be deemed satisfied
307 unless Buyer within 45 days of acceptance delivers to Seller, and to listing broker if Property is listed, a copy of the inspector's
308 written inspection report and a written notice listing the defects identified in the report to which Buyer objects. This Offer shall be null and
309 void upon timely delivery of the above notice and report. **CAUTION: A proposed amendment will not satisfy this notice requirement.**
310 Buyer shall order the inspection and be responsible for all costs of inspection, including any inspections required by lender or follow-up to
311 inspection. Note: This contingency only authorizes inspections, not testing, see lines 98 to 110. For the purposes of this contingency a defect
312 is defined as any condition of the Property which constitutes a significant threat to the health or safety of persons who occupy or use the
313 Property or gives evidence of any material use, storage or disposal of hazardous or toxic substances on the Property. Defects do not include
314 conditions the nature and extent of which Buyer had actual knowledge or written notice before signing this Offer.

315 This Offer was drafted on 05/24/2010 [date] by [Licensee and Firm] Gerald A. Baker Milwaukee County

316 (X) _____ Social Security No. or FEIN ▲ _____ Date ▲ 05/24/2010
317 Buyer's Signature ▲ Print Name Here: _____

318 (X) _____ Social Security No. or FEIN ▲ _____ Date ▲ 05/24/2010
319 Buyer's Signature ▲ Print Name Here: Julia M. Gard

320 EARNEST MONEY RECEIPT Broker acknowledges receipt of earnest money as per line 8 of the above Offer. (See lines 242 - 267)

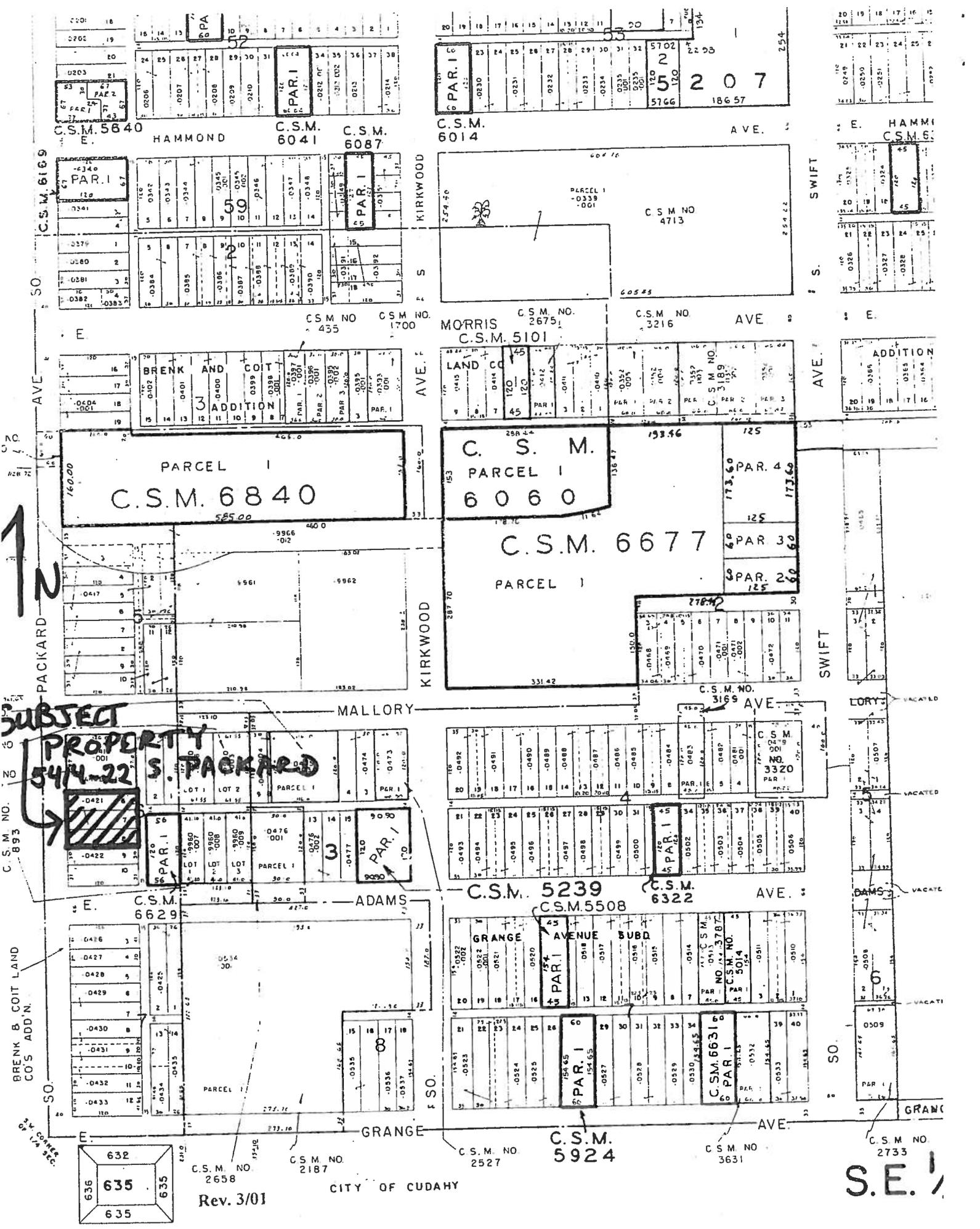
321 _____ Broker (By)
322 SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS OFFER SURVIVE CLOSING AND
323 THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE PROPERTY ON THE TERMS AND CONDITIONS AS SET FORTH
324 HEREIN AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS OFFER.

325 (X) _____ Social Security No. or FEIN ▲ _____ Date ▲
326 Seller's Signature ▲ Print Name Here: Craig C. Dillmann, Mgr. R.E. Ser

327 (X) _____ Social Security No. or FEIN ▲ _____ Date ▲
328 Seller's Signature ▲ Print Name Here: _____

329 This Offer was presented to Seller by _____ on _____, _____, at _____ a.m./p.m.

330 THIS OFFER IS REJECTED _____ THIS OFFER IS COUNTERED [See attached counter] _____
331 Seller Initials ▲ _____ Date ▲ _____ Seller Initials ▲ _____ Date ▲ _____



SUBJECT PROPERTY
544-22 S. PACKARD

C.S.M. NO. 893

BRENK & COIT LAND CO'S ADD'N.

34 1/2' POWER

34 1/2'

Rev. 3/01

CITY OF CUDAHY

S.E. ↓

C.S.M. 5840

HAMMOND

C.S.M. 6041

C.S.M. 6087

C.S.M. 6014

AVE.

E. HAMM C.S.M. 6

C.S.M. 6169

AVE. 50

PACKARD

C.S.M. NO. 893

SO.

E.

KIRKWOOD

AVE. S

AVE. F

KIRKWOOD

MALLORY

ADAMS

GRANGE

AVE.

SO.

E.

SWIFT

AVE. S

AVE. E

SWIFT

AVE. F

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PARCEL I
 C.S.M. 6840

C. S. M.
 PARCEL I
 6060

C.S.M. 6677
 PARCEL I

C.S.M. 5239
 C.S.M. 5508

C.S.M. 6322

C.S.M. 5924

C.S.M. NO. 3631

C.S.M. NO. 2733

MORRIS
 C.S.M. 5101

C.S.M. NO. 3216

ADDITION

LAND CO

BRENK AND COIT
 ADDITION

C.S.M. NO. 3216

C.S.M. NO. 4713

PAR. 4

PAR. 3

PAR. 2

PAR. 1

COUNTY OF MILWAUKEE

INTER-OFFICE COMMUNICATION

DATE : June 9, 2010

TO : Supervisor Theodore Lipscomb, Vice Chair
Committee on Economic and Community Development

FROM : Craig C. Dillmann, Manager of Real Estate Services
Department of Transportation and Public Works

SUBJECT : From RSC & Associates requesting an amendment to the Development Agreement for the 2.13-acre Block 26 (aka Block One) in the Park East Corridor, located between North Jefferson, North Milwaukee and East Lyon Streets and East Ogden Avenue in the City of Milwaukee, east of the Milwaukee River.

POLICY ISSUE:

Revision of the Development Agreement for Block 26 requires County Board approval.

BACKGROUND:

Upon closing the purchase of Block 26 on December 21, 2007, the County and RSC & Associates ("RSC") entered into a development agreement for Block 26 ("Development Agreement"), which provided for RSC to complete construction excavation for the Park East Square development project ("Project") within six months after closing. With a permitted Force Majeure delay, the excavation completion date was July 21, 2008. RSC was unable to achieve the July 21, 2008 date since the lender that committed at closing to provide the funds sufficient to complete the Project, elected not to fund the loan due to the significant deterioration in market conditions. As a result, the County Board granted an amendment to the Development Agreement ("Amendment"), dated May 7, 2009, extending the excavation commencement date to November 30, 2009, with an excavation completion date of January 29, 2010. The Amendment included a \$25,000 forfeiture for RSC not achieving the January 29, 2010 excavation completion date. The County Board, in December 2009, granted a second amendment ("Second Amendment"), dated February 1, 2010, extending the excavation commencement date until May 31, 2010 and the excavation completion date until July 30, 2010. The Second Amendment also included an additional \$25,000 forfeiture for not meeting the May 31, 2010 excavation commencement date and July 30, 2010 excavation completion date.

