

LAND DISPOSITION REPORT
COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

May 1, 2018

RESPONSIBLE STAFF

Dwayne Edwards, Program Manager, DCD

PARCEL ADDRESS AND DESCRIPTION

5725 West Burleigh Street (the "Property"): An 8,087 SF two-story vacant mixed-use building, with a lot area of approximately 10,277 SF. The City of Milwaukee ("City") acquired the Property on January 5, 2015 through property tax foreclosure.



 City-owned property

City commercial property front view

BUYER

William E. Yeager ("Buyer") owns and operates Unified Heating and Air Conditioning in both East Troy, Wisconsin and Mukwonago, Wisconsin. The Buyer is President of an HVAC business that has been providing its services to residential and commercial clients in the greater southeastern Wisconsin area for over 10 years. The Buyer will relocate his business to the 10th Aldermanic District from Waukesha, Wisconsin.

PROJECT DESCRIPTION

The Buyer plans to purchase, renovate and operate his business and reside in the three-bedroom upstairs apartment. The Buyer will have a one-stop location for equipment, warehouse and office space and a repair facility for

the company's work vehicles. The Buyer plans to create future positions once established at this location.

Renovations will include interior improvements like new mechanicals, HVAC, flooring, drywall and painting and energy efficient windows.

Exterior improvements will include a new roof, gutters, restoration of the storefront facade, glazing and new garage doors.

The Buyer's estimated renovation costs are \$85,000, and the Buyer plans to do a majority of the work through "sweat equity." The Buyer may need certain City approvals in addition to the approval of the Land Disposition Report. Closing is contingent upon the Buyer obtaining all necessary approvals, financing and DCD approval of the final building elevations.

PURCHASE TERMS AND CONDITIONS

The purchase price is \$15,000, which factors in the building's overall condition. The project will be funded with the Buyer's equity. The Buyer may seek City assistance for funding to include a Facade Grant and/or the City's "White Box" programs.

The conveyance of the Property will be on an "as is, where is" basis. The deed of conveyance will contain a restriction prohibiting the Buyer from applying to the City for tax-exempt property status. At closing, subtracted from the sale proceeds will be sale and marketing expenses, a commission to the commercial broker that submitted the offer on behalf of the Buyer and a 30 percent disposition fee to the Redevelopment Authority of the City of Milwaukee; the remaining proceeds shall be deposited in the Delinquent Tax Fund.