

MIFFLIN ST. WAREHOUSE

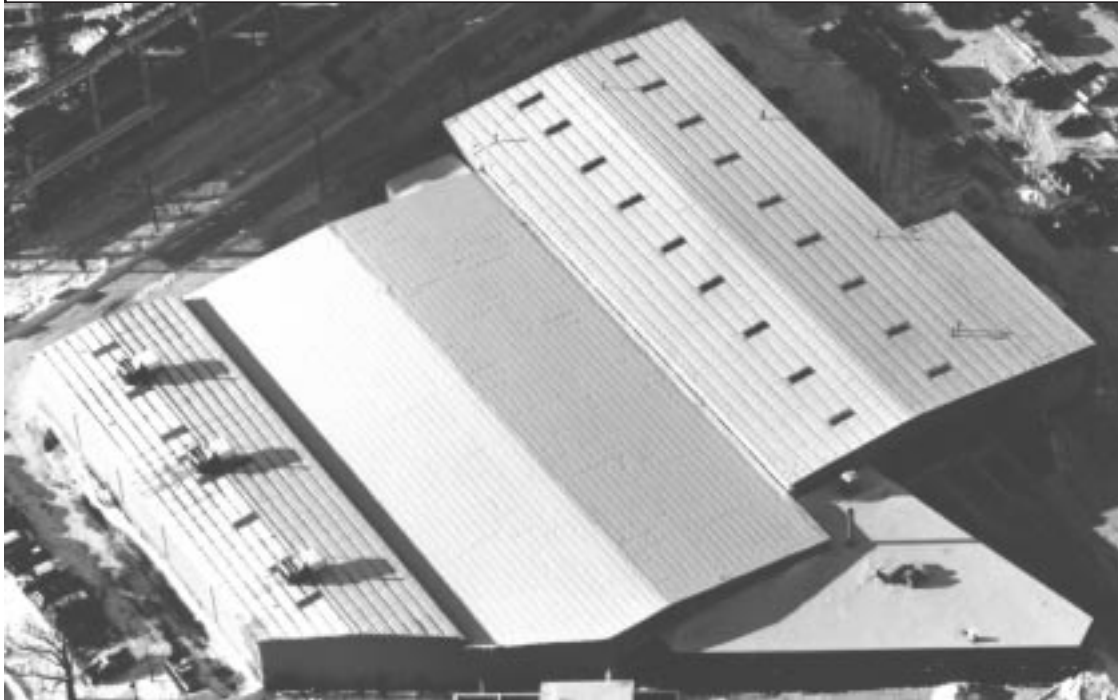


Fig. 1. The Mifflin Street Warehouse, February, 1997. [Del Brown Photo, AP-73]

The University warehouse was originally the Wisconsin Supply company warehouse. It was traded in 1989 for a group of real estate parcels scattered around Madison. Remodelled and extended the warehouse provides bulk storage, and a home for some business office operations.

The opening of the Stores/Extension Services building in 1985 led to the dramatic expansion of services provided by the Business Services operation. Among these expanded services were the Surplus Property Store (organized in 1986) to provide for the public sale of surplus equipment and supplies, and the Office Machine Repair Service charged with the upkeep and repair of equipment for University departments. These new and expanded services, as well as bulk storage (necessitated by the relatively small warehouse area in the new stores building) were housed in scattered locations around the campus area. These locations included warehouses on Gerry Court, the old Soya warehouse on Orchard Street, and a more distant warehouse on Fish Hatchery Road. These scattered buildings were generally old and in poor repair. The difficulties in maintaining good services with such inadequate facilities, led the University to seek a central and consolidated facility.¹

Into this situation came an offer in October 1988 from Executive Management Incorporated, a commercial and industrial real estate developer. EMI was relocating the Wisconsin Supply Corporation to new and expanded facilities on the west beltline, and was about to become the owner of the old Wisconsin Supply facility at 630 West Mifflin Street. EMI informed the University that as of December 1989 the West Mifflin Street property would become available for lease (at \$300,000 per year) or resale (for \$2.2 million). It was the opinion of the department of planning and construction that "because of the available space as well as its location we cannot afford to pass up this opportunity..."²