RSC, in the attached communication dated May 27, 2010, has indicated they are unable to achieve the May 31, 2010 excavation commencement date and the corresponding July 30, 2010 excavation completion date; however, RSC is pursuing a financing alternative to advance the first phase of the Park East Square Development. RSC has contracted with Common Bond Communities ("Common Bond") to purchase .46-acres of the 2.13-acre Block One and construct the first phase comprising an 85-unit workforce residential apartment building with approximately 12,000 square feet of retail space and underground parking. These quality apartments will be dedicated to a broad cross section of working individuals whose income is 60% or less of the area median income. Common Bond has submitted an application through a competitive process and is awaiting a decision from the Wisconsin Housing and Economic Development Authority ("WHEDA") on the award of housing tax credits. The tax credits will be sold to finance the majority of the residential component. As a result, RSC is requesting a further amendment to the Development Agreement ("Third Amendment") extending the excavation commencement date 120-days until September 30, 2010 while Common Bond waits for the potential tax credit award, which is expected to be finalized no later than early July.

County staff, Corporation Counsel and private legal counsel, enlisted by Corporation Counsel, has worked with RSC to establish the following summary terms and conditions of the Third Amendment to the Development Agreement:

1. The Project Excavation Commencement Date, defined in the Development Agreement with Milwaukee County, originally dated December 21, 2007, as amended by that certain Amendment to Development Agreement-Park East Corridor Development of Block 26, dated May 7, 2009 and as amended by the Second Amendment, dated February 1, 2010 (collectively the "Development Agreement") be extended from May 31, 2010 to September 30, 2010 and 60 days thereafter for the Excavation Completion Date.
2. Pursuant to the Second Amendment, RSC will forfeit \$25,000 for not meeting the May 31, 2010 Excavation Commencement Date and the resulting July 30, 2010 Excavation Completion Date (" \$25,000 Forfeited Amount"). The \$25,000 Forfeited Amount shall reduce the existing \$50,000 Letter of Credit and the \$25,000 shall be made immediately payable to the County upon execution of the proposed Third Amendment. The Letter of Credit will be refunded to the original \$50,000 prior to the Excavation Commencement Date.
3. In the event Common Bond is awarded the WHEDA tax credits for the residential component of the Park East Square Development, staff, Corporation Counsel and the County's private legal counsel will begin drafting the modifications to the Development Agreement allowing Common Bond to move forward with RSC to the finalize the first phase of the Park East Square Development comprising the residential/retail/parking component. The

modified Development Agreement, by means of a subsequent amendment, will be presented to the Economic and Community Development Committee prior to September 30, 2010.

4. Except as provided above, the terms and conditions of the document entitled the Third Amendment to Development Agreement-Park East Corridor Development of Block 26 will be substantially the same as the terms and conditions of the Second Amendment to the Development Agreement-Park East Corridor Development of Block 26, dated February 1, 2010 and the County shall be entitled to all the remedies, rights, terms and conditions accruing in the Development Agreement, including without limitation, a \$2,000/day penalty and the County's option to repurchase Block 26 at 85% of what the County was paid.

RECOMMENDATION:

In this extraordinary economic and lending environment, the successful completion of the RSC Park East Square Project for Block 26 will lead to increased jobs, tax base and be a catalyst for further development in and in proximity to the Park East Corridor. Therefore, staff respectfully requests approval of the above-described Third Amendment to the Development Agreement for Block 26.

FISCAL NOTE:

Extending the Excavation Commencement Date for Block 26, until September 30, 2010 and 60 days thereafter for the Excavation Completion Date, pursuant to the Third Amendment, will not include the payment of an extension fee.

Craig C. Dillmann, Manager
Real Estate Services

Meeting Date: June 14, 2010
Attachments

cc: Scott Walker, County Executive
Supervisor Elizabeth Coggs, District 10
Jack Takerian, Interim Director, Transportation and Public Works
Josh Fudge, Fiscal Mgmt. Analyst-DAS

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(ITEM) From RSC & Associates requesting an amendment to the Development Agreement for the 2.13-acre Block 26 (aka Block 1E) in the Park East Corridor, located between North Jefferson, North Milwaukee and East Lyon Streets and East Ogden Avenue in the City of Milwaukee, east of the Milwaukee River, by recommending adoption of the following:

A RESOLUTION

WHEREAS, upon closing the purchase of Block 26 on December 21, 2007, the County and RSC Associates (“RSC”) entered into a development agreement for Block 26 (“Development Agreement”), which required RSC to complete construction excavation for the Park East Square development project (“Project”) within six months after closing. With a permitted Force Majeure delay, the excavation completion date was July 21, 2008; and,

WHEREAS, RSC was unable to achieve the July 21, 2008 date since the lender that committed at closing to provide the funds sufficient to complete the Project, elected not to fund the loan due to the significant deterioration in market conditions; and

WHEREAS, as a result, the County Board granted an amendment to the Development Agreement (“Amendment”), dated May 7, 2009, extending the excavation commencement date to November 30, 2009, and the excavation completion date until January 29, 2010. Per the Amendment, RSC forfeited \$25,000 for not achieving the January 29, 2010 excavation completion date. The County Board, in December 2009, granted a second amendment (“Second Amendment”), dated February 1, 2010, extending the excavation commencement date until May 31, 2010 and the excavation completion date until July 30, 2010. The Second Amendment also included a \$25,000 forfeiture if RSC did not meet these dates; and

WHEREAS, RSC, in a written communication dated May 27, 2010, indicated they are unable to meet the May 31, 2010 excavation commencement date and the July 30, 2010 excavation completion, however, RSC is pursuing a financing alternative to advance the first phase of the Park East Square Development; and

WHEREAS, RSC has contracted with Common Bond Communities (“Common Bond”) to purchase .46-acres of the 2.13-acre Block One and construct the first phase comprising an 85-unit workforce residential apartment building with approximately 12,000 square feet of retail space and underground parking; and

WHEREAS, these quality apartments will be dedicated to a broad cross section of working individuals whose income is 60% or less of the area median income and Common Bond has submitted an application through a competitive process and is

46 awaiting a decision for the Wisconsin Housing and Economic Development Authority
47 (“WHEDA”) on the award of the housing tax credits, which tax credits will be sold to
48 finance the majority of the residential component of the Block One first phase
49 development; and

50

51 WHEREAS, since the WHEDA decision for the award of the tax credits is expected to be
52 finalized no later than early July, 2010, RSC is requesting a further amendment to the
53 Development Agreement (“Third Amendment”) extending the excavation
54 commencement and completion date of the Project; and

55

56 WHEREAS, County staff, Corporation Counsel and private legal counsel, enlisted by
57 Corporation Counsel, has worked with RSC to establish the following summary terms
58 and conditions of the Third Amendment to the Development Agreement:

59

- 60 1. The Project Commencement Date and Excavation Completion Date (both as
61 defined in the Development Agreement with Milwaukee County, originally
62 dated December 21, 2007 as amended by that certain Amendment to
63 Development Agreement-Park East Corridor Development of Block 26, dated
64 May 7, 2009 and as amended by the Second Amendment, dated February 1,
65 2010 (collectively the “Development Agreement”), be extended to
66 September 30, 2010 for the Project Excavation Commencement Date and 60
67 days thereafter for the Excavation Completion Date.
- 68
69 2. Pursuant to the Second Amendment, RSC will forfeit \$25,000 for not
70 meeting the May 31, 2010 Excavation Commencement Date and the July 30,
71 2010 Excavation Completion Date (“\$25,000 Forfeited Amount”). The
72 \$25,000 Forfeited Amount will reduce the existing \$50,000 Letter of Credit
73 and the \$25,000 shall be immediately payable to the County upon execution
74 of the Third Amendment. The Letter of Credit will be refunded to the
75 original \$50,000 prior to the Excavation Commencement Date.
- 76
77 3. In the event Common Bond is awarded the WHEDA tax credits for the
78 residential component of the Park East Square Development, staff,
79 Corporation Counsel and the County’s private legal counsel will begin
80 drafting the modifications to the Development Agreement allowing Common
81 Bond to move forward with RSC to finalize the first phase of the Park East
82 Square Development comprising the residential/retail/parking components.
83 The modified Development Agreement, by means of a subsequent
84 amendment, will be presented to the Economic and Community
85 Development Committee prior to September 30, 2010.
- 86
87 4. Except as provided above, the terms and conditions of the document entitled
88 the Third Amendment to Development Agreement-Park East Corridor
89 Development of Block 26 will be substantially the same as the terms and
90 conditions of the Second Amendment to the Development Agreement-Park

91 East Corridor Development of Block 26, dated February 1, 2010 and the
92 County shall be entitled to all the remedies, rights, terms and conditions
93 accruing on the Development Agreement, including without limitation, a
94 \$2,000/day penalty and the County's option to repurchase Block 26 at 85%
95 of what the County was paid.

96
97 ; and

98
99 WHEREAS, in this extraordinary economic and lending environment, the successful
100 completion of the RSC Project for Block 26 will lead to increased jobs, tax base and be
101 a catalyst for further development in and in proximity to the Park East Corridor; and
102

103 WHEREAS, the Committee on Economic and Community Development, at their
104 meeting on June 14, 2010, recommended approval of the above-described Third
105 Amendment; now, therefore,
106

107 BE IT RESOLVED, the County Executive and the County Clerk are hereby authorized to
108 execute, after Corporation Counsel approval, the above-described Third Amendment to
109 the Development Agreement for Block 26 in the Park East Corridor.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: May 27, 2010

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: From RSC & Associates requesting an amendment to the Development Agreement for the 2.13-acre Block 26 (aka Block 1E) in the Park East Corridor, located between North Jefferson, North Milwaukee and East Lyon Streets and East Ogden Avenue in the City of Milwaukee, east of the Milwaukee River.

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input checked="" type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

Extending the Excavation Commencement Date until September 30, 2010 and 60 days thereafter for the Excavation Completion Date for Block 26, pursuant to the Third Amendment, will not result in the payment of an extension fee.

