

**LAND DISPOSITION REPORT AND DUE DILIGENCE CHECKLIST  
COMMON COUNCIL OF THE CITY OF MILWAUKEE**

**DATE**

September 2, 2021

**RESPONSIBLE STAFF**

Dwayne Edwards, Program Manager, Department of City Development

**PARCEL ADDRESSES AND DESCRIPTION**

4117-21 West North Avenue (the "Property"), is a 3,458 square foot vacant mixed-use building having a lot area of approximately 3,600 square feet. The City of Milwaukee acquired the property on July 14, 2014 through property tax foreclosure.

	
<p>City commercial property front view</p>	<p>4117-21 West North Avenue </p>

**BUYER**

Jimmy L. Durant, (the "Buyer"), or assignee will own and manage the property. The Buyer proposes to purchase and renovate the building for his home improvement business. The Buyer also plans to reside in one of the upper unit apartments.

Mr. Durant has been an outside contractor with the City of Milwaukee's Neighborhood Improvement Development Corp., ("NIDC") and has been involved in repairing numerous homes in Milwaukee for several years. The Buyer has also been registered with the Better Business Bureau ("BBB") with an A+ rating since 2014.

**PROJECT DESCRIPTION**

The Buyer proposes to renovate the property for his home improvement business known as "TC Home Improvement," that is currently being run out of his residence. Mr. Durant will restore the three residential units, occupying one apartment and renovating the other units for tenants.



**Conceptual rendering (front view)**

The property renovations at 4117-21 West North Avenue will include interior improvements to both retail spaces, roof repair, flooring, plumbing and electrical upgrades. Exterior improvements will include, but not be limited to restoring the original storefront windows with clear glazing, doors, signage, tuck-pointing of brick and signage.

Mr. Durant's financing will come from Loan Depot and personal savings. The Buyer's project may require 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 Department of City Development approval of the final building exterior elevations. Total estimated rehabilitation costs are approximately \$65,000, with a portion of the renovations being completed through "sweat equity."

#### **PURCHASE TERMS AND CONDITIONS**

The purchase price is \$10,000, which factors in the overall condition of the property. The Buyer will use funds from Loan Depot, personal savings and sweat equity. The Buyer may also explore available City funding resources to assist with the project.

The conveyance of the property will be "as is, where is." The deed of conveyance will contain a restriction prohibiting the Buyer, or its successors, from applying to the City of Milwaukee for tax-exempt property status. At closing, subtracted from the sale proceeds will be sale and marketing expenses and a 30 percent disposition cost reimbursement to the Redevelopment Authority of the City of Milwaukee, with the remaining proceeds being deposited in the Delinquent Tax Fund.

## DUE DILIGENCE CHECKLIST

### ADDRESSES: 4117-21 WEST NORTH AVENUE

The Commissioner's assessment of the market value of the property.	<p>The Property at 4117-21 West North Avenue is being sold "as is, where is," without any guarantees. The property is zoned LB2 or Local Business. The two-story mixed use building at 4117-21 West North Avenue was previously occupied as a barber/beauty salon.</p> <p>The purchase price for the property is \$10,000. The property has considerable deferred maintenance, including a leaking roof and defective electrical and plumbing. The leaking roof has negatively affected the interior of the building.</p>
Full description of the development project.	Jimmy L. Durant, (the "Buyer") will own and manage the property. Plans include renovating the property for the Buyer's business "TC Home Improvement." The Buyer also plans to reside in one of the upper level apartments.
Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.	The Buyer was advised that any changes or modifications to the exterior facade may require approval from the City of Milwaukee Planning staff.
Developer's development project history.	Mr. Durant has been an outside contractor with the City of Milwaukee's Neighborhood Improvement Development Corp., ("NIDC") and has been involved in repairing numerous homes in Milwaukee for several years. The Buyer has also been registered with the Better Business Bureau ("BBB") with an A+ rating since 2014.
Capital structure of the project, including sources, terms and rights for all project funding.	The estimated renovation and improvement costs are approximately \$65,000. The Buyer's financing was approved by Loan Depot, and will include personal savings and sweat equity. The Buyer may also explore available City funding resources to assist with the project.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	If the building remains vacant, the deferred maintenance and costs to cure will continue to increase. Vacancy of the building will serve as a hindrance on efforts of BID No. 32 to redevelop property on the corridor and this stretch of West North Avenue.
Tax consequences of the project for the City.	The property will be fully taxable. The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status.