

Due Diligence Checklist
Address: 840 South Barclay Street

<p>The Commissioner's assessment of the market value of the property.</p>	<p>The Property at 840 South Barclay is currently a tax-delinquent brownfield property that will be sold "as is, where is," without any guarantees. The Property is zoned IH or Industrial-Heavy.</p> <p>The purchase price for the Property is \$10,000. The Property has considerable deferred maintenance and is cluttered with debris.</p>
<p>Full description of the development project.</p>	<p>Ivy House, LLC (the "Buyer") proposes to raze the building and install a new parking lot that will serve as a new onsite parking lot for the 906 South Barclay building where Milwaukee Airwaves conducts special events, wedding receptions, banquet parties, etc.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>The new parking lot at 840 South Barclay will serve the adjacent special events property at 906 South Barclay as onsite parking. The existing brick wall along South Barclay will be evaluated and retained, if possible. The Buyer agrees to install new landscaping in accordance with MCO 295-405.</p>
<p>Developer's development project history.</p>	<p>The Buyer owns and operates the event entertainment company, Milwaukee Airwaves, which business operates at 906 South Barclay Street. The 906 South Barclay property is owned by Ivy House, LLC, and Ivy wishes to combine the two properties (906 South Barclay and the Property it wants to acquire, 840 South Barclay) so the two properties, joined, can be used and operated as one. The 840 South Barclay property will serve as the parking lot for the 906 South Barclay building, where Milwaukee Airwaves conducts special events, wedding receptions, banquet parties, etc.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The estimated renovation and improvement costs are \$90,000. Funding for the improvements will be from personal equity. No financing is involved.</p>
<p>Project cash flows for the lease term for leased property.</p>	<p>Not applicable.</p>
<p>List and description of project risk factors.</p>	<p>Since the proposed deal between the City and Ivy depends upon the City being able to acquire the 840 South Barclay property by tax-foreclosure (so the City can then sell the Property to Ivy), one risk and possibility is that the current tax-delinquent owner of 840 South Barclay (Patsy James) redeems the parcel from tax foreclosure by paying off delinquent taxes.</p>
<p>Tax consequences of the project for the City.</p>	<p>The Buyer (Ivy) anticipates investing \$90,000 in the project. The Property at 840 South Barclay will be improved and combined</p>

	<p>with the adjacent property at 906 South Barclay and the two parcels 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.</p>
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