Department/Prepared By Craig C. Dillmann

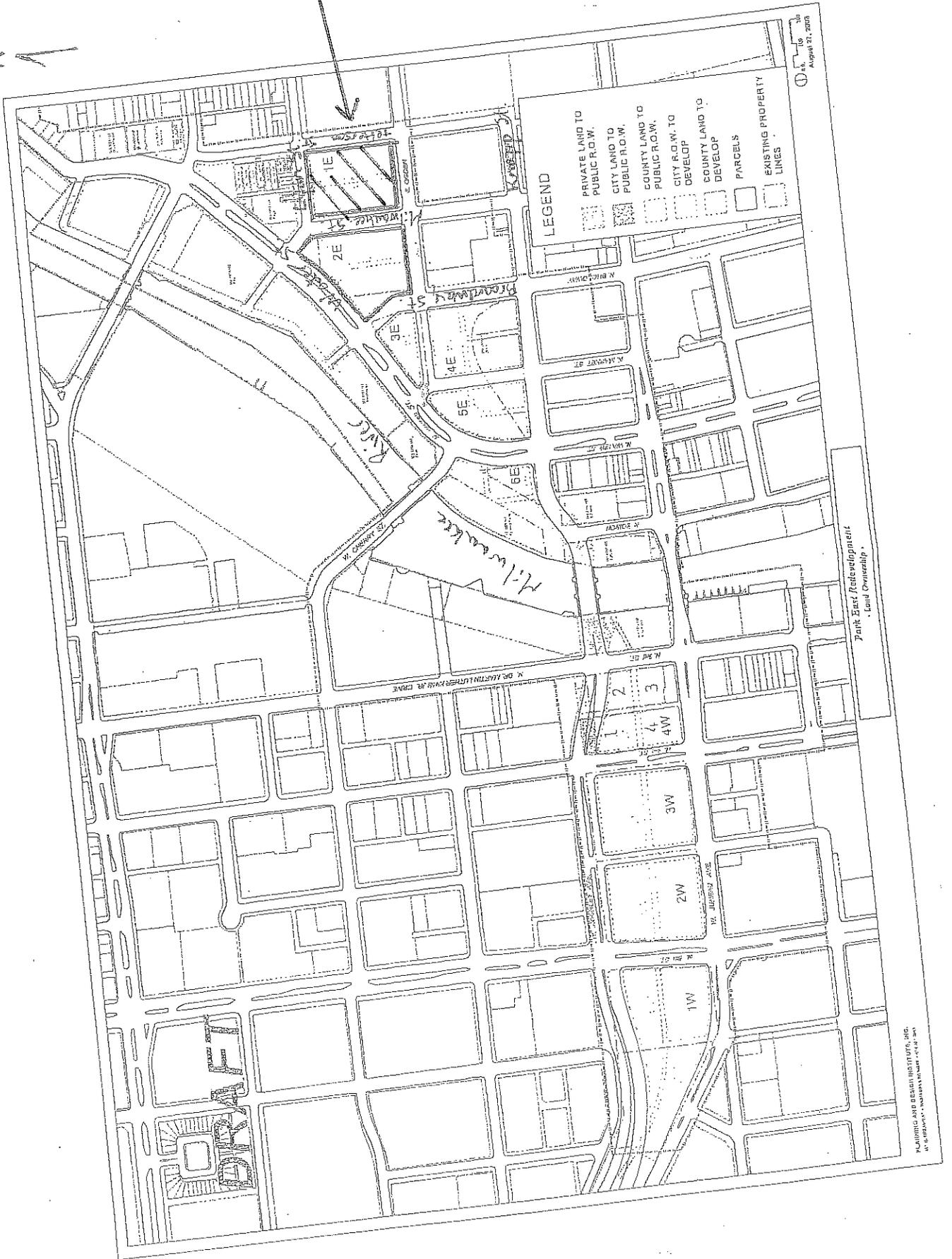
Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

NA

Subject



LEGEND

- PRIVATE LAND TO PUBLIC R.O.W.
- CITY LAND TO PUBLIC R.O.W.
- COUNTY LAND TO PUBLIC R.O.W.
- CITY R.O.W. TO DEVELOP
- COUNTY LAND TO DEVELOP
- PARCELS
- EXISTING PROPERTY LINES

August 27, 2009

Park East Redevelopment - Land Ownership

PLANNING AND DESIGN INSTITUTES, INC.

Park East Square

To: Economic & Community Development Committee of Milwaukee County

From: RSC & Associates for Park East Square, LLC

Date: May 27, 2010

BACKGROUND

Block One was purchased from Milwaukee County in December, 2007 for \$2,750,000 and Park East Square was set to break ground in Fall, 2008 on the 122 room Hyatt Place Hotel, the 108 room Hyatt Summerfield Suites Hotel, the retail space, and a 277 parking garage. We had a commitment from our lender for the construction loan until the Economic Tsunami hit which resulted in the lender rescinding their loan commitment. After finalizing the purchase of the land, we have incurred, and continue to incur, carrying costs of the property and development costs including interest expense, real estate taxes and development services overhead.

After pursuing all avenues to move forward with the financing of the hotels, parking garage and retail in the face of the worst economic and lending environment since the 1930's, it became evident that the lending market shut down financing for hotels. Due to these marketplace conditions, we turned our attention to the residential rental apartments planned for the other phase of the project.

SUMMARY

The purpose of this communication is to request an extension of the excavation commencement date under the terms of the Development Agreement between Milwaukee County and Park East Square, LLC and to provide an update on the status of Block One since our last appearance before the Economic & Community Development Committee ("ECD") in December 2009.

The Development Agreement requires the Developer to commence excavation by May 31, 2010 and complete excavation within 60 days. Park East Square, LLC is requesting a 120 day extension until September 30, 2010 to allow time for the potential award of Wisconsin Housing and

Economic Development Authority ("WHEDA") tax credits ("Award"), enabling the residential phase of the Park East Square development to advance. The application for tax credits has been submitted to WHEDA requesting an award to Common Bond Communities to develop approximately 85 multifamily rental residences with underground parking and approximately 12,000 square feet of retail space.

PROJECT DESCRIPTION

The Park East Square hotel component has not changed from the previously approved plans and still contains a 122 room Hyatt Place Hotel, a 108 room Hyatt Summerfield Suites Hotel with approximately 23,000 square feet of retail space and ancillary parking. The residential phase ("Park East Apartments") has been reduced from a 121 unit market rate apartment building to an 85 unit workforce residential apartment building with approximately 12,000 square feet of retail space which is approximately the same for this phase.

Our emphasis has been focused on the residential component given the current economic and lending environment. The Park East Square Apartments will be high quality, a more inclusive community and more in concert with the Milwaukee tradition of value and quality combined. The units have modern, well appointed kitchens, state of the art appliances and cabinets. Residents will walk out their front door to the grocery store, restaurants, Starbucks and other retailers at the East Pointe Crossing Shopping Center. Park East Square Apartments will also include underground parking. The retail component will provide eateries and service retailers.

At completion, the residential and hotel Park East Square Development will provide the following positive community benefits:

1. 200 construction jobs
2. 40 development and service jobs during the development cycle
3. 15 full time jobs
4. 12 full time equivalent jobs
5. Provide annual real estate tax payments of about \$200,000 which over 10 years is approximately \$2 million dollars. The Common Bond development will be held by a for-profit entity and will be required to pay real estate taxes. This funding will help the County and the City, as well as funding the Park East TIF District.

6. The work force apartments will provide housing for a broad range of County and City residents and the program will encourage economic diversity.

FINANCING

We have been working on many creative alternatives to finance and move Park East Square forward and recently entered into a contract with Common Bond Communities (headquartered in Minneapolis) to purchase .46 acres of the 2.13 acre Park East Square parcel to build the newly designed 85 unit apartment building as depicted in the attached Exhibit A. These quality apartments will be dedicated to a broad cross section of responsible working Milwaukeeans whose income is 60% or less of the area median gross income (school teachers, entry level employees, firemen, etc.). This needed neighborhood living community will have a very positive impact on both the County and City of Milwaukee.

The majority of the funding for the residential component will be derived from the sale of housing tax credits. Common Bond submitted an application to WHEDA to obtain 9% housing tax credits through a competitive process that is expected to conclude no later than early July. Common Bond is perceived as one of the top contenders to receive these tax credits based upon their experience and success in Milwaukee and the Midwest markets, and the Park East Square's excellent location which would provide for a terrific "neighborhood" setting for the apartments.

Bringing Common Bond to the Park East Square is a very positive creative approach because the potential award of tax credits and Common Bond's unequalled track record of capitalizing a project significantly increases the probability of a construction start and a successful development. This positive step will kick off the long awaited Park East Redevelopment that all parties have been working very long and hard to achieve.

We are also pursuing other creative capitalization for the second phase hotel component of Park East Square, which includes new government stimulus instruments that have recently surfaced that we have embraced. Our current potential financing program includes the utilization of our RACM awarded - Midwestern Disaster Recovery Tax Exempt Bonds (the "Bonds") which will provide an economic advantage in financing since tax exempt interest rates are less than taxable interest rates. This is expected to increase the probability of a successful capitalization structure of the remainder of the project.

May 27, 2010

REQUEST

We are anxious to advance the Park East Square Project, however, we require additional time to accomplish our mutual goal. Therefore, we are requesting a 120 day extension of the May 31, 2010 date until September 30, 2010 for the commencement of excavation while we wait for the potential tax credit Award to Common Bond for the Park East Square Apartments. The Award is expected to be finalized no later than early July. Upon obtaining the Award, we propose to return to the ECD prior to September 30th for approval of certain modifications to the Development Agreement. This will allow Common Bond to move forward with us to finalize the development. The previous extension granted to Park East Square pledged \$25,000 of the \$50,000 Letter of Credit. We understand that by missing the May 31, 2010 deadline, we are required to forfeit the \$25,000. We are committed to refunding the \$50,000 Letter of Credit prior to commencing excavation.

