

**LAND DISPOSITION REPORT
COMMON COUNCIL OF THE CITY OF MILWAUKEE**

DATE
December 10, 2024

RESPONSIBLE STAFF
Rosita Ross, Real Estate Development Specialist, DCD

PARCEL ADDRESS & DESCRIPTION
2701 South 29th Street (the "Property") consists of a 1,629 square foot single-story building constructed in 1921 and situated on a 3,600 square foot parcel. The Property was acquired through property tax foreclosure on September 14, 2023. The Property is zoned IL2 or Industrial-Light Business and is located within the Layton Park Neighborhood.



City Property



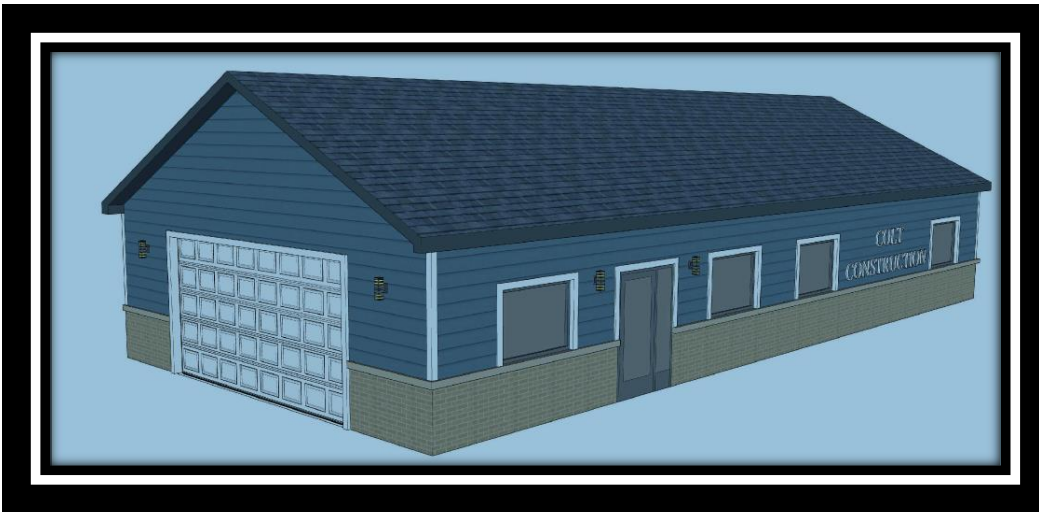
Highlighted map of property

BUYER
Colt Construction Services, LLC ("TLI"), was established in 2007 and is owned and operated by Richard Joseph Stulo, Jr ("Buyer"). Mr. Stulo, brings a number of years of experience to the venture, operating his construction company. The Buyer felt this would be the opportune time to purchase the neighboring building which is near his home for his construction business. The purchase will not only benefit his business but also contribute to the Layton Park Neighborhood.

The Buyer has lived in the surrounding neighborhood for more than 20 years and has several other properties in the community.

The Buyer's commitment is to restore the commercial space and continue to service his neighbors when in need of assistance with home repairs which benefits the community.

PROJECT DESCRIPTION
The Buyer, or its assignee, proposes to restore the commercial space for his contractor's work shop for his construction business. 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" for the project.



The Buyer currently employs 21 full time employees and is looking to create an additional 5 part-time new jobs once the development is fully renovated. The Buyer will add decorative fencing to the green space and will follow City Landscaping Guidelines. The Buyer agrees to obtain all necessary City permits and approvals, including Board of Zoning Appeals approvals, as required. The Buyer will pay a \$1,000 performance deposit regarding Buyer's duty to complete renovation and obtain a Certificate of Occupancy by May 30, 2026

The Buyer estimates renovation and improvement costs are approximately \$40,000, which includes the Buyer's "sweat equity".

PURCHASE TERMS AND CONDITIONS

The purchase price will be \$60,000. 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 sales expenses, and the remaining proceeds shall be deposited in the City Tax Deficit Fund.

Due Diligence Checklist
 Address: 2701 South 29th Street

<p>The Commissioner’s assessment of the market value of the property.</p>	<p>2701 South 29th Street, the (“Property”) is being sold “As Is, Where Is,” without any guarantees. The price for the Property is \$60,000, which adequately reflects the overall condition of the property, including the deferred maintenance. The Buyer estimates the renovation and improvement costs are approximately \$40,000.</p>
<p>Full description of the development project.</p>	<p>The Buyer plans to restore the single-story building for a contractor’s construction business. 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.</p>
<p>Complete site, operation and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>Please see Land Disposition Report for details.</p>
<p>Developer’s development project history.</p>	<p>Colt Construction Services LLC (“TLI”) was established in 2001 and is managed and owned by Richard Stulo Jr (“Buyer”). This will be the buyer’s first commercial development project.</p> <p>Mr. Stulo also has ownership in his private home and other rental properties in the surrounding neighborhood. TLI’s mission is to create a safer and stronger neighborhood, where the community can stop in for home repair services at one location at an affordable price.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The Buyer estimates the renovation cost will be approximately \$40,000. The Buyer will utilize personal funds and bank financing for the renovations. Mr. Stulo is also exploring available City funding resources that may be applicable.</p>
<p>Project cash flows for the lease term for leased property.</p>	<p>Not applicable</p>
<p>List and description of project risk factors.</p>	<p>Closing is contingent upon Buyer obtaining all necessary approvals.</p>
<p>Tax consequences of the project for the City.</p>	<p>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.</p>