

AMENDED AND RESTATED LAND DISPOSITION REPORT COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

November 6, 2024

RESPONSIBLE STAFF

Rhonda Szallai, Real Estate Specialist, DCD

Note: This Land Disposition Report amends, restates and supersedes all prior versions thereof.

PARCEL ADDRESS & DESCRIPTION

4116 West Silver Spring Drive (the "Property"): The Property was formerly Milwaukee Public Schools Carleton School built in 1927 with approximately 53,000 SF building on a 3.5-acre parcel. Additions were built in 1927, 1932, 1936, 1940 and 1970. The property has been vacant since 2005 and was declared surplus in 2012.



BUYER

AndersonWebb, LLC and Wisconsin Redevelopment, LLC (jointly referred to as “Buyer”) or its newly created entity or assignee.

The Historic Patterson Place project at the former Carleton School will be the second development project by the development team of AndersonWebb, LLC and Wisconsin Redevelopment, LLC (“WR”). Their first project was the Mitchell Street Lofts at 1948 West Mitchell Street in Milwaukee.

WR has completed or been involved in the following partial listing of projects in the Milwaukee area that include:

- Johnson Park Lofts at 1862 W. Fond du Lac Avenue
- Silver City Townhomes at 3503-09 W. Pierce Street and 703-749 South 35th Street
- Welford Sanders Lofts at 2812 North 5th Street
- Enterprise Center at 2821 N. 4th Street and 411 W. Hadley Street
- Historic Holton Street Lofts – 2443 N. Holton Street
- LBWN Lease-to-Own homes – South side scattered sites
- King Drive commons 1, 2, 3

PROJECT DESCRIPTION

Amended Project Description: Historic Patterson Place as proposed by Buyer will feature a number of different living arrangements. Taking into consideration neighborhood input regarding the scale and scope of the project, the main former school building will have 30 apartment units and 18 new rent-to-own townhomes will be constructed on the site. Each townhome will have two garage parking spaces plus one surface spot behind each townhome. The number of surface parking spaces will be about 68; 50 in a group lot plus one behind each townhome.

On-site amenities will include a fitness facility, outdoor play area, community meeting space and garden plots.

The Property was zoned RS6 and has been rezoned to Multifamily Residential (RM4) to accommodate this development project. The Buyer understands that the proposed project may require certain City approvals in addition to the approval of the land disposition report. Closing of the sale is contingent upon the Buyer obtaining all necessary approvals, financing and DCD approving the final building elevations and landscaping plan.

The total development cost for the purchase and renovation is \$21,500,000.

Project funding will be a combination of conventional debt, tax credit equity, historic tax credit equity, Developer equity and Tax Incremental Financing as well as other gap funding sources.

PURCHASE TERMS AND CONDITIONS

The purchase price will be \$220,000.00 based on the appraised value as of March 23, 2016. The conveyance will be on an “as is, where is” basis including all environmental and geotechnical conditions, if any.

Original Terms and Conditions: The Buyer shall have until December 31, 2025, to conduct a Due Diligence assessment of the Property as well as receive local and state approvals associated with the proposed use.

Closing of the purchase is contingent on the Buyer:

- Obtaining full financing for the project. The “sources and uses” statement contemplates these potential sources of financing:
 - Obtaining an allocation of Low Income Housing Tax Credits from the Wisconsin Housing and Economic Development Authority. Buyer has received a partial allocation from WHEDA, with the balance coming on or before May 1, 2025.
 - Obtaining allocations of State and Federal Historic Tax Credits. Buyer has secured Part 1 approval.
 - Obtaining additional gap funding. The proposal indicates the Developer’s intent to apply for Tax Increment Financing.

Buyer is required to enter into a Purchase and Sale Agreement (“PASA”) that outlines the Buyer’s

obligations by August 31, 2025. Closing on the purchase of the building is required by December 31, 2025. The Buyer shall have two years following Closing to complete construction of the project.

