

Due Diligence Checklist

Address: 143 East Lincoln Avenue

<p>The Commissioner's assessment of the market value of the property.</p>	<p>143 East Lincoln Avenue (the "Property") is a vacant 4.0-acre site that had historical land uses that left residual contamination throughout the Property. In addition to environmental impacts, the Property has poor geotechnical conditions and multiple sewer and utility easements. These conditions would likely restrict major development on the Property. The purchase price for the Property is \$1.00.</p>
<p>Full description of the development project.</p>	<p>The Buyer will develop a community equestrian facility that includes a 6,000 SF building for the Milwaukee Police Department's (MPD) mounted patrol, a large community room and offices for equine-assisted therapy programs and other community outreach. There will be a 20,000 SF indoor riding arena, 24 stables (12 for MPD and 12 for the therapy program) and two outdoor riding paddocks.</p> <p>At the Stables, community members and police will come together to care for the horses, to care for the stable facility, to care for fellow community members and to share that experience. As a place of service and healing, the Stables also will be a safe space for community members and police to learn how to better care for themselves and each other. The Stables will be a focal point for the MPD's community relations and outreach efforts.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>See LDR for site plan and architectural renderings.</p>
<p>Developer's development project history.</p>	<p>MCEC Development, LLC (the "Buyer") is a single-purpose non-profit organization created to undertake the mission of developing and managing the Milwaukee Urban Stables. The Buyer has been around since 2015 with the purpose of fundraising and planning the development of this site. The registered agent for the Buyer is the Wisconsin Preservation Fund, Inc. led by Bruce T. Block. The Wisconsin Preservation Fund has been around since 1989 and its mission is to promote the preservation of historic structures, reverse urban deterioration, revitalize urban areas and promote affordable housing, through direct ownership and development of real estate and/or providing loans and grants to entities or individuals who are furthering these same initiatives.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The overall project budget is \$5,650,000. The Buyer is financing \$1,500,000 through Forward Community Investments and has been fundraising over the past few years to raise the remaining \$4,100,000. The U.S. EPA provided a \$200,000 cleanup grant to help address soil and ground water contamination in</p>

	conjunction with the proposed development.
Project cash flows for the lease term for leased property.	MPD currently leases stable space in Caledonia and the horses are trucked back and forth daily. MPD has negotiated a long-term lease with the Buyer to stable the horses at 143 East Lincoln Avenue. The Buyer also intends to have additional horses on site to provide hippotherapy.
List and description of project risk factors.	The Property does not lend itself to large-scale development, due to underground infrastructure and environmental conditions. It will likely remain vacant if this project does not move forward. The MPD would have to find a new home for the mounted patrol outside of the City of Milwaukee; this would result in increased operating costs. A small portion of the Milwaukee Urban Stables operating costs will come from fundraising activities. If this development does not move forward, many city residents will not have access to hippotherapy services.
Tax consequences of the project for the City.	<p>The Buyer will be a non-profit entity that will own and operate the Property and the MPD mounted patrol will be its primary tenant. The Stables will effectively become a city facility with a community component.</p> <p>Since the proposed sale is for a tax-exempt use, it must be approved by a two-thirds vote of the Common Council, the deed shall not contain a prohibition on the Buyer applying for an exemption from real estate taxation.</p> <p>The Buyer will develop a community equestrian facility for the MPD's mounted patrol and a non-profit entity to provide equine-assisted therapy programs and other community outreach programs.</p>