



CITY OF WAUKESHA

Administration

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Committee: Common Council	Date: 4/4/2019
Common Council Item Number: PC19-0009	Date: 4/4/2019
Submitted By: Maria Pandazi, City Planner	City Administrator Approval: Kevin Lahner, City Administrator
Finance Department Review: Rich Abbott, Finance Director RA	City Attorney's Office Review: Brian Running, City Attorney
Subject: Developers Agreement Decision – Riverwalk Apartments Ownership Structure, 806 Riverwalk Drive.	

Details:

In 1990 the City of Waukesha approved a PUD agreement for the Riverwalk Apartments development. The Riverwalk Apartments are located at 806 Riverwalk Dr. southwest of Downtown. The PUD has language regarding the ownership of the development. Section 10 of the PUD states:

"That title to the entire premises shall remain in single ownership except hereinafter provided. It is agreed that the Developer shall not be permitted to separately sell off or divide the development to separate owners unless first receiving permission from the Common Council. If the premises are to be subject to the condominium form of ownership, there shall first be established a Condominium Home Owners Association, which shall have control over the common elements in the condominium. The sale of condominium units after the establishment of the appropriate Condominium Home Owners Association shall not require the prior consent of the Common Council of the City of Waukesha. This Paragraph 10 of the Agreement specifically shall be a covenant running with the land and shall be binding on Developer, its successors and assigns."

The properties were recently sold to Waukesha Riverwalk Apartments, LLC & RBP Riverwalk LLC. The new owners are maintaining the property as an apartment complex and are not planning any conversion to a condominium form of ownership. However, what they would like to do is to sell off a separate undeveloped parcel to another LLC which would develop additional units. The general ownership and property management group is the same as the Riverwalk Apartments but will just be developed under a separate LLC.

The language does not require a PUD amendment to allow for this to happen, it just requires Common Council approval. Therefore, staff is requesting the Common Council authorize separate ownership of Parcel No. 1307018002 on Prairie Avenue to accommodate the potential development of additional multi-family units. The developer has indicated they intend to develop anywhere from 24 to 30 market rate apartments with an estimated value of \$6-8 million.

On the next page is a map of the primary Riverwalk Apartments property and the separate parcel they intend to develop.





Options & Alternatives: The Council could deny the request and have the parcel remain undeveloped.

Financial Remarks: Development of with additional multi-family housing units will increase the taxable value of this property.

Staff Recommendation:

Staff recommends the Common Council authorize that Riverwalk Apartments at 806 Riverwalk Drive (Parcel No. 1307018) and the property along Prairie Avenue (No address, Parcel No. 1307018002) be allowed to have separate ownership.