

DUE DILIGENCE CHECKLIST – WASHINGTON PARK TOWNHOMES

Market value of the property.	The property is a 2.32-acre former brownfield site located in the Walnut Hill neighborhood in the 15 th Aldermanic District. The property is being sold “as is, where is,” without any guarantees. The sales price for the property is \$1.00 each, based on the current site conditions and the additional development costs associated with brownfield development.
Full description of the development project.	Washington Park Townhomes will consist of 40 attached single-family dwellings units in six row-house style buildings, consisting of a 10-unit building, an 8-unit building, a 7-unit building, a 6-unit building, a 5-unit building and a 4-unit building. There will be 26 two-bedroom and 14 three-bedroom units. In addition, there will be a 900 square-foot community building that will house a leasing office, a small conference room and a maintenance shop.
Complete site, operations and scope of work for development.	Please see the Land Disposition Report for details.
Developer’s project history.	Gorman & Company, Inc. has developed numerous projects in Milwaukee since 1984. Notable projects include: <ul style="list-style-type: none"> • Wesley L. Scott Living Facility • Metcalfe Park Homes • Windsor Court • Lindsay Commons • Blue Ribbon Lofts • Park East Lofts • Historic Third Ward Lofts • Majestic Loft Apartments • Villard Square • Sherman Park Commons
Capital structure of the project, including sources, terms and rights for all project funding.	Gorman will fund the project with WHEDA low-income housing tax credits, HOME re-programming funds and National Stabilization Program Funds and Wisconsin Economic Development Corporation Brownfield Grant funds. The total project costs are approximately \$9M.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	Redevelopment Authority staff determined that there is very low risk in selling the property to Gorman, based on the Developer’s track record developing previous projects in Milwaukee and ability to finance and complete projects in a timely manner. Sale of RACM land will allow a more substantial development at this location.
Tax consequences of the project for the City.	The deed of conveyance will contain a restriction prohibiting the Developer, its assignee or its successors from applying to the City for tax-exempt property status. Development of RACM land with a new multi-family supportive housing project will greatly increase taxable value of property.