

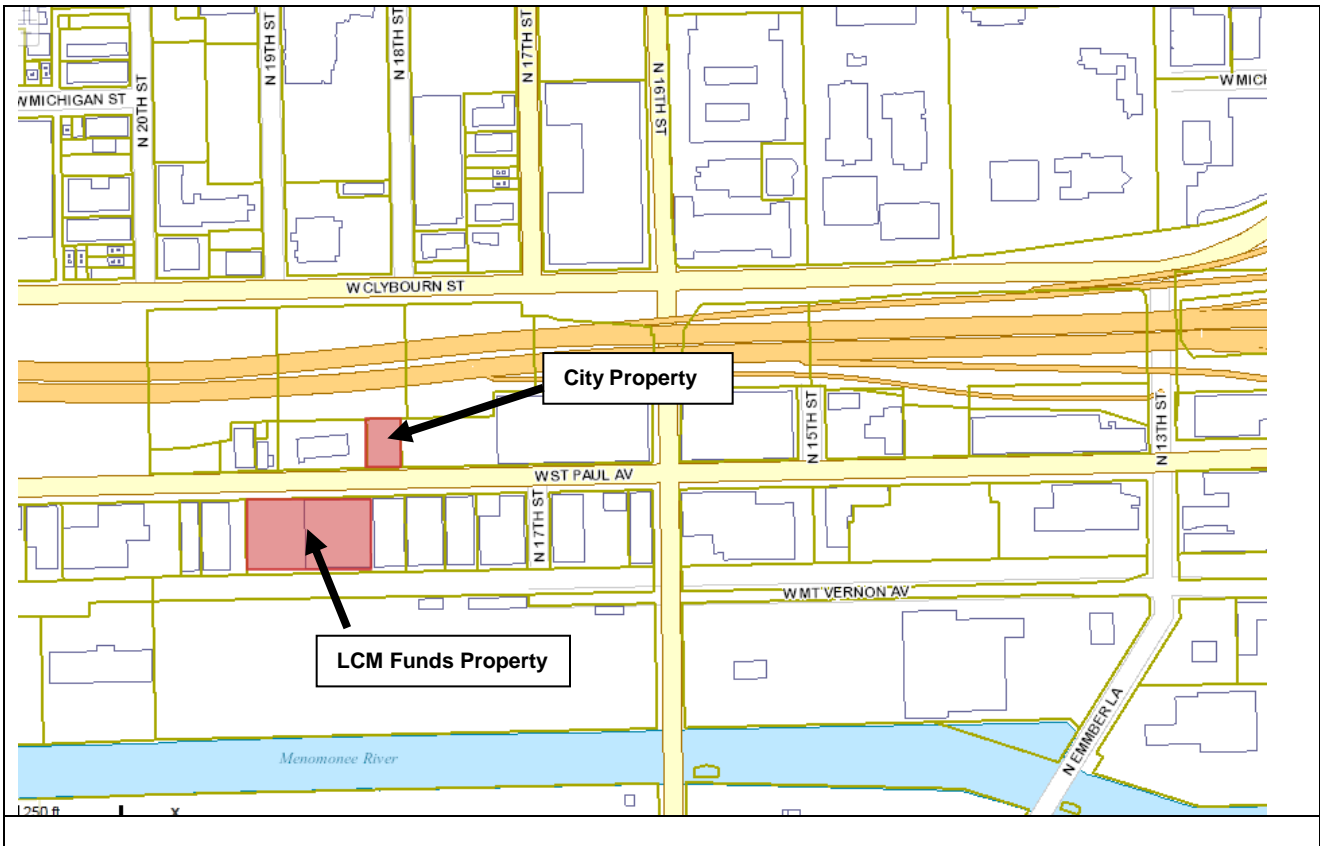
**LAND DISPOSITION REPORT AND DUE DILIGENCE CHECKLIST
COMMON COUNCIL OF THE CITY OF MILWAUKEE**

