

LAND DISPOSITION REPORT COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

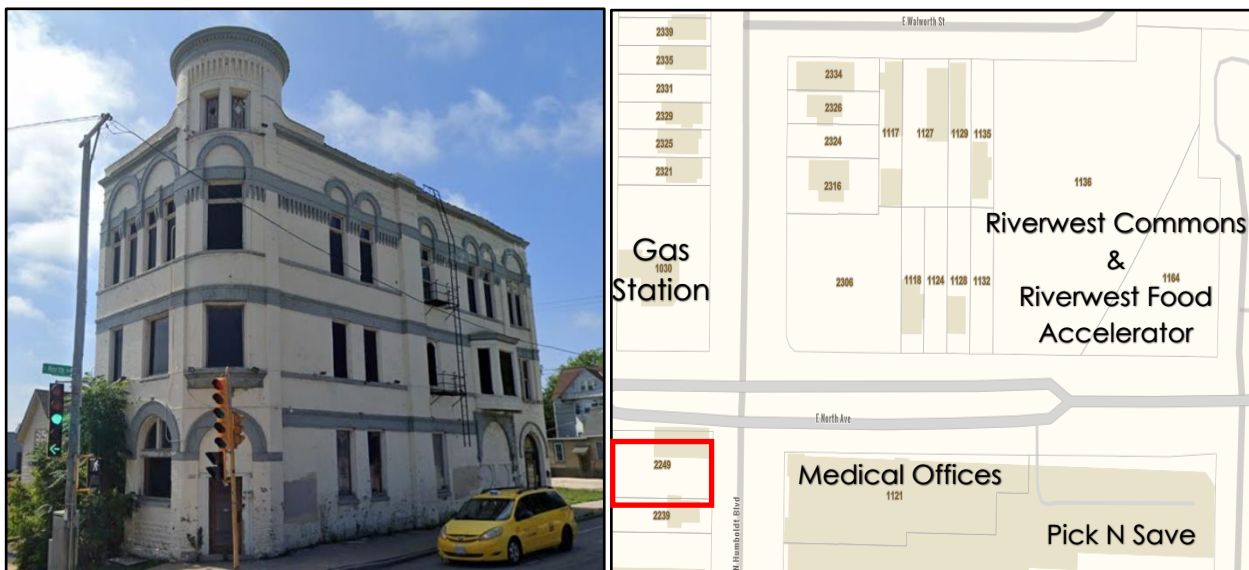
January 18, 2024

RESPONSIBLE STAFF

Matthew Haessly, DCD Real Estate

PARCEL ADDRESS AND DESCRIPTION

2249 North Humboldt Avenue (the "Property") consists of a multi-story commercial building that is approximately 5,100 SF, situated on a 7,800 SF parcel. The Property is zoned LB2 or Local Business. The building is was constructed in 1891 and is locally designated as historic. The Property was acquired through property tax foreclosure in 2015.



BUYER

Humboldt Gardens, LLC (the "Buyer") is solely owned and managed by Clarence Morse. Mr. Morse has been in the contracting business since 2010. In 2019, Clarence graduated from the Associates in Commerce Real Estate (ACRE) graduate.

