# File No. 17-

# (Journal, )

(ITEM NO. ) From the Director of Milwaukee of County Parks, Recreation, and Culture (DPRC), requesting authorization to accept an offer from Caterpillar Inc. to purchase a property within Oak Creek Parkway, by recommending adoption of the following:

## **RESOLUTION**

WHEREAS, in December of 2016, DPRC presented File No.16-710 to the Milwaukee County Parks, Energy, and Environment Committee, and provided background information on an existing encroachment by Caterpillar, Inc. in the Oak Creek Parkway; and

WHEREAS, the impacted area is approximately 2.0 acres located north of E. Rawson Avenue and west of 15th Avenue in South Milwaukee; and

WHEREAS, to assist in the evaluation of the options available to the County, the following documents were prepared and reviewed as part of the evaluation to resolve the disposition of the impacted park land:

* A letter from Caterpillar Inc., dated December 21, 2016, providing a history of the site and the encroachment onto the Parkway, offering to purchase the property for $30,000, and to place appropriate Deed Restrictions on the parcel.
* An environmental assessment report from Southeastern Wisconsin Regional Planning Commission (SEWRPC) dated January 25, 2017, which evaluates the site and parkway. SEWRPC concurs with the land transfer to Caterpillar under the condition that they place a deed restriction on the entire site to permanently preserve and protect the resources within the Primary Environmental Corridor.
* A Department of Administrative Services, AE-ES report dated April 11, 2017, which recommends transferring the two-acre parcel to Caterpillar with conditions, to reduce the County’s potential environmental liabilities.
* The Environmental Assessment and Procedure for Proposed Parkland Disposition (File 83-803) which establishes criteria for determining if a potential disposal of park land is appropriate for County Board action.
* An appraisal report from Lavold Appraisals, LLC dated April 25, 2017, for the Caterpillar-adjacent site in South Milwaukee. The appraisal is for the entire 9.02 acre parcel and the assigned value is $25,000. On a per acre basis, this value is $2,772/acre.  In Caterpillar’s December 21, 2016, letter, they offer to pay $30,000 for the 2.006 acre encroachment area, or $14,955/acre, which far exceeds market value. It is also important to note in the appraisal report that this value is not discounted for any environmental conditions. In other words, the $2,772/acre would need to be discounted in a market transaction for the cost of remediation, which makes Caterpillar’s offer even more competitive.

WHEREAS, the sale would be structured around the following terms:

* Purchase price of $30,000.
* Deed restriction on the entire site to preserve as Primary Environmental Corridor.
* County will sell the property “as is” with Caterpillar offering full indemnity of the County for future liabilities.
* Caterpillar will be obligated to make site improvements including:
  + Repair portions of the existing fence;
  + Remove surficial debris across the two acre parcel;
  + Repair disturbed area of slope by regrading and revegetating to create a buffer space between the slope and the park properly line;
  + Properly abandon the storm sewer outfall pipes;
  + Redirect the runoff to the existing Caterpillar retention pond;
  + Perform regular inspections of the slope to address erosion, seeps, and slope stability.

now, therefore,

BE IT RESOLVED, that the DPRC is hereby authorized to accept an offer from Caterpillar Inc. to purchase a property within Oak Creek Parkway; and

BE IT FURTHER RESOLVED that DPRC, Department of Administration, Corporation Counsel, Risk Management, County Clerk, Register of Deeds, and the County Executive are hereby authorized to prepare, execute, record all documents and take all actions as required to execute and implement the land transfer.