All parties have invested a great deal of time and money in this vital development, and we are committed to investing additional funds to see this project through to completion. We believe this is the right step to take given the unprecedented economic times and very little development taking place, except for creative capitalizations such as the WHEDA allocation of tax credits to the Common Bond/Park East Square development. To this end we would ask the Committee to support us for this extension request and allow us to finalize the financing and proceed with construction.

Respectfully submitted,

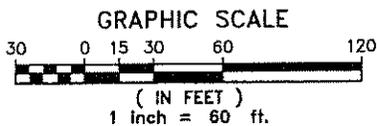
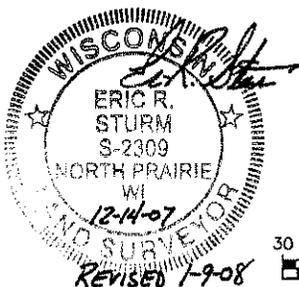
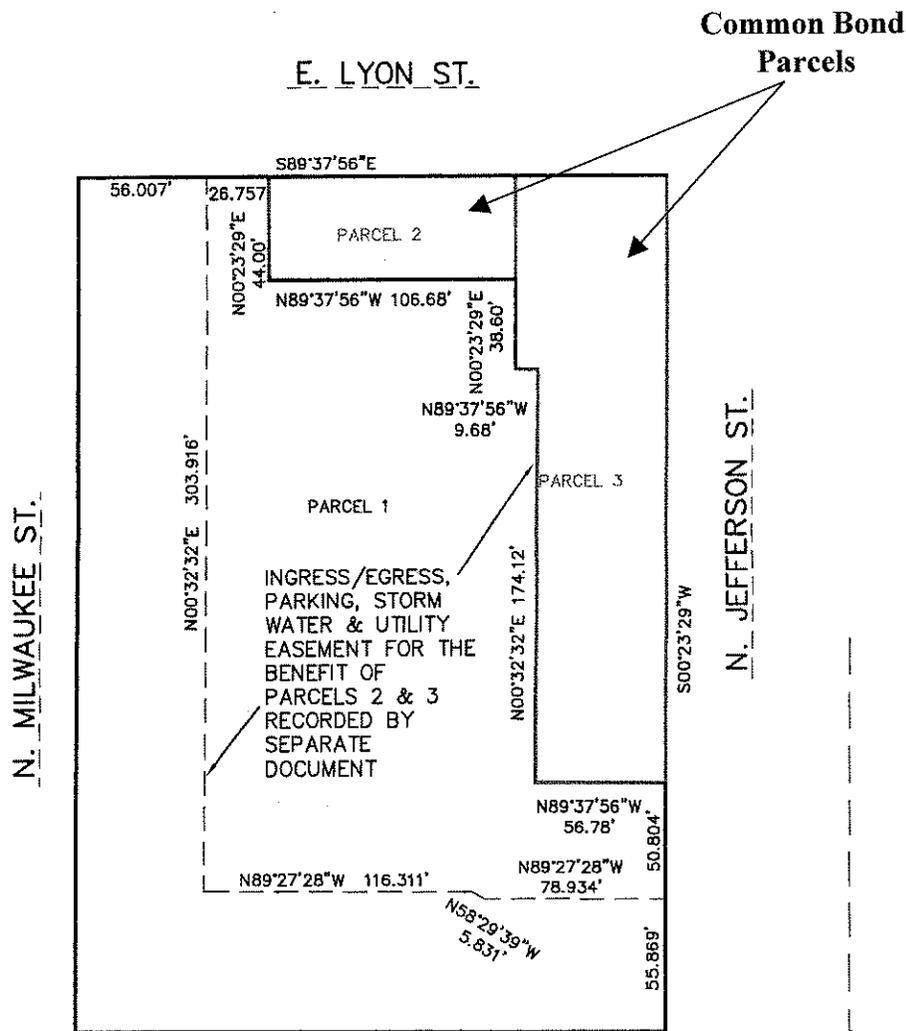

Richard S. Curto

EXHIBIT A

DCD # 2668

CERTIFIED SURVEY MAP NO. 8032

A division of part of Lots 1 thru 12, inclusive, in block 125, in the Fractional West 1/2 of the Southwest 1/4 of Section 21, Town 7 North, Range 22 East, in the City of Milwaukee, County of Milwaukee, State of Wisconsin.



National Survey & Engineering

A Division of R.A. Smith & Associates, Inc.



262-781-1000
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S:\5163976\dwg\CS100L.dwg
CS100L.dwg\CS102L.dwg

EXHIBIT A





CLIENT MEMORANDUM

CONFIDENTIAL ATTORNEY/CLIENT COMMUNICATION

To: Economic & Community Development Committee, Milwaukee County Board of Supervisors

Author: Will Invie Shroyer

Date: June 14, 2010

Client: Milwaukee County (the "County")

Subject: Request for Third Amendment to Development Agreement - Park East Corridor Development of Block 26

I. Request for Amendment.

Park East Square, LLC, a subsidiary of RSC Associates, LLC

("Developer") is requesting the following amendment to its Development

Agreement – Park East Corridor Development of Block 26:

- A.** The Project Commencement Date and Excavation Completion Date (both as defined in the Development Agreement with Milwaukee County, originally dated December 21, 2007 as amended by that certain Amendment to Development Agreement – Park East Corridor Development of Block 26, dated May 7, 2009 and further amended by that certain Second Amendment to Development Agreement – Park East Corridor Development of Block 26, dated February 1, 2010. (collectively the "Development Agreement") be extended from May 31, 2010 to September 30, 2010 for the Project Commencement Date and 60 days thereafter for the Excavation Completion Date.
- B.** The current Development Agreement requires Developer to forfeit \$25,000 for failing to achieve the July 30, 2010 Excavation

Completion Date ("25,000 Forfeited Amount"). Developer is requesting that the remaining balance of \$25,000 of the Letter of Credit be reduced by the 25,000 Forfeited Amount, and the 25,000 Forfeited Amount be immediately payable to the County upon execution of the proposed Extension Agreement. The Letter of Credit would have a \$0 balance until the Project Commencement Date occurs, where upon Developer shall increase the Letter of Credit back to the original \$50,000.

- C. In the event the Developer fails to achieve the new Excavation Completion Date described above, Developer would not have any funds left in the Letter of Credit to pay the County; however, any default continuing beyond September 30, 2010 would be subject to the remedies described in the Development Agreement.
- D. Except as provided above, the terms and conditions of the document to be entitled the Second Amendment to Development Agreement – Park East Corridor Development of Block 26 would be substantially the same as the terms and conditions of the Development Agreement.
- E. Developer is pursuing a joint venture with Common Bond Communities, whereby they would utilize the Wisconsin Housing and Economic Development Authority ("WHEDA") tax credits for developing a portion of the Project. We anticipate that the WHEDA tax credit awards will be announced no later than July, 2010. If Developer and Common Bond Communities receive an award of the WHEDA tax credits, we anticipate that this would necessitate a fourth amendment to the Development Agreement with Developer, and a new development agreement with Common Bond Communities. In the event that the WHEDA tax credits are not awarded to Developer and Common Bond Communities, Developer shall be required to comply with the terms of the Third Amendment to Development Agreement, or propose an alternative amendment, for consideration by the County.

II. Current Real Estate Financing Market and Real Estate Development Industry.

Suffice it to say that the real estate development industry continues to experience significant "head winds" with limited liquidity in the credit markets and lenders being very hesitant to make additional conventional real estate loans.

Lenders are focused on cleaning up their balance sheets and "working out" their troubled real estate loans, rather than making new real estate loans. The major news publications and industry experts throughout the country are echoing this difficulty in obtaining financing. Due in part to this lack of available financing, there has been significant retraction in the amount of successful real estate development.

In response to the difficulty in obtaining conventional financing, developers have been pursuing a joint venture with Common Bond Communities and utilize WHEDA tax credits for the housing component of the Project.

III. Approval and Preparation of Third Amendment to Development Agreement – Park East Corridor Development of Block 26.

If the County approves Developer's request described above, I will prepare the Third Amendment to Development Agreement – Park East Corridor Development of Block 26 (the "Third Amendment"), pursuant to the terms and conditions described in section I. above, and submit the Third Amendment to the County's Corporation Counsel for its confirmation of such terms and conditions. Although the County may find a variety of good reasons why it desires to grant Developer's request for the four-month extension described above, it should be noted that the County is under no legal obligation to extend either the Project Commencement Date or the Excavation Completion Date beyond the May 31, 2010 and July 30, 2010, respectively.

If the Developer and Common Bond Communities obtain the WHEDA tax credit award described herein, I will commence work with County staff to prepare a fourth amendment to the Development Agreement, as well as new development agreement with Common Bond Communities as described above. The fourth amendment to the Development Agreement and new development agreement with Common Bond Communities would, of course, be subject to approval by the Economic & Community Development Committee, and the full County Board of Supervisors prior to there being any binding agreement on behalf of the County.

Respectfully submitted,

William Invie Shroyer

DATE : June 3, 2010

TO: Supervisor Lee Holloway, Chairman, Milwaukee County Board
Supervisor Michael Mayo, Sr., Chairman, Transportation and Public Works
Supervisor Theodore A. Lipscomb, Vice Chairman, Economic & Community
Development
Supervisor Elizabeth M. Coggs, Chairperson, Finance & Audit

FROM : Freida Webb, Director
Community Business Development Partners

SUBJECT : DBE Achievement Report –2008

BACKGROUND

In the past, Milwaukee County measured participation by M/WBE standards; however, since January 2001, the County federalized its DBE Program to comply with 49 CFR 26. According to certification standards, the term "DBE" means a small business concern known as a Disadvantaged Business Enterprise (DBE) firm owned at least 51% by socially and economically disadvantaged individuals. Certain minority males and all women are presumed to be disadvantaged. Other individuals, including white males, may be certified but they must demonstrate by a preponderance of the evidence that they are indeed socially and economically disadvantaged.

