

LAND DISPOSITION REPORT

COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

June 13, 2024

RESPONSIBLE STAFF

Dave Misky (Department of City Development, Real Estate)

PARCEL ADDRESSES AND DESCRIPTIONS

1515 North 13th Street and 1519 North 13th Street (the "Properties"): Two vacant lots with 1515 North 13th Street acquired in 2005 through in rem foreclosure and 1519 North 13th Street acquired in 1993 through in rem foreclosure and conveyed to the Housing Authority of the City of Milwaukee (HACM) in 2003.



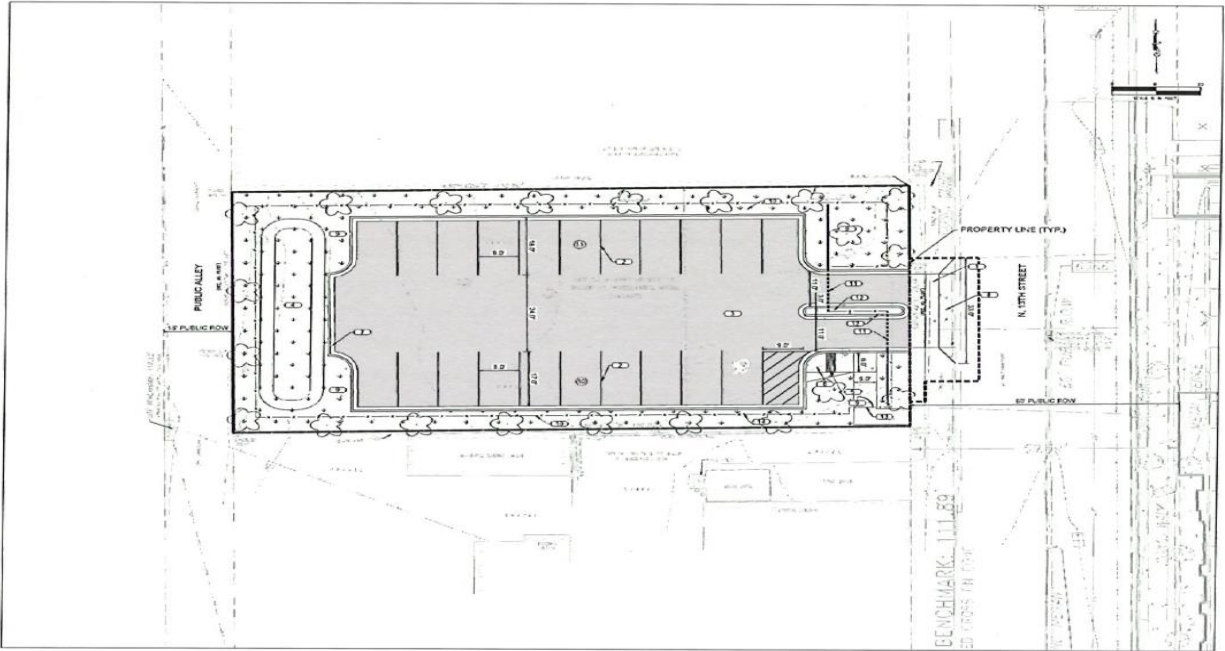
1515 AND 1519 NORTH 13TH STREET

BUYER

City of Milwaukee and Milwaukee County. HACM has received authorization from the Housing and Urban Development (HUD) to convey the parcel at 1519 North 13th Street to the City of Milwaukee for \$20,000. Milwaukee County has agreed to purchase this lot for \$20,000 from the City of Milwaukee and also purchase the adjacent City-owned lot at 1515 North 13th Street for \$1.

PROJECT DESCRIPTION

Construction of a surface parking lot to serve Milwaukee County employees at the new Marcia P. Cogs Health and Human Services building. This new addition to the neighborhood, along with the Mental Health Emergency Center, has utilized former County-owned surface parking lots resulting in the loss of over two hundred parking spaces. The County has expressed a need for additional surface parking to accommodate County staff. The sale of these two lots would allow the County to construct a small mid-block surface lot for a couple dozen employees. The total capital investment made by Milwaukee County and its partners in development of the two buildings has been over \$50 million.



Site layout of proposed surface parking lot along N. 13th Street

As stated above, Milwaukee County is replacing the Marcia P. Coggs Human Services building. The building was originally a Schuster's department store from 1910 to 1961 until it was purchased by Milwaukee County for its Department of Welfare. There was some consideration by Milwaukee County to demolish the existing building; however, the County moved forward with a Request for Information and has provided an Option to Purchase to a developer to convert the building into housing.

After the sale of the vacant lots is complete, Milwaukee County will be required to meet the zoning code including any Board of Zoning Appeals approvals for a proposed parking lot. This also involves meeting the City's landscape requirements for surface parking lots.

PURCHASE TERMS AND CONDITIONS

The purchase price to convey the parcel from HACM at 1519 North 13th Street to the City will be \$20,000, based on Fair Market Value per HUD. The City will then convey this parcel and the City-owned parcel at 1515 North 13th Street to Milwaukee County for \$1 for a total of \$20,001. The City plans to combine the parcels and sell the combined parcel, approximately 0.25 acres, as one parcel. Milwaukee County plans to construct a surface parking lot for their operations. No performance deposit is required due to Milwaukee County's demonstrated performance history. At closing, the sale proceeds will be credited to the appropriate City of Milwaukee account.

DUE DILIGENCE CHECKLIST**ADDRESS: LANDS AT 1515 AND 1519 NORTH 13TH STREET**

Market value of the property.	HACM-owned lot at 1519 North 13th Street to be sold for \$20,000 which is based on HUD's approval. The City-owned lot at 1515 North 13th Street to be sold for \$1 based on the projected investment to be made by Milwaukee County on the two lots. Both lots have been vacant for decades.
Full description of the development project.	Construction of an employee surface parking lot to accommodate employee parking for the \$42 million Marcia P. Cogg Health and Human Services building.
Complete site, operations and scope of work for development.	Please see the Land Disposition Report for details.
Developer's project history.	Milwaukee County's facility has been in this neighborhood for over 60 years. The County is currently building a new Health and Human Services Building in this neighborhood and recently completed the adjacent Mental Health Emergency Center.
Capital structure of the project, including sources, terms and rights for all project funding.	N/A
Project cash flows for the lease term for leased property.	N/A
List and description of project risk factors.	Department of City Development staff determined that there is low risk in selling the properties to Milwaukee County due to the recent investment made by the County in the neighborhood.
Tax consequences of the project for the City.	Properties remains tax-exempt following sale from City to County and has not been tax generating for decades.