

LAND DISPOSITION REPORT AND DUE DILIGENCE CHECKLIST COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

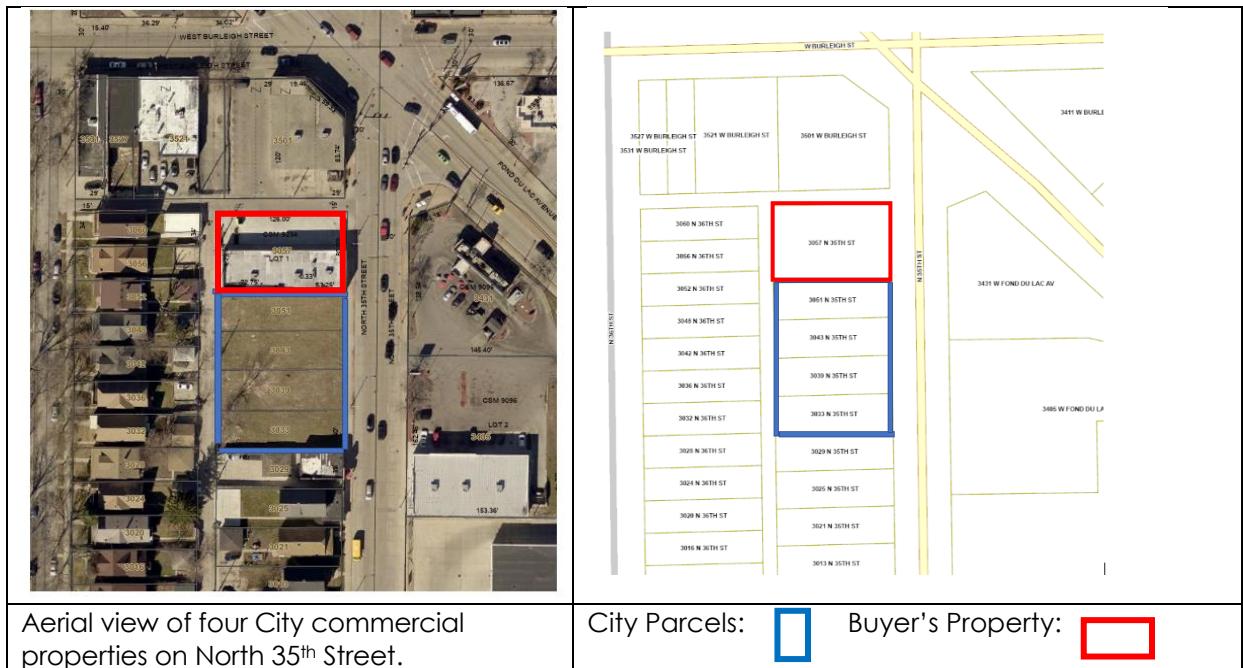
April 15, 2025

RESPONSIBLE STAFF

Dwayne Edwards, Real Estate Section
Department of City Development

PARCEL ADDRESSES AND DESCRIPTION

3033-37, 3039-41, 3043-45 and 3051 North 35th Street (together, the "Properties"), are four City vacant parcels. The combined parcels provide a total lot area of approximately 20,160 square feet. The City of Milwaukee ("City") acquired the four properties between 2014 - 2016 through property tax foreclosure.





Buyer's Renderings of site improvements. Top view looking East; Bottom view looking Southeast.

BUYER

Ahmad Properties, LLC (the "Buyer"), is owned and managed by Omar Ahmad. Currently, Mr. Ahmad owns and manages over 60 properties, including the adjacent property at 3057 North 35th Street, which operates as a JJ Fish and Chicken restaurant and an office space rented by a nonprofit organization. The Buyer has over 20 years of experience in real estate development, including multiple projects in Milwaukee.

PROJECT DESCRIPTION

The Buyer will combine the City parcels with the Buyer's adjacent property through a certified survey map ("CSM"), as part of the development to attract a neighborhood grocery store operator, provide landscaping and to have additional parking for current and future retail businesses.

Other improvements will include, but not be limited to a new artistic mural and outdoor seating at the Buyer's building. Exterior improvements include windows with clear glazing, new doors for access to patio seating for the restaurant, security cameras, lighting to the front entrance and east side of property, and signage.

