



MEMORANDUM

TO: Appleton Redevelopment Authority (ARA)

FROM: Matt Rehbein, Economic Development Specialist

DATE: December 6, 2017

RE: Purchase of Property at 222 N. Oneida Street in Appleton, WI

In support of the City's Comprehensive Plan and Downtown Plan, staff has identified the property at 222 N. Oneida Street as a property currently listed for sale that warrants consideration by ARA for acquisition to prevent slum and blight. This property consists of an approximately 8,720 square foot vacant office building and parking lot. It is located immediately north of the Transit Center, between the Library and the Yellow Parking Ramp.

An Offer to Purchase for \$250,000 was submitted on September 8, 2017 and approved by the seller on September 11, 2017, subject to a number of contingencies, including approval by ARA (attached). Subsequently, an amendment to extend the closing date was fully executed on November 17, 2017.

In performing due diligence, OMNNI Associates was retained to perform a Phase I and then a subsequent Phase II Environmental Assessment based on the results of the Phase I report. These Assessments identified that there are environmental concerns on the site (see attached Phase I & Phase II Environmental Reports). OMNNI Associates prepared estimated costs to address the environmental conditions on the site. \$50,000 is estimated to complete the site characterization and remediation plan. An approximate \$46,000 is anticipated to excavate impacted soils down five (5) feet on the site and properly dispose of the material if required by the Wisconsin DNR.

Staff has discussed these conditions with the seller and is currently working with the Attorney's Office to craft an Escrow Agreement for \$75,000, to be provided by the seller at closing to complete or substantially assist with investigation, remediation, and monitoring costs. The City anticipates taking advantage of the Local Governmental Unit (LGU) liability exemption to provide the City time to determine the final use of the property before engaging in remediation efforts.

Staff Recommendation:

The purchase of property at 222 N. Oneida Street in Appleton, WI by the Appleton Redevelopment Authority for \$250,000 with an escrow of \$75,000 to be provided by the seller at closing for environmental considerations **BE APPROVED.**