OBJECTIVE

The Community Business Development Partners (CBDP) implements County Policies that ensure participation and contract compliance on all County procurement that will provide business opportunities for DBE firms.

This is accomplished by: establishing DBE participation goals; assisting department heads, administrators, and prime contractors in identifying qualified DBEs; contract monitoring; ensuring that all DBE firms participating on County contracts are certified through the Unified Certification Program (UCP); identifying and reacting to instances of noncompliance; and providing DBE firms with technical assistance to enhance their ability to participate on County contracts.

The goal of this report is to provide the resulting accomplishments of all professional service and construction contracts tracked during the period from January 1 through December 31, 2008. The summary of contracts issued and overall DBE participation is shown attachment "A".

WAIVERS:

During 2008, CBDP waived 180 professional service contracts, where no subcontracting opportunities existed for DBEs. Many of these contracts were also for agencies such as the Medical College of Wisconsin, UW System, State of Wisconsin, Non-Profit Organizations, etc., and many small contracts for the zoo.

It is now the policy that County Board Chairman Holloway approves all DBE Waiver requests based on a review of the CBDP Director's recommendation.

RECOMMENDATION

This is an informational report. It is recommended it be received and placed on file.

Prepared by:

Keith Garland
Contract Compliance Manager

Approved by:

Freida Webb, Director
Community Business Development Partners

cc: Scott Walker, County Executive
County Board of Supervisors
Jerome Heer, Director, Department of Audits
Department Heads

Attachment A

**MILWAUKEE COUNTY
2008 DBE Accomplishment Report**

2008 Annual Contracts				
	Total \$ Amount of Contracts	\$ Amount of DBE Subcontracts	% of DBE Participation	DBE Goal
Construction Contracts	\$18,689,460	\$5,362,151	28.69%	25%
Professional Services- Construction Related	\$8,471,133	\$2,664,905	31.46%	25%
Professional Services Non-Construction	\$15,456,594	\$8,605,150	55.67%	17%
Time & Material	\$884,795	\$142,336	16.09%	25%
TOTAL – Contract Amt.	\$43,501,982	\$16,774,542	38.56%	

Multi-Year Contracts ending in 2008				
	Total \$ Amount of Contracts	\$ Amount of DBE Subcontracts	% of DBE Participation	DBE Goal
GMIA / CPI Carpet & Window Cleaning	\$1,742,583	\$284,640	16.33%	17%

DATE : June 3, 2010

TO: Supervisor Lee Holloway, Chairman, Milwaukee County Board
Supervisor Michael Mayo, Sr., Chairman, Transportation and Public Works
Supervisor Theodore A. Lipscomb, Vice Chairman, Economic & Community
Development
Supervisor Elizabeth M. Coggs, Chairperson, Finance & Audit

FROM : Freida Webb, Director
Community Business Development Partners

SUBJECT : DBE Achievement Report –2009

BACKGROUND

In the past, Milwaukee County measured participation by M/WBE standards; however, since January 2001, the County federalized its DBE Program to comply with 49 CFR 26. According to certification standards, the term "DBE" means a small business concern known as a Disadvantaged Business Enterprise (DBE) firm owned at least 51% by socially and economically disadvantaged individuals. Certain minority males and all women are presumed to be disadvantaged. Other individuals, including white males, may be certified but they must demonstrate by a preponderance of the evidence that they are indeed socially and economically disadvantaged.

OBJECTIVE

The Community Business Development Partners (CBDP) implements County Policies that ensure participation and contract compliance on all County procurement that will provide business opportunities for DBE firms.

This is accomplished by: establishing DBE participation goals; assisting department heads, administrators, and prime contractors in identifying qualified DBEs; contract monitoring; ensuring that all DBE firms participating on County contracts are certified through the Unified Certification Program (UCP); identifying and reacting to instances of noncompliance; and providing DBE firms with technical assistance to enhance their ability to participate on County contracts.

The goal of this report is to provide the resulting accomplishments of all professional service and construction contracts tracked during the period from January 1 through December 31, 2009. The summary of contracts issued and overall DBE participation is shown attachment "A".

CHANGES:

The calculation methodology for counting DBE outcomes changed in 2009. Prior years reporting used the County Departmental commitments for year-end DBE outcomes reporting. The 2009 reports reflect actual achievements verified by written confirmation from DBE firms. The result of this change reflects a significant decrease in percentage of achievement in professional services contracting due to County Department's failure to obtain written verification of payments from the DBE firms.

We anticipate that with continued training and the updating of the County Administrative Manual to reflect the recent changes to Chapter 42, we will see an increase in the DBE achievement percentage in future years.

WAIVERS:

During 2009, CBDP waived 160 professional service contracts, where no subcontracting opportunities existed for DBEs. Many of these contracts were also for agencies such as the Medical College of Wisconsin, UW System, State of Wisconsin, Non-Profit Organizations, etc., and many small contracts for the zoo.

It is now the policy that County Board Chairman Holloway approves all DBE Waiver requests based on a review of the CBDP Director's recommendation.

RECOMMENDATION

This is an informational report. It is recommended it be received and placed on file.

Prepared by:

Keith Garland
Contract Compliance Manager

Approved by:

Freida Webb, Director
Community Business Development Partners

cc: Scott Walker, County Executive
County Board of Supervisors
Jerome Heer, Director, Department of Audits
Department Heads

MILWAUKEE COUNTY 2009 DBE Accomplishment Report

2009 Annual Contracts				
	Total \$ Amount of Contracts ₁	\$ Amount of DBE Subcontracts	% of DBE Participation	DBE Goal
Construction Contracts	\$20,111,300	\$6,465,871	32.15%	25%
Professional Services- Construction Related	\$913,784	\$509,473	55.75%	25%
Professional Services	\$20,712,286	\$1,566,056	7.56%	17%
Time & Material	\$2,099,695	\$779,146	37.11%	25%
TOTAL – Contract Amt.	\$43,837,065	\$9,320,546	21.26%	

₁ Represents only contracts that had a DBE goal

Multi-Year Contracts ending in 2009 ₃				
	Total \$ Amount of Contracts ₂	\$ Amount of DBE Subcontracts	% of DBE Participation	DBE Goal
GMIA Parking (9/2002 - 8/2009)	\$32,542,460	\$7,316,491.43	22.48%	17.00%
Airport Shuttle (11/2002-10/2009)	\$364,000	\$55,328.00	15.20%	14.00%

₂ Represents only contracts that had a DBE goal

₃ Contract periods of three (3) or more years

**Milwaukee County
INTEROFFICE COMMUNICATION**

DATE: June 7, 2010

TO: Supervisor Lee Holloway, Chairman, Milwaukee County Board
Supervisor Theodore A. Lipscomb, Vice Chairman, Economic &
Community Development and Committee Members

FROM: Freida Webb, Director
Community Business Development Partners

SUBJECT: Community Business Development Partners
Monthly Waiver Report, April 2010
Informational Only

DIRECTIVE:

The Office of Community Business Development Partners (CBDP) at the request of Committee on Economic & Development, the Office of Community Business Development Partners submits a monthly update on waivers requested and granted to various Milwaukee County Departments and Divisions that come through the CBDP office.

For the purpose of this report waivers are contracts that have no disadvantaged business enterprise (DBE) participation. CBDP has not had the benefit of reviewing all contracts prior to service is engaged. This has been noted in this report. Other such contracts only come to our attention via form 1684 from the Department of Administration, (DAS) Accounts Payable. Subsequently we do not know in all cases prior to contracts signing if contracts do have or do not have DBE participation. Any and all waived contracts are shared and reviewed with Chairman Holloway before any approved waiver is granted.

BACKGROUND

The Office of Community Business Development Partners (CBDP) is responsible for implementing Federal and Milwaukee County DBE regulations. Implementation of the regulations includes establishing DBE goals on both Federal and County funded contracts, as well as monitoring the DBE compliance of departments. DBE goals are

**ECD Committee Report
CBDP Waiver Report April 2010
Page 2
June 7, 2010,**

established based upon Federal and County contracts where there are **“ready, willing and able” DBE firms available for contracting and or subcontracting opportunities.**

In the past, Milwaukee County measured participation by M/WBE standards; however, since January 2001, the County federalized its DBE Program to comply with 49 CFR 26. According to certification standards, the term "DBE" means a small business concern known as a Disadvantaged Business Enterprise (DBE) firm owned at least 51% by socially and economically disadvantaged individuals. Certain minority males and all women are presumed to be disadvantaged. Other individuals, including white males, may be certified but they must demonstrate by a preponderance of the evidence that they are indeed socially and economically disadvantaged. In addition each individual or firm must demonstrate their business size and personal network meet the guidelines as well.

When the CBDP office receives a waiver request from a department, it is first reviewed by the department then forwarded to the County Board Chairman with a recommendation to either grant or deny the request. The Chairman may request CBDP gather more information to provide clarification regarding issues such as: 1) Is there anything else that can be done, directly or indirectly to include DBEs; 2) If DBE participation is not possible, is there a way to improve equal employment opportunity representation (i.e., employee diversity); and or 3) Can DBE participation be included for this company in other areas not related to this project.

In summary County Board Chairman Lee Holloway always make sure that additional steps have been taken to assure maximum DBE participation, or if not direct then “indirect” DBE participation. When and if all else fails the prime contactors must submit documentation to prove their Good Faith Efforts (GFE) which CBDP must then review to determine if it should be approved.