The Buyer has secured financing from his lender, and along with the Buyer's personal savings, it will assist in completing the renovations. Mr. Ahmad may seek commercial corridor grant resources, if available. The Buyer's project may require certain City approvals. Closing is contingent upon the Buyer obtaining all necessary approvals, financing and Department of City Development approval of the final building exterior elevations. Total estimated rehabilitation costs are approximately \$985,000.

PURCHASE TERMS AND CONDITIONS

The purchase price is \$4,000 (representing an offer price of \$1,000 per parcel) and Buyer shall pay all costs at closing. The City's Closing contingency will be for the buyer to attract and have a grocery store for the initial occupant of the proposed grocery to offer fresh food options consistent with the narrative submitted to the City's Real Estate Division. The conveyance will be on an "As-Is, Where-Is" basis.

The Buyer agrees to obtain all necessary City permits and approvals, including Board of Zoning Appeals approvals, if required. The Buyer will pay a \$5,000 performance deposit regarding Buyer's duty to complete renovation and obtain a Certificate of Completion, by April 30, 2026.

Buyer will be required to meet the City's General Buyer Policies. The Buyer will execute a City Purchase and Sale Agreement, which will outline all terms of the transaction. The City Planning staff reviewed the Buyer's site plans. Traffic and safety concerns were addressed and were provided in City design review guidelines dated February 13, 2025 that will be included in the City's Purchase and Sale Agreement ("PASA").

The deed of conveyance will contain a restriction prohibiting the Buyer, or its successors, from applying to the City for tax-exempt property status and a deed restriction prohibiting the Buyer from conveying to another party prior to Buyer obtaining the Certificate of Completion ("COC"). Also, the Buyer consents to a deed restriction prohibiting the property from being used as a: cigarette, vape or cigar shop, gun shop, liquor store, auto-title loan store, medical services facility or other uses not permitted by City zoning.

At closing, subtracted from the sale proceeds will be sale and marketing expenses and a 30 percent disposition fee to the Redevelopment Authority of the City of Milwaukee, with the remaining proceeds being deposited in the City's Delinquent Tax Fund.

DUE DILIGENCE CHECKLIST**ADDRESSES: 3033-37, 3039-41, 3043-45 AND 3051 NORTH 35TH STREET**

The Commissioner's assessment of the market value of the property.	<p>The Properties at 3033-37, 3039-41, 3043-45 and 3051 North 35th Street are being sold "As Is, Where Is," without any guarantees. The properties are zoned LB2 or Local Business. The four City vacant parcels were previously occupied as multiple retail businesses. The purchase price for the properties total \$4,000, (representing an offer price of \$1,000 per parcel).</p> <p>The City's Closing contingency will be for the buyer to attract and have a grocery store for the initial occupant offering fresh food options consistent with the narrative submitted to the City's Real Estate Division.</p>
Full description of the development project.	Ahmad Properties, LLC (the "Buyer") will develop the site to and make substantial investment to create jobs and vitality to the site. The Buyer will add landscaping, outdoor seating and a mural to add curb appeal for the businesses.
Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.	The City parcels will be sold as part of a larger commercial development that includes the buyer's building, through a certified survey map ("CSM"). The Buyer will also provide landscaping and additional parking for current and future retail businesses.
Developer's development project history.	The Buyer successfully owns and manages over 60 properties in Milwaukee and Chicago.
Capital structure of the project, including sources, terms and rights for all project funding.	The estimated improvement costs are approximately \$985,000. The Buyer has secured financing from a local lender that together with Buyer's personal savings to complete the renovation.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	If the City parcels remains vacant, it realistically could be some time before the properties get developed. Not developing the parcels will serve as a hindrance on the Buyer's efforts of this section of 7 th Aldermanic District and further delay investment and redevelopment efforts of these parcels along North 35 th Street.
Tax consequences of the project for the City.	Upon completion the property will be fully taxable. The deed of conveyance will contain several restrictions, including prohibiting the Buyer or its successors from applying to the City for tax-exempt property status. Other deed restrictions prohibit uses like operating as a: cigarette, vape, or cigar shop, gun shop, liquor store, or other uses not permitted by City zoning.