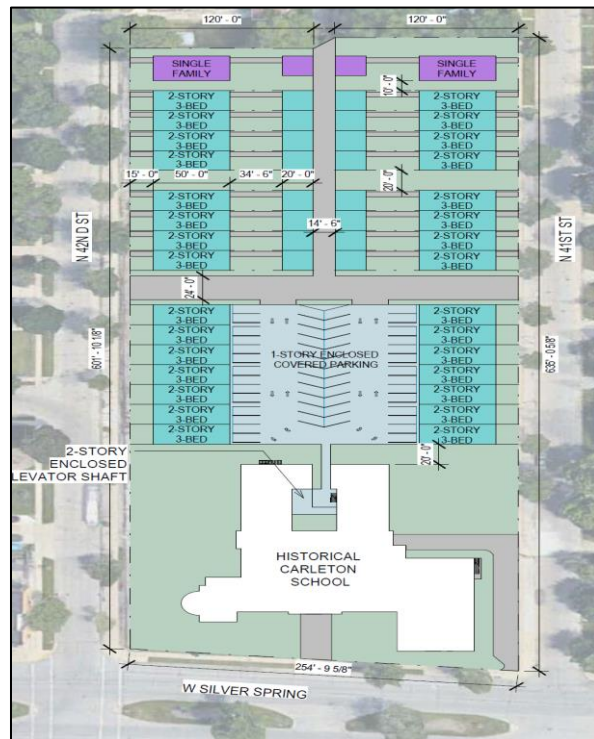
The PASA will require that the Buyer must:

- Provide a performance deposit of \$10,000 to be returned upon completion of the project and issuance of a Certificate of Occupancy.
- Enter into an agreement requiring best efforts to utilize City-certified Small Business Enterprises and individuals certified through the City's Residents Preference Program for construction activity.
- Receive a building permit.
- Present evidence of full project financing prior to closing on the sale.
- Close on the purchase by December 31, 2025. Any additional extensions will be granted at the sole discretion of the DCD Commissioner based on current economic conditions and a review of the Progress Report.

At closing sales proceeds, less sales expenses, shall be deposited in the Milwaukee Public Schools Operations Fund.

The deed of conveyance will contain restrictive covenants for performance, prohibitions for tax exemption and certain uses, conditions under which a liquor license may be issued, and reversion of title provision for non-compliance.

First Preliminary Site Plan

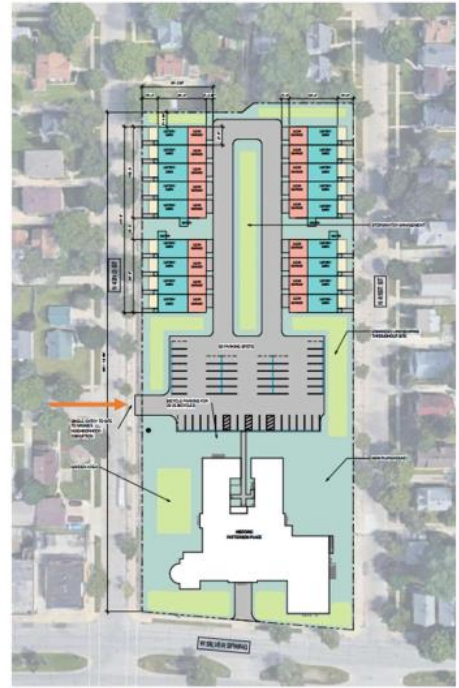


Amended Preliminary Site Plan

Historic Patterson Place Development Modifications

Several modifications to the site plan have been made based on city of Milwaukee staff comments together with community neighborhood input and suggestions.

1. Parking lot for up to 50 cars, with screening from the street. Additionally, each Townhome will have a two-car garage and additional surface parking.
2. Eliminated multiple entries and now have one entry into the site for all vehicle parking from Reichert Street which will minimize neighborhood disruption with a single curb cut.
3. Enhanced landscaping throughout.
4. Onsite bicycle parking for 20-25 bikes.
5. Green Infrastructure and Storm Water Plans will be provided.
6. Garbage and recycling locations hidden behind the house areas.
7. Residents have access to garden areas.
8. Playground area on-site will be provided.
9. A total of 48 residential units, of which 18 are townhomes with designs to be consistent with neighboring architecture. The historic school building will be renovated to 30 one- and two- bedroom apartments. There will be a new ADA accessible entry at the rear of the building along with new elevator to serve all floors.
10. Based on community input the number of townhome units were reduced from 32 to 18 homes.



Preliminary Townhouse Rendering



OPTION 2 - FRONT ELEVATION
(1/8" = 1' - 0")