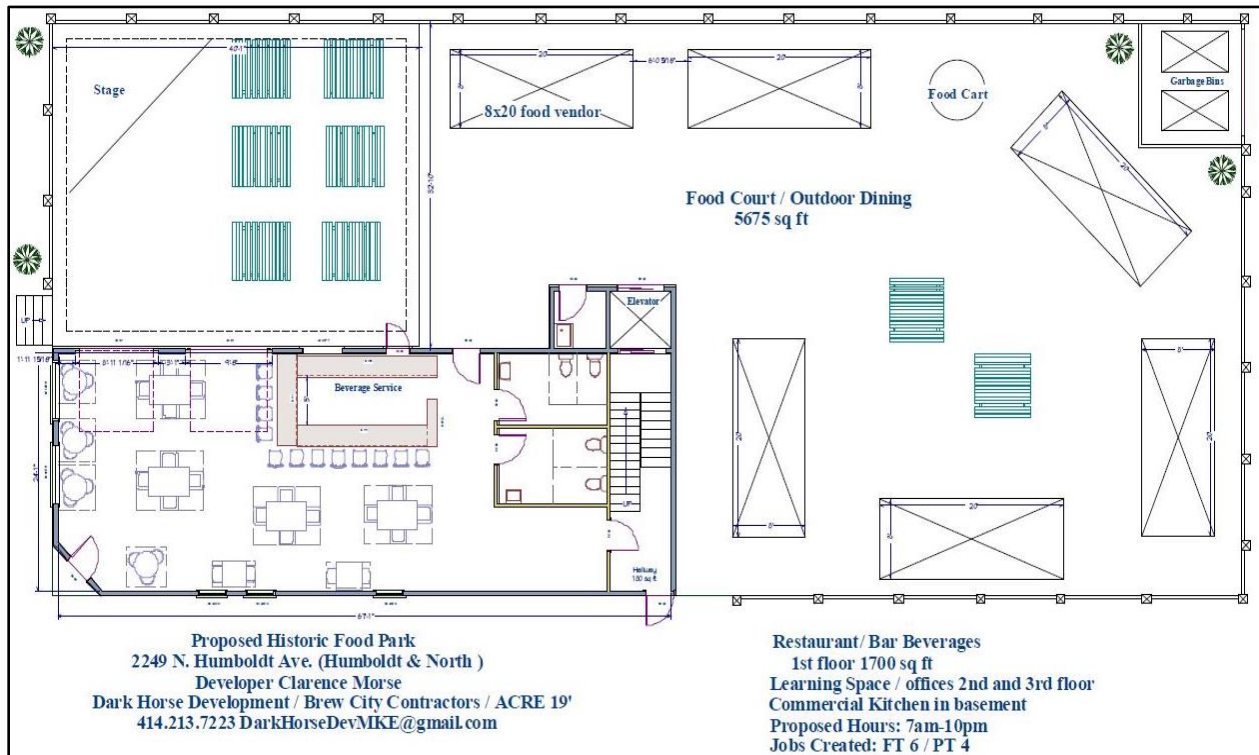
PROJECT DESCRIPTION

The Buyer proposes to renovate the locally designated historic building. The renovations will include a food truck court with indoor dining area, including a commercial kitchen and/or food preparation/storage area in the basement. The first floor will feature the indoor dining space and bar. The exterior of the building will be a multi-vendor food truck area, which will include vending from the food trucks to the customers, and seating for dining. The Buyer has obtained a "Class B" tavern license. The Buyer is planning a second-floor event and/or office space; and the third floor will be used as an office space. A new elevator will be added onto the western side of the existing building.

The food truck court is intended to have five truck pads and two food carts along with outdoor seating with decorative fencing. The food vendors are intended to provide services year-round.

On May 1, 2023 the Historic Preservation Commission adopted Common Council File No. 221903 authorizing a Certificate of Appropriateness for the proposed renovations to the building at 2249 North Humboldt. Amongst the major improvements planned are restoration of the turret roof, replica windows, and a combined balcony and fire escape. The renovations may also include the addition of a new elevator shaft located on the northwest corner of the building.

The estimated renovation and improvement costs are \$1,200,000. The Buyer is seeking historic tax credits, conventional financing, private investors and/or personal equity and labor, while also exploring available City grants that may be applicable. Listing on the National Register of Historic Places is required prior to claiming any historic tax credits.





North Avenue property line

First floor bar area

PURCHASE TERMS AND CONDITIONS

The purchase price is \$1.00, which reflects the challenging condition of the development site. The conveyance will be on an "as is, where is" basis. The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status. Pursuant to Wisconsin Statutes, Section 66.1111, the City shall record a Historic Preservation Easement on the property. At closing the sale proceed shall be deposited into the Delinquent Tax Fund.