

LAND DISPOSITION REPORT
COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE
Date September 17, 2024

RESPONSIBLE STAFF
Rosita Ross, Real Estate Development Specialist, DCD

PARCEL ADDRESS & DESCRIPTION
4704-06 West Center Street (the "Property") consists of a 4,505 SF single-story building constructed in 1922 and situated on 5,732 SF parcel. The Property was acquired through property tax foreclosure on June 8, 2015. The Property is zoned LB2 or Local Business and is located within the Saint Joseph Neighborhood and part of Business Improvement District No. 39.

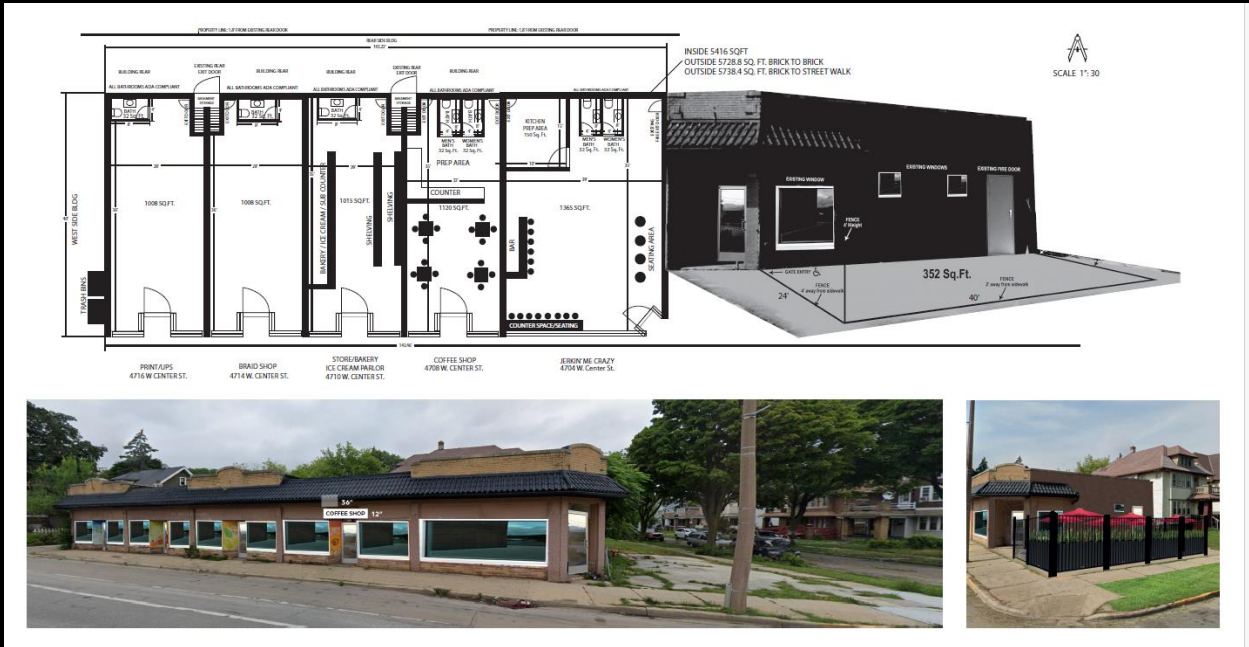


BUYER
Bellagio Experience Corporation ("TLI"), was established in 2021 and is owned and operated by Darryl Simmons ("Buyer"). Mr. Simmons, brings a number of years of experience to the venture, operating a small restaurant in another state in which he is no longer operating since his move to Wisconsin. The Buyer felt this would be the opportune time to bring new business to the Center Street Corridor.

The Buyer has lived in the surrounding neighborhood for more than 10 years. Mr. Simmons will be operating his restaurant Jerkin' Me Happy serving Caribbean style Jerk food at one of the store fronts in this development.

The Buyer's commitment to stabilize this property and to create a safe and stronger business corridor, where individuals and families can patronize for printing, bakery, Coffee, food and hair care needs which will benefit the stretch of West Center Street.

PROJECT DESCRIPTION
The Buyer, or its assignee, proposes to restore the commercial space for a variety of retail service spaces such as UPS/Print Shop, coffee shop, bakery, Jamaican restaurant and beauty shop. The Buyer plans to apply for the City's Commercial Corridor Storefront Activation funding to assist with renovations. The Buyer also plans to use private funds and some "sweat equity" on the project.



The Buyer is looking to create around 25 new jobs once the development is fully renovated. The Buyer currently has letters of intent to operate store front business for three (3)-store front commercial spaces. The lot has space on the eastside of the building for outside seating for customers and it will have decorative fencing as part of the City Planning staff's Design Review Letter dated June 6, 2024 and City Landscaping Guidelines.

The Buyer estimates renovation and improvement costs are approximately \$73,000, some of which will include the Buyer's "sweat equity".

PURCHASE TERMS AND CONDITIONS

The purchase price will be \$10,000. The conveyance will be on an "As Is, Where Is" basis including environmental concerns, if any. The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status. At closing, a 30% development fee shall be paid to the Redevelopment Authority, less sale expenses, and the remaining proceeds shall be deposited in the City Tax Deficit Fund.

Due Diligence Checklist

Address: 4704-06 West Center Street

The Commissioner’s assessment of the market value of the property.	4704-06 West Center Street, the (“Property”) is being sold “As Is, Where Is,” without any guarantees. The price for the Property is \$10,000 which adequately reflects the overall condition of the property, including the deferred maintenance. The Buyer estimates the renovation and improvement costs are approximately \$73,000.
Full description of the development project.	The Buyer plans to restore the single-story building for small retail businesses. The buyer will operate his own business on site. The building and surrounding lot will be landscaped and have decorative fencing for customers per the City’s landscaping guidelines.
Complete site, operation and landscaping plans and architectural renderings for new construction or redevelopment.	Please see Land Disposition Report for details.
Developer’s development project history.	<p>Bellagio Experience Corporation (“TLI”) was established in 2021 and is managed and owned by Darryl Simmons (“Buyer”). This will be the buyer’s first commercial development project.</p> <p>Mr. Simmons also has ownership in his private home in the surrounding neighborhood. TLI’s mission is to create safer and stronger neighborhood, where individuals and families can stop for several different services at one location at an affordable price.</p>
Capital structure of the project, including sources, terms and rights for all project funding.	The Buyer estimates the renovation cost will be approximately \$73,000. The Buyer will utilize personal funds and bank financing for the renovations. Mr. Simmons is also exploring available City funding resources that may be applicable.
Project cash flows for the lease term for leased property.	\$1,500 monthly
List and description of project risk factors.	Closing is contingent upon Buyer obtaining all necessary approvals.
Tax consequences of the project for the City.	The deed of conveyance will contain a restriction prohibiting the Buyer or assignees from applying to the City of Milwaukee for tax-exempt property status. Thus, a vacant, tax-exempt property will be returned to the property tax rolls.