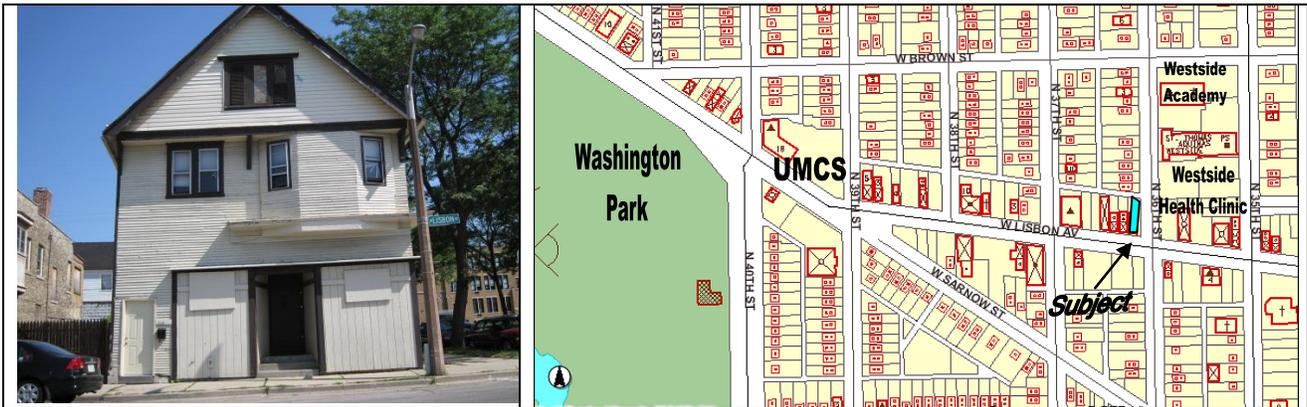


LAND DISPOSITION REPORT COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE
February 9, 2010

PROPERTY
3600-02 West Lisbon Avenue: A two-story clapboard building containing 3,128 SF plus a full basement. Built in 1907, the ground floor has 808 SF of commercial space and an 833 SF residential unit. The second floor has two residential units containing 833 SF and 664 SF. The building is situated on a 4,841 SF corner lot that features a two-car detached garage with access off of 36th Street.

The property is in the Washington Park Planning Area. The project will contribute to redevelopment on Lisbon Avenue that includes the recent expansion by United Methodist Children’s Services and the proposed redevelopment of the Westside Health Clinic.



BUYER
Earnest Pruitt, a general contractor, DBA Pruco Services, LLC. Mr. Pruitt has been rehabilitating housing in Milwaukee for over 20 years. He has been working with Washington Park Partners, LISC and ACTS Community Development Corporation on a location for his business.

PROPERTY USE
Rehabilitation as a general contractor business office for appointment scheduling, business meetings and material storage. The existing residential units will be remodeled for three residential rental units. Building rehabilitation will include restoring the storefronts in a manner appropriate for Lisbon Avenue.

Total investment is estimated at \$31,250. The owner will perform many renovation activities as sweat equity in the project. During construction, the buyer expects to provide training opportunities for three to five area residents.



Conceptual rendering of building renovation

OFFER TERMS AND CONDITIONS

The purchase price is \$5,000. The City will conduct a Land Use Investigation report. A \$1,500 option fee is required to be submitted after Common Council approval and will be credited toward the purchase price if the buyer closes prior to expiration of the first option period.

The base option term is for six months commencing on the date of Common Council approval. The option may be extended by the Commissioner of the Department of City Development for up to two, three-month periods upon submission of a satisfactory progress report on the buyer's efforts to obtain final plans, financing and payment of a \$250 renewal fee for each request.

Prior to or at closing, the buyer also will be required to obtain DCD approval of final construction plans and financing, execute an Agreement for Sale and submit a \$1,000 Performance Deposit, which will be held until satisfactory completion of the project. The deed of conveyance will contain a restriction prohibiting application to the City for tax-exempt property status. A 30% development fee shall be paid to the Redevelopment Authority and the remaining proceeds shall be returned to the Reserve For Tax Deficit Fund.

PAST ACTIONS

Prior to marketing the property, DCD received the unsolicited offer. DCD staff recommends acceptance of the offer given the limited demand for commercial property is the current market and because of the buyer's relationships with community partners.

FUTURE ACTIONS

Upon approval by the Common Council, the City will close the transaction after DCD approval of final plans and financing and according to the terms in this report.