

COMMISSION FILE NO: 16-167-12 **DATE INTRODUCED:** December 5, 2016

INTRODUCED BY: Executive Director (Signature on File in the Office of the Commission)

REFERRED BY COMMISSION CHAIRPERSON TO: Policy, Finance, and Personnel Committee

RELATING TO: Market and Sell District-owned Property on 25th and West Canal Streets

SUMMARY:

The Commission is requested to declare excess and to authorize and direct the Executive Director to market and sell the property located at 25th and West Canal Streets (25th and Canal).

The District purchased property at 199 North 25th Street (tax key 4009999221) (25th and Canal) in 1983 for the Crosstown Interceptor-West Segment project. After completing construction of the Crosstown Interceptor, the District constructed a facility to house its field maintenance staff. The field maintenance staff was relocated to a District Facility at 13th Street and College Avenue and to the Jones Island Water Reclamation Facility by United Water Services. Since 2003, the District has been leasing the entire 25th and Canal property to the City of Milwaukee (the City). The current lease with the City is on a month-to-month basis with the City paying the District \$12,364 per month.

The 25th and Canal property consists of approximately 1.5 acres with the primary improvement being a garage facility that was built in 1987. The garage has office space, with a second-floor mezzanine, and 10 overhead garage doors totaling approximately 24,000 square feet. The garage portion of the building is approximately 13,500 square feet. The property contains automotive fueling facilities, which are currently in service. The District also has significant underground and two above ground sewerage conveyance facilities. The District would maintain easements required to operate and maintain these facilities.

ATTACHMENTS: **BACKGROUND** ☐ **KEY ISSUES** ☐ **RESOLUTION** ☒
FISCAL NOTE ☐ **S/W/MBE** ☐ **OTHER** ☒ Attachment

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COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Market and Sell District-owned Property on 25th and West Canal Streets

The City currently uses the 25th and Canal property for their parking checker and tire repair operations. The City has communicated their desire to find a new location for these operations. The District approached Veolia Water Services, which declined a need for this facility. As the District has no operational need for the property beyond the conveyance facilities identified above, staff recommends sale of the property prior to an interruption in monthly lease revenue and/or the need to invest in major building or ground repairs/replacements.

Initially, District staff intends to market the property using internal resources. If the property is not sold, staff will seek proposals from commercial real estate brokers.

RESOLUTION

Market and Sell District-owned Property on 25th and West Canal Streets

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the property located at 199 North 25th Street (tax key 4009999221) is declared excess.

FURTHER RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is directed to market and sell the property located at 199 North 25th Street (tax key 4009999221).

FURTHER RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director may accept and execute on behalf of the Commission all sales related purchase agreements, easement documents, deeds of conveyance, and any other related real estate documents.

FURTHER RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to enter into listing contracts with a commercial real estate broker and pay brokerage commissions associated with the sale.