DATE

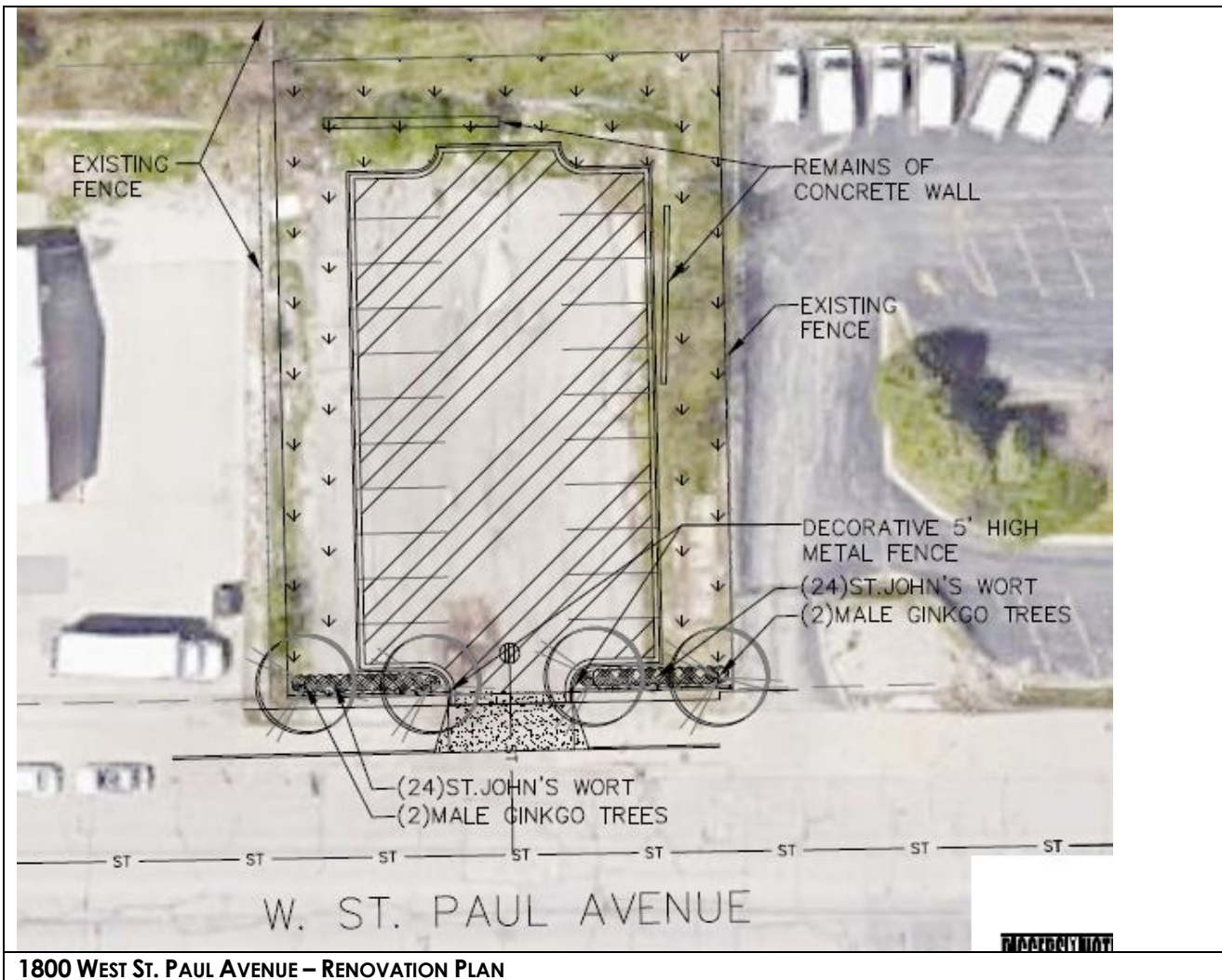
June 23, 2015
DCD Yves LaPierre

PROPERTY

1800 West St. Paul Avenue: An 11,123 square-foot parking lot that is severely deteriorated. The property was acquired through tax foreclosure in October, 2013.



1800 WEST ST. PAUL AVENUE – CURRENT CONDITION



1800 WEST ST. PAUL AVENUE – RENOVATION PLAN

BUYER

LCM Funds 30 St. Paul, LLC ("LCM"), owner of the property across the street at 1741 West St. Paul Avenue. LCM is renovating its property at 1741 West St. Paul Avenue and will use the lot for tenant-related parking.

PROPOSED DEVELOPMENT

The parking lot will be fully redeveloped with new paving, landscaping and ornamental fencing at the street and appropriate sewer hookups.

The total project budget is \$95,000 and will be funded with Buyer's equity.

OFFER TERMS AND CONDITIONS

The purchase price is \$10,000. A Purchase and Sale Agreement will be executed with the Buyer to outline performance obligations and assure satisfactory compliance through reversion of title power. A Certificate of Occupancy must be provided within twelve months following closing as evidence of satisfactory redevelopment and conformance with City of Milwaukee ("City") code. An \$1,000 performance deposit will be required. The City shall provide the Buyer with its Historic Land Use Investigation, rather than provide an independent Phase I environmental site assessment. Conveyance will be by quit claim deed on an "as is, where is" basis with a deed restriction prohibiting tax-exempt status. The sale proceeds, less sale and marketing expenses and a 30 percent disposition fee payable to the Redevelopment Authority of the City of Milwaukee, shall be credited to the Delinquent Tax Fund.

DUE DILIGENCE CHECKLIST**ADDRESS: 1800 WEST ST. PAUL AVENUE**

Market value of the property.	The property is an 11,123 SF blighted parking lot acquired by the City in 2013 through property tax foreclosure. The property is in the Menomonee Valley in the 8th Aldermanic District. The property is being sold "as is, where is" without any guarantees. Sales price for the property is \$10,000 based on its deteriorated condition, ownership history and Buyer's investment.
Full description of the development project.	The Buyer, LCM, submitted an unsolicited offer for the lot. LCM owns the property across the street at 1741 West St. Paul Avenue. The parking lot was formerly under the same ownership as the property at 1741 West St. Paul Avenue. The parking lot, in its current condition, does not conform to parking lot standards. The estimated renovation costs are \$85,000.
Complete site, operations and scope of work for development.	Please see the Land Disposition Report for details.
Developer's project history.	LCM bought and is renovating the property across the street at 1741 West St. Paul Avenue for multiple tenants. The parking lot will be used for tenant-related parking. LCM has renovated numerous projects across Milwaukee, including: <ul style="list-style-type: none">• The Deco Building (201 East Pittsburgh)• Bridgeview (235 East Pittsburgh)• Oregon (221 East Oregon)• Building 6 (212 East Barclay)• The Tannery complex (6th and Virginia)• Plunkett Raysich Architects (209 South Water)
Capital structure of the project, including sources, terms and rights for all project funding.	LCM will fund the project with its own equity.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	Department of City Development staff determined that there is very low risk in selling the property to this Buyer. The renovation of this parking lot will add stability and value to the LCM property and the parking lot landscaping will help beautify the Menomonee Valley.
Tax consequences of the project for the City.	The deed of conveyance will contain a restriction prohibiting the Buyer, its assignee or its successors from applying to the City for tax-exempt property status. Thus, a formerly vacant, tax-exempt property will be returned to the property tax rolls.