There were two problems, summed up in a note from Len Van Ess on the Fulop letter "This is outside the Universities declared boundary. How would we deal with that even if \$s dropped from the sky?" During the first half of 1989 the University examined the issue of what use could be made of the property, with space management and Business Services very enthusiastic. Not until the fall of 1989 was an idea floated for the funding of the warehouse. This took the form of an appraisal of University properties that would become disposable if the warehouse was acquired. The estimated money raised was about \$1.5 million. Discussion with EMI continued through 1989. In November the idea of exchanging the warehouse for the surplus University properties is first discussed. EMI's intent was to acquire the University's properties in order to sell them to housing developers.³

The details of this transaction took up the spring of 1990. The state building commission approved the land exchange in January, 1990. The arrangement at that point was that the University would transfer to the owners of the warehouse six parcels, totalling 5 acres, and receive in return the ownership of 2.7 acres of the 3.5 acre warehouse site, including two storage buildings. The rest of the warehouse site and buildings would be leased for twenty years with an option to buy after the second year. The owners would undertake remodelling and improvements in the amount of \$300,000. The lease with Frances-Mifflin Partners was made on February 5, 1990. The University properties were: two warehouses at 111 Gerry Court, a warehouse at 27 North Orchard Street, a warehouse at 2534 Fish Hatchery Road, a vacant lot at 1006 Spring Street, and three properties at 15, 24 and 27 North Randall Street. The University would take occupancy of its part of the Wisconsin Supply property after the owners completed the \$300,000 remodelling agreed upon. This work consisted mainly of the construction of mezzanine areas. Plans began immediately to move into the new warehouse. The complicated move took all of October and November 1990.⁴

The property consisted of about 3.5 acres with three buildings, the main warehouse, a smaller warehouse, and a third storage building across Frances at 106 N. Frances (since demolished). The main warehouse was built in 1963 by the Wisconsin Supply Company as a warehouse and showroom. Additions to the main building were made in 1972 and 1976, bringing it to its final dimensions of 275 by 210 feet, with a triangular projection that originally housed offices and showroom space. The steel framed with metal walled main building is all one level except the triangular part which has a basement. The second building of cement block was built by Wisconsin Supply in 1980, and is known as Warehouse II. In September 1991 the University exercised the purchase option of the remainder of the property on April 1, 1992. The buy-out cost was \$1.02 million. State permission was granted March 18, 1992.⁵

As of April 1, 1992 the warehouse property became the property of the University, and has been completely and heavily in use since that time. The building is operated by the space management department and leases storage space to University departments.

1) Notes for Members Joint Committee on Finance, April 25, 1990, Joe Szwaja to Paul Soglin, August 30, 1989, Memorandum, Don Miner to Laszlo Fulop, March 15, 1989, Memorandum, Wayne McGown to John Torphy, December 20, 1989, series 4/31/9-2 box 17.

2) Gregory Rice (Executive Management, Inc.) to Don Gerhard and Laszlo Fulop, October 7, 1989, Laszlo Fulop to Rose Barroilhet et al, Mar 7, 1989, series 4/31/9-2 box 17.

3) Laszlo Fulop to Rose Barroilhet et al, Mar 7, 1989, Memorandum, Wayne McGown to John Torphy, December 20, 1989, Wisconsin Supply Justification, Robert Hendricks, January 23, 1990, Memorandum, Barroilhet, to Laszlo Fulop, March 24, 1989, Don Miner to Laszlo Fulop, March 15, 1989, Douglas Rose to Don Gerhard, December 29, 1989, Gregory Rice to Don Gerhard, November 3, 1989, Alan Bessey to Robert Hendricks, August 30, 1989, Gregory Rice to Don Gerhard, December 13, 1989, Laszlo Fulop to Len Van Ess, March 30, 1989, series 4/31/9-2 box 17.

4) Building Commission Requests/Items, January 24, 1990, Lease Purchase and Trade agreement, February 5, 1990, Regent's Minutes, February 2, 1990, Don Miner to Rose Barroilhet, February 13, 1990, Request for Improvements, September 26, 1990, Tentative schedule for 630 W. Mifflin Street moves, October 2, 1990, series 4/31/9-2 box 17.

5) Maps of Wisconsin Supply Property, January 1990, Regent's Minutes, March 6, 1992, Warehouse policy, May 22, 1990, Building Commission Requests/ Items, March 18, 1992, series 4/31/9-2 box 17; *Daily Cardinal*, January 30, 1990; *Wisconsin State Journal*, January, 26, 1990.