

SITE CONTROL REPORT COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE
November 20, 2018

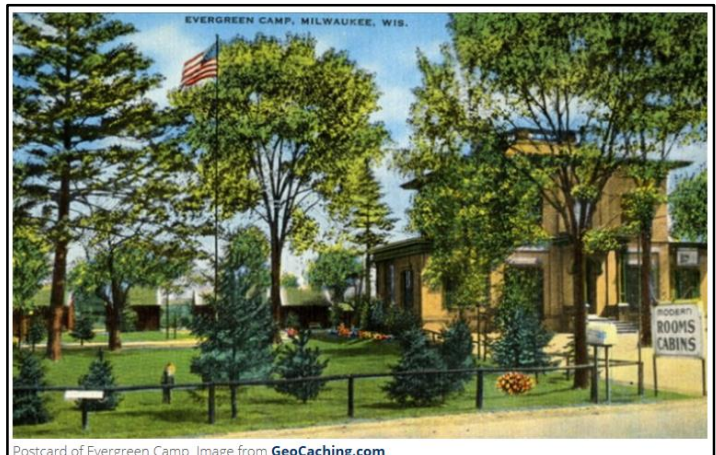
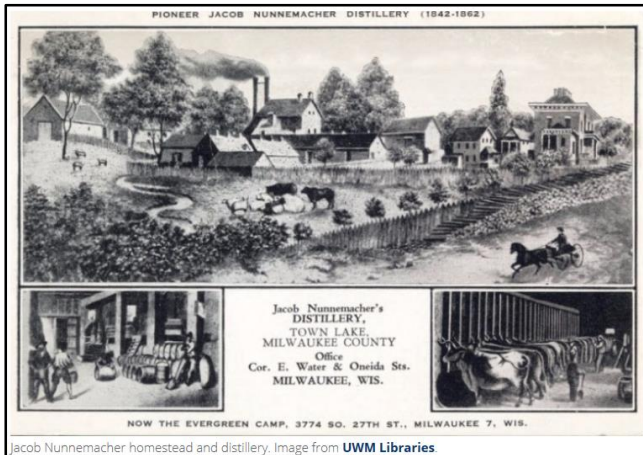
RESPONSIBLE STAFF
Dwayne Edwards, Program Manager, DCD

PARCEL ADDRESS AND DESCRIPTION

The property at 3774 South 27th Street (the "Property") was acquired by the City of Milwaukee ("City") through property tax foreclosure in 2013. The Property is occupied by a locally designated historic building commonly referred to as the Wildenburg Hotel. The building was constructed in the mid-1800's and is approximately 4,380 SF. The building is situated on an 81,429 SF parcel.



Historically, the Property was known as Jacob Nunnemacher's Estate, where the owner operated a variety of uses, including the Nunnemacher's home, built in 1854, the Jacob Nunnemacher Distillery and the Evergreen Hotel and Campground.



The Property was sold in 1947 to Ed Wildenberg, who eventually replaced the campsites with mobile homes and converted the building into a rooming house, tavern and community center for the tenants.

Soon after the City acquired the Property through a foreclosure judgment and readied the Property for marketing, the Department of City Development (“DCD”) marketed the Property until it accepted an offer from Scott Crawford, Inc. (“SCI”).

BUYER

Scott Crawford, Inc. (“SCI”) and Brinshore Development Group (“BDG”) (the “Buyer”), or assignee, recently were awarded WHEDA tax credits to construct a 43-unit affordable housing development named, “Villard Avenue Commons,” in the 3600 block of West Villard Avenue. Groundbreaking is anticipated in April 2019.

Mr. El-Amin, the developer for SCI, is a Milwaukee resident and 2015 ACRE Program graduate.

DEVELOPER SELECTION AND PROJECT DESCRIPTION

The Buyer intends to renovate the Wildenberg Hotel building and construct new affordable housing on the vacant land.

The Buyer has attended community meetings to seek input from the community on design, uses and to seek neighborhood and aldermanic support for the proposed development. One of the primary funding sources for the proposed development is the Wisconsin Housing and Economic Development Authority’s (“WHEDA”) affordable housing tax credit program and Historic Tax Credits.

The Buyer is seeking an “exclusive right to negotiate” with the City for the Property in order to allow it time to apply to WHEDA for the tax credits and to determine whether WHEDA will allow the credits for this development. The WHEDA applications are due December 14, 2018 and a decision by WHEDA is expected in 2019.

During the WHEDA and Historic Tax Credit applications and review periods, DCD will work with the Buyer to refine its site and building elevations, budget and financing strategy and development plans.

TERMS AND CONDITIONS OF EXCLUSIVE RIGHT TO NEGOTIATE

The exclusive right to negotiate letter shall be in effect until May 31, 2019 or until WHEDA makes its 2019 award announcement, whichever comes first.

In the event the Buyer is awarded WHEDA and Historic Tax Credits, DCD may extend the site control letter for up to two, six-month periods, based upon the Buyer’s written request and DCD approval of a satisfactory progress report. After WHEDA tax credit approval, DCD will negotiate with the Buyer a Development Agreement and prepare a Land Disposition Report and a Due Diligence Checklist for Common Council consideration so that the Common Council may determine whether, under MCO 304-49, to allow sale and conveyance of the Property to the Buyer.

If the Buyer does not obtain WHEDA tax credit approval for the project, then the Exclusive Right to Negotiate shall terminate.