

COLLINS HOUSE FACT SHEET

Address: 704 East Gorham

Lot size: 13,905 sq. ft.

Lake Frontage: No

2 ½ stories: 5,185 sq. ft. livable space

Basement: 2,141 sq. ft.

1st Floor: 2,141 sq. ft.

2nd floor: 1,718 sq. ft.

3rd floor: 1,326 sq. ft.

5 bedroom

Year constructed: 1911. On National Register of Historic Places and City Historic Landmark

2005 Appraisal (with land) \$750,000 as single family

\$350,000 as bed and breakfast

History re: current lease arrangement

- 1983: resolution adopted authorizing Real Estate to advertise/receive bids for long-term lease and establishing a Selection Committee. Terms of resolution:
 - Lease shall be for 20 years
 - Occupancy shall be limited to office, residential or a combination of both
 - Interior features shall be preserved and restored. City will not participate in cost of remodeling altering, redecorating or relandscaping
 - Lessee will be responsible for maintenance of building and grounds. Lessee will be required to maintain and replace major components of the structure on a continuing basis
- Nov. 1984: proposal accepted from Larry Jacobson/Ronald Lofman. Proposal was withdrawn at later date after parties failed to meet certain contingencies
- Property re-advertised. 2 proposals were received: Michael and Barbara Pratzel for a bed and breakfast. Alexander Company for office use
- 6/1985: Selection Committee voted to accept the Pratzel's proposal
- 7/1985: Resolution adopted authorizing lease under following terms:
 - 20-year lease term
 - Initial monthly rent of \$800; subject to annual adjustment based on 50% change in CPI
 - PILOT (equal to 30% of what would otherwise be charged for real estate taxes if property not exempt)
 - all remodeling and restoration responsibility of the Lessee
- 7/1985 and 9/1985: Ordinances adopted adding Bed and Breakfast establishments under the "Room Tax" ordinance.
- 11/1987: City Attorney Opinion issued providing that leasehold improvements are taxable to Lessee.
- 6/1989: Resolution authorizing Addendum to Lease removing PILOT provision and adding provision requiring Lessee to pay personal property tax on leasehold improvements (valued at \$102,000)
- October 2005 – Lease with Collins Bed and Breakfast NOT renewed by City Council
- February 2006 – Present – Building vacant

FACT SHEET - 640-646 E. GORHAM STREET PROPERTIES

640 E. Gorham Street (Worden House)

Estimated Lot size: 6,000 sq. ft. Lake Frontage: No Single Family
Year constructed: 1920. On National Register of Historic Places and City Historic Landmark
1,600 sq. ft. livable space

Basement (unfinished):	800 sq. ft.
1 st Floor:	800 sq. ft.
2 nd floor:	800 sq. ft.
Attic (unfinished)	300 sq. ft.

City acquired in 1992 for \$259,000
Annual Maintenance Cost: \$8,200
Needed Repairs: \$48,000 (2003 est)
Current Use: rental.
Occupancy: leases are on month-to-month basis

646 E. Gorham Street (Ziegelman House)

Estimated Lot size: 7,000 sq. ft. Lake Frontage: No 4-unit
Note: lot was configured for DNR funding purposes and is substandard
Year constructed: 1908. On National Register of Historic Places and City Historic Landmark
4,101 sq. ft. livable space

Basement (finished)	256 sq. ft.
Basement (unfinished):	1,684 sq. ft.
1 st Floor:	1,719 sq. ft.
2 nd floor:	1,334 sq. ft.
3 rd floor:	1,048 sq. ft.
Attic (unfinished)	300 sq. ft.

City acquired in 1992 for \$310,000
Annual Maintenance Cost: \$19,600
Needed Repairs: \$321,500 (2001 estimate – NOTE – Some of these projects have since been completed)
Current Use: rental
Occupancy: leases are on month-to-month basis

2007:

Total Annual Rent for 640 / 646 East Gorham St - \$51,684.97

Total Annual Operating Expenses* for 640 / 646 East Gorham - \$57,791.70

- - NOTE: Operating Expenses included a new roof for both properties

LINCOLN SCHOOL FACT SHEET

Process/History:

- Selection Committee established
- Resolution adopted establishing criteria and point evaluation system to be used for evaluating proposals
- Property advertised for sale
- 4 proposals received (1 was rejected since it did not conform to bid requirements)
- Resolution adopted accepting proposal of Lincoln School Associates
- Developer prepared 3-lot CSM for Collins House, Lincoln School, and remainder park area
- 1985 – Lincoln School sold and land leased to ULI for 49 years
- 2005 - ULI offers to purchase land under Lincoln School for \$600,000 or its appraised value, whichever is greater

Sale/Lease Terms:

- Building sold for \$30,000. Date of sale: 3/22/85
- Ground Lease Agreement dated 3/22/85:
 - Ground lease surface area of 19,826 sq. ft. (Parcel A: Lot 2, CSM 4607); and
 - Ground lease subsurface area of 13,568 sq. ft. (Parcel B: Part of Lot 3, CSM 4607) for underground parking structure (surface area of which is to be used for park)
- Rent:
 - Ground lease rent for surface area based on 1985 land value of \$6.21, subject to annual adjustments based on 50% change in CPI. Initial annual rent \$14,775.12 (\$.74/sq. ft.) Current rent: \$20,568 (\$1.04/sq. ft.).
 - Ground lease rent for subsurface area = \$1.00 per year.
- Lease term: 49 years (3/21/85 – 3/21/3034)
- Use of property restricted to residential use
- Property rezoned as PUD
- Ingress/egress easement granted over City lands