Disadvantaged Business Enterprise Goals are as follows:

Construction	25%
Time & Material (Construction)	25%
Professional Services	17%
Professional Services	
Construction Related	17%
Purchase of Service Agreements	17%

**ECD Committee Report
CBDP Waiver Report April 2010
Page 3
June 7, 2010**

Waiver Report Summary

Based upon the above the Milwaukee Community Business Development Partners (CBDP), Disadvantaged Business Enterprise (DBE) Waiver Report for April 2010 is as follows along with the spread sheet attachment, April 2010.

Total Contract \$ Amount for April 2010	\$6,834,008.70
Total Approved Waivers \$ Amount	\$1,797,706.02
Total Unapproved Waivers	\$0.00
Percentage of Waived for Feb. 2010	26.31%

Prepared By:

Keith Garland,
CBDP Contract Compliance Manager

Mildred Hyde-Demoze,
CBDP Certification Manger

Approved By:

Freida Webb, CBDP Director

April 2010
Wavier Report

DEPARTMENT	Consultants /Contractors	SCOPE OF SERVICES	CONTRACT AMOUNT	APPROVAL REASON
CBDP approved wavers ¹				
Combined Court Related	Justice 2000	Drug treatment court coordinator	\$76,388.00	Grant Funded (Appro
Behavioral Health Division	Marquette University (Dr. Todd Campbell)	Treatment for the homeless	\$350,000.00	Approved Waiver
Behavioral Health Division	Reverand Ray Gurney	Chaplain services at BHD	\$766.00	Approved Waiver
Health Related Programs	City of St. Francis	Emergency Medical services to residents	\$0.00	Approved Waiver
Health Related Programs	Village of Greendale	Emergency Medical services to residents	\$0.00	Approved Waiver
Health Related Programs	City of Cudahy	Emergency Medical services to residents	\$0.00	Approved Waiver
DHHS	St. Charles Youth and Family Services	Administer state Juvenile Justice Plan	\$12,500.00	Approved Waiver (gra
DHHS	Wisconsin Early Childhood Assoc. (WECA)	Health & safety workshops to childcare cntrs.	\$49,900.00	Approved Waiver (GF
Zoological Dept.	Skyfair, Skyzoo of Wisconsin	Skyglider services	\$725,873.02	Approved Waiver (5-y
Zoological Dept.	Jo-Don Farms, Inc.	Pony rides at Zoo	\$30,000.00	Approved Waiver
Zoological Dept.	Jo-Don Farms, Inc.	Camel rides at Zoo	\$15,000.00	Approved Waiver
UW-Extension	UW-Milwaukee Board of Regents	Staffing of UW-Extension & cooperative extension	\$156,151.00	Approved Waiver
District Attorney	Craig Schoenecker, M.D.	Examine and review Julius C. Burton	\$1,840.00	Approved Waiver
GMIA	Saez Brunner Capital Group Company	Review and provide recommendations for Wi-Fi	\$2,175.00	Approved Waiver
Combined Court Related	Justice 2000	Operation of TAD program	\$371,054.00	Approved Waiver
Combined Court Related	UW-Milwaukee	Evaluation of drug treatment court	\$6,059.00	Approved Waiver
Total Contract \$ Amount for April		\$6,834,008.70		
Total Approved Waiver \$ Amount¹		\$1,797,706.02		
Total Unapproved Waiver \$ Amount²		\$0.00		
Percentage Waived		26.31%		

¹ Wavers approved by CBDP Department with County Board Chairman's Approval

² Contracts issued without DBE goals by departments without CBDP review or approval.
CBDP is only made aware of these projects when accounts payable department forwards new contact information to CBDP



OFFICE OF CORPORATION COUNSEL

Milwaukee County

12

TIMOTHY R. SCHOEWE
Acting Corporation Counsel

ROBERT E. ANDREWS
Deputy Corporation Counsel

JOHN F. JORGENSEN
MARK A. GRADY
JOHN E. SCHAPEKAHM
TIMOTHY R. KARASKIEWICZ
JEANEEN J. DEHRING
ROY L. WILLIAMS
COLLEEN A. FOLEY
LEE R. JONES
MOLLY J. ZILLIG
Principal Assistant
Corporation Counsel

DATE: May 24, 2010

TO: Mr. Lee Holloway, Chairman
Milwaukee County Board of Supervisors

FROM: Robert E. Andrews, Deputy Corporation Counsel

Subject: Release of recorded Restrictions and Revocation of recorded Ordinance
Layton Plaza Shopping Center, Greenfield, WI

-----Attached is a copy of correspondence from Attorney Linda Sklenar, Whyte Hirschboeck Dudek S.C. along with supporting enclosures regarding the release of recorded restrictions and revocation of recorded ordinance for Layton Plaza Shopping Center, Greenfield, WI.

Please refer the above-mentioned matter to the Economic and Community Development Committee to be placed on the agenda for its next meeting where Corporation Counsel will provide a report. Thank you.

REA/rf

Att.

cc w/att: Linda Durham



Whyte Hirschboeck Dudek S.C.

Linda K. Sklenar
414-978-5343
lsklenar@whdlaw.com

May 13, 2010

VIA UPS / TRACKING # 1ZF516W50193456947

Lee Holloway
Chairman
Milwaukee County Board of Supervisors
901 N. 9th Street, Room 201
Milwaukee, WI 53233

Re: Release of recorded Restrictions and Revocation of recorded Ordinance
Layton Plaza Shopping Center, Greenfield, WI

Dear Mr. Holloway:

Our firm represents Layton Plaza, LLP (“Layton”), the current owner of the Layton Plaza Shopping Center located at 7401-7515 W. Layton Avenue in the City of Greenfield (the “Shopping Center”), having a Tax Parcel I.D. number of 617-0082-004.

Layton is currently under contract to sell the Shopping Center. As part of its real estate due diligence, Layton provided a preliminary title Commitment to the proposed purchaser showing the current status of title and listing the matters affecting the title to the real estate. Review of the title Commitment disclosed certain matters that had previously not been addressed:

1. As a condition of the approval by the Milwaukee County Board of Supervisors (the “Board”) of Layton Heights subdivision (the “Subdivision”), including the use of certain parcels of land in the Subdivision for the operation of gasoline service stations and the approval of the installation of pump islands in the operation of the gasoline service stations within the affected parcels (the “Reserved Strips”), the Board required the imposition of certain covenants and restrictions to affect the parcels should the approved use be discontinued.

In accordance with the Board’s requirements for approval of the Subdivision, Larlin Corporation (“Larlin”), the subdivider of the Subdivision, executed an agreement (“Agreement”) dated May 19, 1955, and recorded in the Milwaukee County Register of Deeds

WHD/7139137.1

Lee Holloway
Chairman of the Milwaukee County
Board of Supervisors
May 13, 2010
Page 2

Office on June 24, 1955, as Document No. 3405165, wherein it agreed to and with the County of Milwaukee and the Town of Greenfield that, should the use of the site be discontinued for gasoline service station purposes, the Reserved Strips would revert to use for off-street parking purposes only. The right to enforce the covenants and restrictions was reserved to the County of Milwaukee (the "County") and the Town of Greenfield, now the City of Greenfield, Wisconsin (the "City").

2. Pursuant to Resolution adopted by the Board on November 1, 1955 and recorded in said Register's Office on November 18, 1955 as Document No. 3447378 (the "1955 Resolution"), and Ordinance adopted by the Board on November 1, 1955 and recorded in said Register's Office on July 9, 1956 as Document No. 3506374 (the "1955 County Ordinance"), the Board authorized the vacation and discontinuance of a portion of the "Public Service Street & Off Street Parking" depicted on the Subdivision plat adjacent to the northwest corner of Lot 6 in Block 1 of the Subdivision, upon the express condition that in the event Lot 6, Block 1 is no longer used as a gasoline service station that the owner of Lot 6 will, at its sole cost, remove all of the improvements at any time placed in the vacated portions of the public service streets and remove from occupancy of said vacated areas.

Lots 5 and 6, Block 1 of the Subdivision, together with the adjacent vacated Public Service Street & Off Street Parking area are now known as Certified Survey Map No. 6457 upon which the Shopping Center is located.

Layton is the current owner of the Shopping Center and the property is no longer used as a gasoline station.

Layton is requesting that the County (i) release the covenants, restrictions and right to enforce the Agreement against the owners of the Shopping Center; and (ii) adopt a Resolution to repeal and release the County's reservation of rights to require removal of all of the improvements at any time placed in the vacated portions of the public service streets and require the property owner's removal from occupancy of the vacated areas in the event the Property is no longer used as a gasoline station as set forth in the 1955 County Ordinance. I have attached drafts of the release and removal documents we are requesting the County review and execute.

As the City has enforcement rights under the Agreement, as well as similar recorded restrictive Ordinances affecting the Shopping Center, we have asked the City to execute similar release documents. Copies of the release documents are attached for your reference.

Lee Holloway
Chairman of the Milwaukee County
Board of Supervisors
May 13, 2010
Page 3

Also attached is the request for release submission materials we presented at the Greenfield Planning Commission meeting May 11, 2010. At the meeting, the Planning Commission recommended approval and referred the matter to the Greenfield Common Council for approval at its May 18, 2010 meeting.

I spoke with Attorney Bob Andrews in the Corporation Counsel's office and provided him copies of a few of the relevant documents. Bob recommended that I forward my request to you so you could refer the matter to the proper committee for review and action. I have also spoken with the 11th District Supervisor, Mark Borkowski, regarding this matter and he is supportive of our request for the releases.

Please forward this matter to the appropriate committee for review. I would appreciate if you would let me know the committee referred to and the person I should be contacting as we move this toward resolution.

Call if you or the designated committee has any questions regarding the attached information.

Very truly yours,



Linda K. Sklenar

Enclosures

cc Nathaniel A. Hoffman, Esq. (w/o attachments)
Whyte Hirschboeck Dudek S.C.

