

## Redevelopment Authority of the City of Milwaukee

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<b>Resolution No.:</b>	<b>10351</b>
<b>Adopted on:</b>	May 17, 2012
<b>Project Area:</b>	North Market Street-East Highland Avenue
<b>Aldermanic District:</b>	4 <sup>th</sup>

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### **Resolution to authorize a negotiation of release of reversionary rights and retention of certain rights with buyer for the property at 1150 N. Water Street.**

Whereas, the Redevelopment Authority of the City of Milwaukee approved Resolution 9833 on July 13, 2006 whereby the Authority authorized an Option to Purchase with Market Street Partners II, LLP for assignment to DOC Milwaukee, LLC for the properties at 1128-30 and 1132-44 North Water Street and 209, 215 and 219 East Juneau Avenue for hotel development (Project); and,

Whereas, DOC Milwaukee, LLC did not complete construction of the Project as required under the Purchase and Sale Agreement (PASA) (the PASA was recorded against title in December of 2006) and a receiver was appointed in 2009 (Milwaukee County Circuit Court Case No. 2009-CV-009785); and

Whereas, the receiver wishes to sell the property to satisfy liens placed against the property and will hold an auction for bids on May 31, 2012 to facilitate the sale; and

Whereas, if a potential bid is selected, the receiver will bring the winning bidder's proposal to a sale confirmation hearing at the Milwaukee County Courthouse on June 5, 2012 (Case No. 2009-CV-009785); and

Whereas, the Redevelopment Authority still has certain rights as the seller of the original parcels in 2006 including a reversionary clause; and

Whereas, the Redevelopment Authority has interest in seeing the property sold to a responsible owner so that improvements on the property (now partly constructed) may be completed; now, therefore, be it

Resolved, that the Redevelopment Authority authorizes its Executive Director (or designee) to negotiate with the winning bidder the termination of the existing PASA and release of the current reversionary rights on terms and conditions to effectuate the intent of this resolution, including assurance that construction of improvements will be completed, that adequate security in, for example, performance deposit form, will exist to ensure completion of construction, that component parcels will remain joined, that the existing condominium affecting the property will be dissolved, that City and Redevelopment Authority rights regarding utilities be preserved, that the property remain subject to the Authority's recorded Redevelopment Plan, and that the Authority retain the performance deposit under the PASA; and, be it

Further Resolved, that following the bid process to occur with the receiver in Case No. 2009-CV-009785, and prior to Court confirmation of sale, the Redevelopment Authority staff report back to the Authority Board concerning specifics regarding the winning bidder and back-up bidder, their

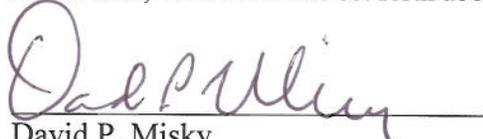
history and experience, financial status, plans for the property and for completing construction, and negotiation status, with the expectation that the Board will be able to finally approve terms and conditions of RACM's release of reversionary interest and termination of the PASA at that meeting of the Authority and prior to Court confirmation of sale.

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**CERTIFICATION**

I certify that the forgoing is a true and exact copy of a resolution adopted by the Redevelopment Authority of the City of Milwaukee, WI on the date set forth above.

(seal)

  
David P. Misky  
Assistant Executive Director-Secretary

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