

LAND DISPOSITION REPORT

COMMON COUNCIL OF THE CITY OF MILWAUKEE

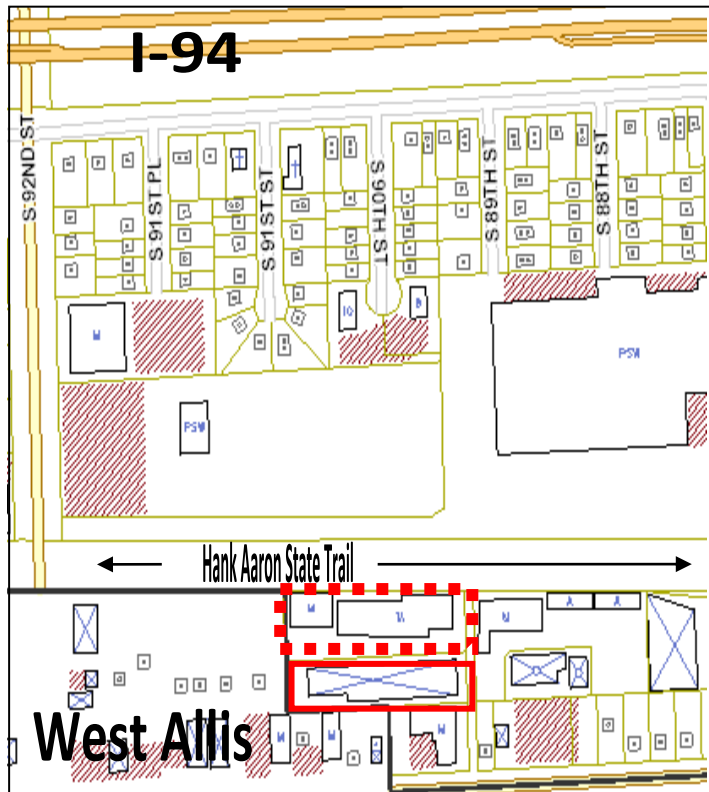
DATE
March 18, 2019

RESPONSIBLE STAFF
Matt Haessly, Real Estate Specialist, DCD

PARCEL ADDRESS AND DESCRIPTION

629 South 89th Street (the "Property"): The Property is in the City of Milwaukee's ("City") 2019 property tax foreclosure File No. 1. The Property is currently a privately owned, tax-delinquent brownfield. The 25,990 SF building is currently vacant, in poor condition and is situated on a 41,556 SF parcel. The Property is zoned IL1 or Industrial-Light and is located within the Fair Park neighborhood.

The Property is on the City's Do Not Acquire list because it was previously occupied by a linen supply company that reportedly installed multiple underground storage tanks ("USTs"). Based upon the former use and reported USTs, under the Milwaukee Code of Ordinances Section 308-22-2-c, approval of acquisition of title by 3/4 vote of the Common Council is required.



BUYER AND PROJECT DESCRIPTION

The Buyer is Abraham Holdings LLC ("AH"). James Abraham is its managing member. Mr. Abraham is the owner of Warehouse-Lighting.com. Warehouse-Lighting manufactures and distributes LED lighting products locally and nationally. The LED products consist of industrial and commercial products that replace old, non-energy-efficient lighting. AH owns the adjacent property at 615 South 89th Street that is used by Warehouse-Lighting.com. Warehouse-Lighting has been supplying, installing, maintaining and upgrading industrial, commercial and residential lighting products for over a decade.

After acquisition, Mr. Abraham intends to demolish the rear portion of 629 South 89th Street or approximately 18,000 square feet of unusable and collapsed space for parking and green space. The front portion or approximately 8,000 square feet will be renovated for Warehouse-Lighting corporate offices and to allow for additional subassembly work overflow from the adjacent property. Prospectively, this acquisition should allow the expansion of Warehouse-Lighting.com as well as some labor and management jobs. The estimated renovation and demolition budget is \$450,000.

CONVEYANCE TERMS AND CONDITIONS

Closing is contingent upon the City obtaining property tax foreclosure judgment. If the City obtains foreclosure judgment, AH will pay \$6,000 for the Property, raze approximately 18,000 square feet of the existing building that is unusable and collapsed, renovate approximately 8,000 square feet of the remaining building, accept a deed restriction prohibiting tax exemption and accept the Property "as is, where is," with all known and unknown environmental liability.