Robert Andrews, Esq. (w/o attachments)
Milwaukee County Corporation Counsel

Mark Borkowski (w/o attachments)
Milwaukee County Board of Supervisors

J. Paul Neumeier, Jr., Esq. (with attachments)
Beck, Chaet, Bamberger & Polsky, S.C.

This instrument was drafted by
and to be returned to:

*Nathaniel Hoffman, Esq.
Whyte Hirschboeck Dudek S.C.
555 E. Wells Street, Suite 1900
Milwaukee, WI 53202*

Parcel I.D. No.:
617-0082-004

**RELEASE
OF
RESTRICTIONS
AS TO
SPECIFIC
REAL ESTATE**

Space above this line reserved for recording data

THIS RELEASE OF RESTRICTIONS AS TO SPECIFIC REAL ESTATE (“**Release**”) is executed as of _____, 2010 by the **COUNTY OF MILWAUKEE**, a municipal corporation (the “**County**”).

RECITALS

A. As a condition of the approval by the Milwaukee County Board of Supervisors (the “**Board**”) of Layton Heights subdivision (the “**Subdivision**”), including the use of certain parcels of land in the Subdivision for the operation of gasoline service stations and the approval of the installation of pump islands in the operation of the gasoline service stations within the affected parcels (the “**Reserved Strips**”), the Board required the imposition of certain covenants and restrictions to affect the parcels should the approved use be discontinued.

B. In accordance with the Board’s requirements for approval of the Subdivision, Larlin Corporation (“**Larlin**”), the subdivider of the Subdivision, executed an agreement (“**Agreement**”) dated May 19, 1955, and recorded in the Office of the Register of Deeds for Milwaukee County, Wisconsin on June 24, 1955, as Document No. 3405165, wherein it agreed to and with the County of Milwaukee and the Town of Greenfield that, should the use of the site be discontinued for gasoline service station purposes, the Reserved Strips would revert to use for off-street parking purposes only. The right to enforce the covenants and restrictions was reserved to the County of Milwaukee and the Town of Greenfield.

C. The Subdivision, as approved by the Board and the Town of Greenfield, was recorded in said Register’s Office on June 6, 1955 as Document No. 3405163.

D. Pursuant to Resolution adopted by the Board on November 1, 1955 and recorded in said Register’s Office on November 18, 1955 as Document No. 3447378 (the “**1955 Resolution**”), and Ordinance adopted by the Board on November 1, 1955 and recorded in said Register’s Office on July 9, 1956 as Document No. 3506374 (the “**1955 County Ordinance**”),

the Board authorized the vacation and discontinuance of a portion of the “Public Service Street & Off Street Parking” depicted on the Subdivision plat adjacent to the northwest corner of Lot 6 in Block 1 of the Subdivision, upon the express condition that in the event Lot 6, Block 1 is no longer used as a gasoline service station that the owner of Lot 6 will, at its sole cost, remove all of the improvements at any time placed in the vacated portions of the public service streets and remove from occupancy of said vacated areas.

E. Pursuant to Ordinance No. 8 passed and adopted by the Common Council (“**Common Council**”) of the City of Greenfield June 26, 1957, a certified copy of which was recorded in said Register’s Office on July 1, 1957 as Document No. 3589410 (the “**1957 City Ordinance**”), the Common Council approved, among other things, the vacation and discontinuance of the off-street parking area and public service street at the intersection of South 76th Street and West Layton Avenue adjacent to Lots 5 and 6 in Block 1 of the Subdivision, and as depicted on the Exhibit attached thereto, with the reservation that in the event the vacated lands are no longer used as gasoline stations or shopping centers, the then owners of Lots 5 and 6 in said Block 1 agree to remove all of the improvements placed in the portions of the off-street parking area and vacate the premises.

F. Layton Plaza, a Wisconsin Partnership (now known as Layton Plaza, LLP, a Wisconsin limited liability company (“**Layton**”)), the successor in title to Larlin, recorded that certain Certified Survey Map 6457 in said Register’s Office on December 30, 1997 as Document No. 7467801 (the “**CSM**”), which is comprised of Lots 5 and 6, Block 1 of the Subdivision, together with the vacated off-street parking and service street referenced in the 1957 City Ordinance and as depicted on the Subdivision. The Common Council of the City approved the CSM.

G. Layton is the current fee owner of the real estate described on **Exhibit A** attached hereto and made a part hereof (the “**Property**”), upon which is located that certain shopping center more commonly known as the Layton Plaza Shopping Center (“**Shopping Center**”).

AGREEMENT

NOW, THEREFORE, for and in consideration of the above Recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County hereby agrees as follows:

1. **Recitals.** The recitals set forth above are true and correct and are incorporated herein by reference.

2. **Release of Agreement.** The County hereby releases any and all right to the covenants and restrictions set forth in the Agreement and enforcement thereof with respect to the Property.

3. **Revocation of 1955 County Ordinance.** The Board of Supervisors of the County passed and adopted that certain Resolution number _____ dated _____,

2010 (the "**2010 Resolution**"), repealing the 1955 County Ordinance with respect to the Property, a copy of which is attached hereto as **Exhibit B**.

Dated this ____ day of _____, 2010.

COUNTY OF MILWAUKEE

By: _____

Name: _____

Title: _____

Attest: _____

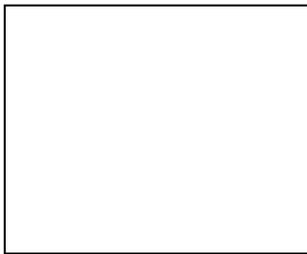
Name: _____

Title: _____

STATE OF WISCONSIN)
) ss.
COUNTY OF MILWAUKEE)

Personally came before me this _____ day of _____, 2010, the above named _____, the _____, and attested to by _____ the _____ of the County of Milwaukee, who are personally known to me to be the persons who executed the same as the free and voluntary act of such parties for the uses and purposes mentioned in the instrument in their duly authorized capacities.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Above space for Notary Seal

(Print or type name of Notary)

Notary Public, State of _____

My commission expires: _____.

Exhibit A

Legal Description

PARCEL 1 OF CERTIFIED SURVEY MAP NO. 6457, RECORDED ON DECEMBER 30, 1997, REEL 4212, IMAGES 776 TO 778 INCLUSIVE, AS DOCUMENT NO. 7467801, A REDIVISION OF PARCELS 1 AND 2 OF CERTIFIED SURVEY MAP NO. 2878, AND LOT 6 IN BLOCK 1 IN LAYTON HEIGHTS, TOGETHER WITH THE VACATED OFF STREET PARKING AND SERVICE STREET ADJOINING SAID LOT 6 TO THE WEST AND NORTH, ALL BEING A PART OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 27, TOWN 6 NORTH, RANGE 21 EAST, IN THE CITY OF GREENFIELD, COUNTY OF MILWAUKEE, STATE OF WISCONSIN.

TAX KEY #: 617-0082-004

Exhibit B

County of Milwaukee Resolution # _____

WEST BOUND LANE
C.T.H. #Yth

SUBJECT AREA

WEST LAYTON AVENUE

N58°11'35"E 487.01'

SOUTH 76th STREET

SOUTH 74th STREET

S00°51'01"E 203.85'

LAYTON PLAZA RETAIL CENTER

30' PUBLIC ALLEY

S88°11'35"W 487.01'

LOT 7
BLOCK 1
LAYTON HEIGHTS

LOT 4
BLOCK 1
LAYTON HEIGHTS

VACATED OFF STREET
PARKING & SERVICE DRIVE

VACATED OFF STREET PARKING & SERVICE DRIVE

VACATED OFF STREET PARKING & SERVICE DRIVE

AREA
89,724.34 S.F.
2,166.3 GROSS

CONCRETE BLOCK AND BRICK
BUILDING

BUILDING NO. 248

LOT 3 BLK 1
LAYTON HEIGHTS

LOT 3 BLK 1
LAYTON HEIGHTS



Attach ment 3



OFFICE OF CORPORATION COUNSEL

Milwaukee County

TIMOTHY R. SCHOEWE
Acting Corporation Counsel

ROBERT E. ANDREWS
Deputy Corporation Counsel

JOHN F. JORGENSEN
MARK A. GRADY
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TIMOTHY R. KARASKIEWICZ
JEANEEN J. DEHRING
ROY L. WILLIAMS
COLLEEN A. FOLEY
LEE R. JONES
MOLLY J. ZILLIG
Principal Assistant
Corporation Counsel

DATE: June 3, 2010
TO: Committee on Economic and Community Development
FROM: Robert E. Andrews, Deputy Corporation Counsel
SUBJECT: Layton Plaza Shopping Center, Greenfield, WI
Release of Restrictions and Revocation of Ordinance

In 1955, Larlin Corporation sought the approval of Milwaukee County and the Town of Greenfield for the development of a subdivision. A county has zoning authority only over unincorporated lands within its boundaries. As this subdivision was located in the Town of Greenfield before it was incorporated, Milwaukee County was required to act on the application for the subdivision.

As a condition for the approval of the subdivision the County imposed certain covenants and restrictions which would affect the parcels should the originally approved use be discontinued. That original use included the operation of a gasoline service station which called for the installation of pump islands. The condition imposed by the County and Greenfield in 1955 was that if the use of the site for a gasoline service station be discontinued then the improvements on specific parcels of the subdivision would have to be removed with that portion of the property reverting to off-street parking.

The subject property located at 7400 and 7500 W. Layton Avenue currently is the site for Layton Plaza Shopping Center. The present owner is Layton Plaza, LLP which is under contract to sell the shopping center. The preliminary title Commitment disclosed the presence of certain covenants and restrictions which were imposed by the County in the 1950's. The property is no longer used as a gasoline station. Pursuant to the actions taken by the County Board in 1955 the County may now seek to impose the restrictions by having a portion of the shopping center removed and converted to off-street parking.

We have been approached by the current owners of Layton Plaza requesting that the County release the covenants, restrictions and right to enforce the 1955 Agreement against the present owners of the shopping center, and that the County adopt a resolution to repeal and release the County's reservation of rights requiring the removal of all of the improvements on the subject property. Our office along with Real Estate Services have reviewed these requests, and we support them. There is no benefit to the County in retaining these covenants and restrictions. Furthermore, the City of Greenfield, at its Common Council meeting on May 18th, approved of the release of these same restrictions.

It is the recommendation of the Office of Corporation Counsel in concurrence with Real Estate Services that the County Board approve the release of the covenants, restrictions and right to enforce the 1955 agreement against the owners of the shopping center and adopt a Resolution to repeal and release the County's reservation of rights to require removal of all improvements on the property because it is no longer used as a gasoline station.

Thank you for your consideration.

REA/rf

Att.

cc w/att: Linda Durham

COUNTY OF MILWAUKEE, WISCONSIN

RESOLUTION NO. _____

RESOLUTION REGARDING RELEASE OF RESTRICTIONS
RECORDED AS DOCUMENT NO. 3405165 AS TO SPECIFIC
REAL ESTATE
AND
REVOCATION OF ORDINANCE RECORDED AS
DOCUMENT NO. 3506374 AS TO SPECIFIC REAL ESTATE
FOR
LAYTON PLAZA SHOPPING CENTER

WHEREAS, as a condition of the approval by the Milwaukee County Board of Supervisors (the “**Board**”) of Layton Heights subdivision (the “**Subdivision**”), including the use of certain parcels of land in the Subdivision for the operation of gasoline service stations and the approval of the installation of pump islands in the operation of the gasoline service stations within the affected parcels (the “**Reserved Strips**”), the Board required the imposition of certain covenants and restrictions to affect the parcels should the approved use be discontinued; and

WHEREAS, in accordance with the Board’s requirements for approval of the Subdivision, Larlin Corporation (“**Larlin**”), the subdivider of the Subdivision, executed an agreement (“**Agreement**”) dated May 19, 1955, and recorded in the Office of the Register of Deeds for Milwaukee County, Wisconsin on June 24, 1955, as Document No. 3405165, wherein it agreed to and with the County of Milwaukee and the Town of Greenfield that, should the use of the site be discontinued for gasoline service station purposes, the Reserved Strips would revert to use for off-street parking purposes only. The right to enforce the covenants and restrictions was reserved to the County of Milwaukee and the Town of Greenfield, now the City of Greenfield, Wisconsin (the “**City**”); and

WHEREAS, pursuant to Resolution adopted by the Board on November 1, 1955 and recorded in said Register’s Office on November 18, 1955 as Document No. 3447378 (the “**1955 Resolution**”), and Ordinance adopted by the Board on November 1, 1955 and recorded in said Register’s Office on July 9, 1956 as Document No. 3506374 (the “**1955 County Ordinance**”), the Board authorized the vacation and discontinuance of a portion of the “Public Service Street & Off Street Parking” depicted on the Subdivision plat adjacent to the northwest corner of Lot 6 in Block 1 of the Subdivision, upon the express condition that in the event Lot 6, Block 1 is no longer used as a gasoline service station that the owner of Lot 6 will, at its sole cost, remove all of the improvements at any time placed in the vacated portions of the public service streets and remove from occupancy of said vacated areas; and

WHEREAS, Layton Plaza, a Wisconsin Partnership (now known as Layton Plaza, LLP, a Wisconsin limited liability company (“**Layton**”)), the successor in title to Larlin, recorded that certain Certified Survey Map No. 6457 in said Register’s Office on December 30, 1997 as Document

No. 7467801 (the “**CSM**”), which CSM was approved by the Common Council of the City of Greenfield and is comprised of Lots 5 and 6, Block 1 of the Subdivision, together with the vacated off-street parking and service street referenced in the 1955 County Ordinance and in that certain Ordinance No. 8 passed and adopted by the Common Council (“**Common Council**”) of the City of Greenfield June 26, 1957, a certified copy of which was recorded in said Register’s Office on July 1, 1957 as Document No. 3589410 (the “**1957 City Ordinance**”), and is more particularly described as follows:

PARCEL 1 OF CERTIFIED SURVEY MAP NO. 6457, RECORDED ON DECEMBER 30, 1997, REEL 4212, IMAGES 776 TO 778 INCLUSIVE, AS DOCUMENT NO. 7467801, A REDIVISION OF PARCELS 1 AND 2 OF CERTIFIED SURVEY MAP NO. 2878, AND LOT 6 IN BLOCK 1 IN LAYTON HEIGHTS, TOGETHER WITH THE VACATED OFF STREET PARKING AND SERVICE STREET ADJOINING SAID LOT 6 TO THE WEST AND NORTH, ALL BEING A PART OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 27, TOWN 6 NORTH, RANGE 21 EAST, IN THE CITY OF GREENFIELD, COUNTY OF MILWAUKEE, STATE OF WISCONSIN.

TAX KEY #: 617-0082-004

WHEREAS, Layton is the current owner of the above referenced real estate (the “**Property**”), upon which is located that certain shopping center more commonly known as the Layton Plaza Shopping Center (“**Shopping Center**”); and the Property is no longer used as a gasoline station; and

WHEREAS, Layton is requesting that the County (i) release the covenants, restrictions and right to enforce the Agreement against the owners of the Shopping Center; and (ii) adopt a Resolution to repeal and release the County’s reservation of rights to require removal of all of the improvements at any time placed in the vacated portions of the public service streets and require the property owner’s removal from occupancy of the vacated areas in the event the Property is no longer used as a gasoline station as set forth in the 1955 County Ordinance; and

NOW THEREFORE, BE IT RESOLVED by the Board of Supervisors of Milwaukee County as follows:

Section 1. Findings and Determinations.

It is hereby found and determined that:

- (a) the County agrees to the release of the covenants and restrictions set forth in the Agreement requiring utilization of certain portions of the Property for offstreet parking purposes only and agrees to release the County’s rights to enforce the Agreement against the owners of the Property; and
- (b) the Board of Supervisors of the County agrees to the adoption of a Resolution repealing and releasing the County’s reservation of rights as set forth in the 1955 County Ordinance requiring removal of all of the improvements at any time placed

in the vacated portions of the public service streets and require the property owner's removal from occupancy of the vacated areas in the event the Property is no longer used as a gasoline station as set forth in the 1955 County Ordinance; and

- (c) the _____ and the _____ of the County are authorized to execute the form of Release of Restrictions as to Specific Real Estate attached hereto as Exhibit A with respect to the relinquishment of the rights set forth in the Agreement and the 1955 County Ordinance.

Passed and Adopted: _____, 2010.

_____, _____

_____, _____

CERTIFICATION BY COUNTY CLERK

I, _____, being first duly sworn, hereby certify that I am the duly qualified and acting County Clerk of the County of Milwaukee, Wisconsin (the "County"), and as such I have in my possession, or have access to, the complete corporate records of the County and of its Board of Supervisors; that I have carefully compared the transcript attached hereto with the aforesaid records; and that said transcript attached hereto is a true, correct and complete copy of all the records in relation to the adoption of Resolution No. ____ entitled:

RESOLUTION REGARDING RELEASE OF RESTRICTIONS RECORDED AS
DOCUMENT NO. 3405165 AS TO SPECIFIC REAL ESTATE
AND
REVOCATION OF ORDINANCE RECORDED AS DOCUMENT NO. 3506374 AS TO
SPECIFIC REAL ESTATE
FOR
LAYTON PLAZA SHOPPING CENTER

I hereby further certify as follows:

1. Said Resolution was considered for adoption by the Board of Supervisors of the County of Milwaukee at a meeting held at _____ Wisconsin, at ____ p.m. on _____, 2010. Said meeting was a regular meeting of the Board of Supervisors and was held in open session.

2. Said Resolution was on the agenda for said meeting and public notice thereof was given not less than twenty-four (24) hours prior to the commencement of said meeting in compliance with Section 19.84 of the Wisconsin Statutes, including, without limitation, by posting on the bulletin board in the City Hall of the City of Greenfield, by notice to those news media who have filed a written request for notice of meetings, and by notice to the official newspaper of the County.

3. Said meeting was called to order by _____, who chaired the meeting. Upon roll, I noted and recorded that the following Board of Directors were present:

_____	_____
_____	_____
_____	_____
_____	_____

and that the following Board of Directors were absent:

_____	_____
_____	_____

I noted and recorded that a quorum was present. Various matters and business were taken up during the course of the meeting without intervention of any closed session. One of the matters taken up was said Resolution, which was introduced, and its adoption was moved by _____ and seconded by _____. Following discussion and after all alderpersons who desired to do so had expressed their views for or against said Resolution, the question was called, and upon roll being called and the continued presence of a quorum being noted, the recorded vote was as follows:

AYE:

_____	_____
_____	_____
_____	_____
_____	_____

NAY:

_____	_____
_____	_____

ABSTAINED:

_____	_____
_____	_____

Whereupon the meeting chair declared said Resolution adopted, and I so recorded it.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the County hereto on this ____ day of _____, 2010.

COUNTY OF MILWAUKEE, WISCONSIN

[SEAL]

By: _____
_____, County Clerk

Exhibit A

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: June 3, 2010

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Release of recorded Restrictions and Revocation of recorded Ordinance
Layton Plaza Shopping Center, Greenfield, WI

FISCAL EFFECT:

- | | |
|---|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of contingent funds |
|---|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

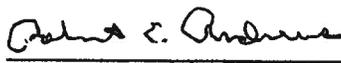
DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

Approval of this Resolution will have no fiscal impact.

Department/Prepared By Corporation Counsel

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.