

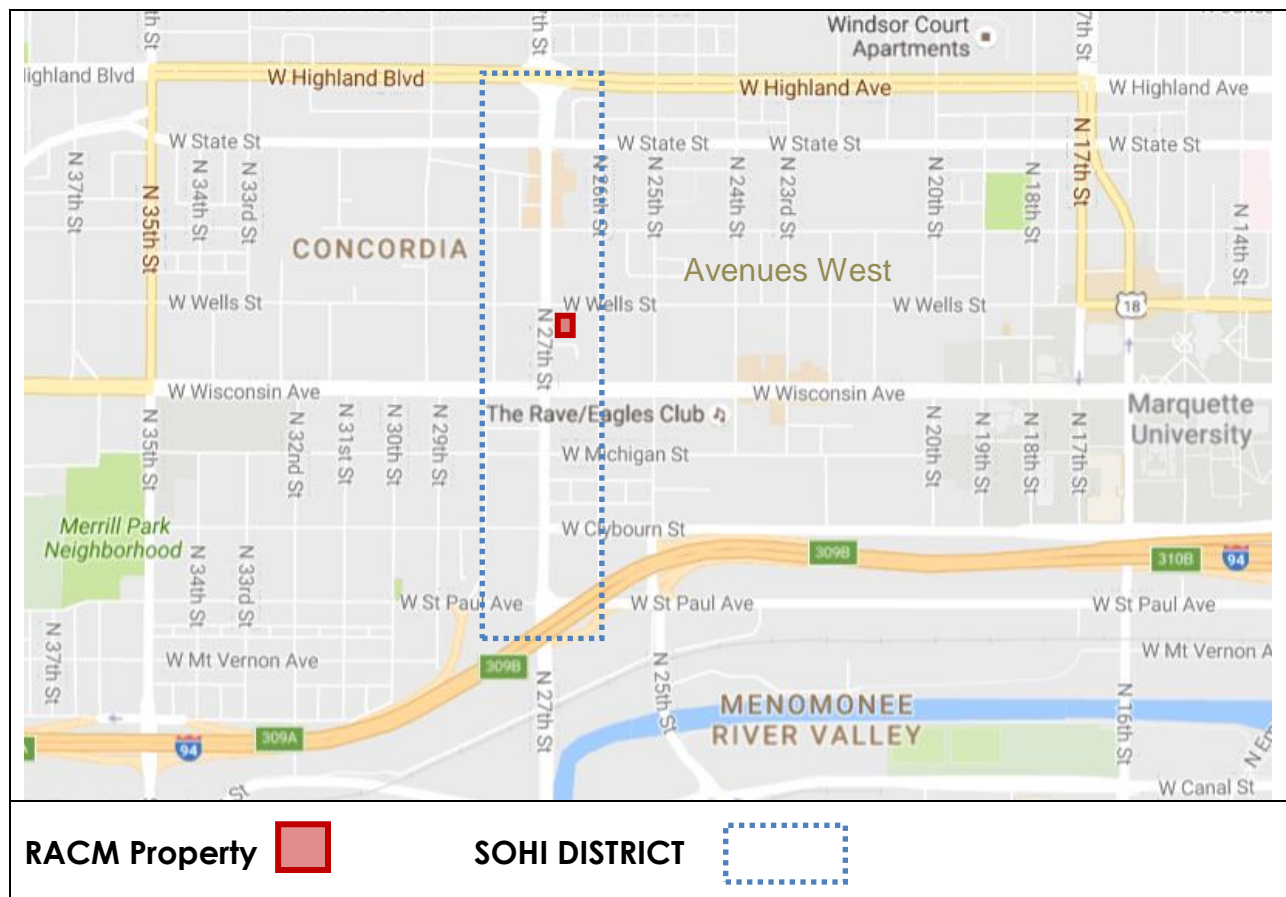
# LAND DISPOSITION REPORT COMMON COUNCIL AND REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE

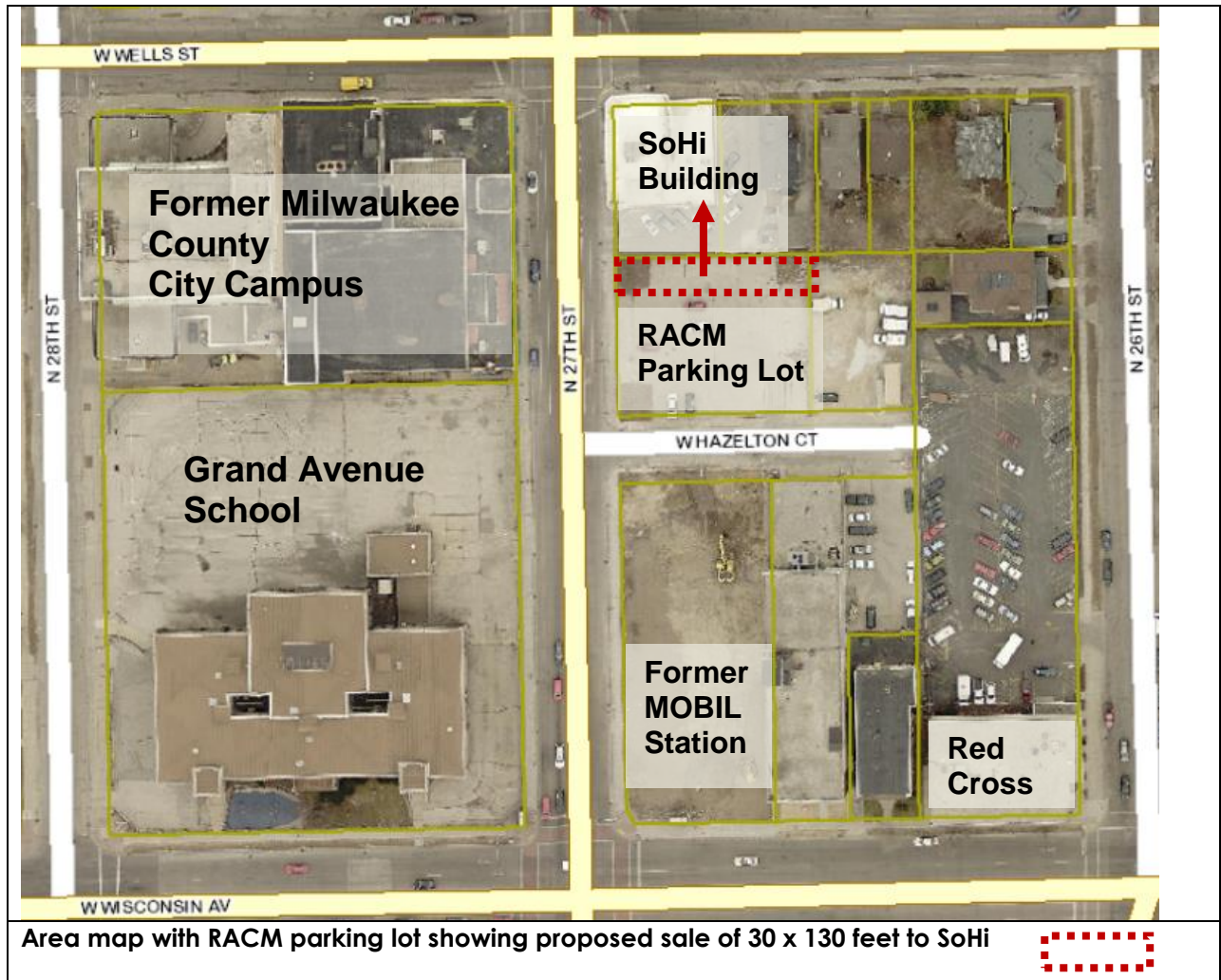
**DATE**  
October 11, 2016

**RESPONSIBLE STAFF**  
Yves LaPierre, Department of City Development

## PARCEL ADDRESS AND DESCRIPTION

748 North 27<sup>th</sup> Street (the "Property") consists of a 13,374 square-foot parking lot. The Property was acquired by the Redevelopment Authority of the City of Milwaukee ("RACM") in 2012. The Property is located within the SoHi/Avenues West/Concordia neighborhood.



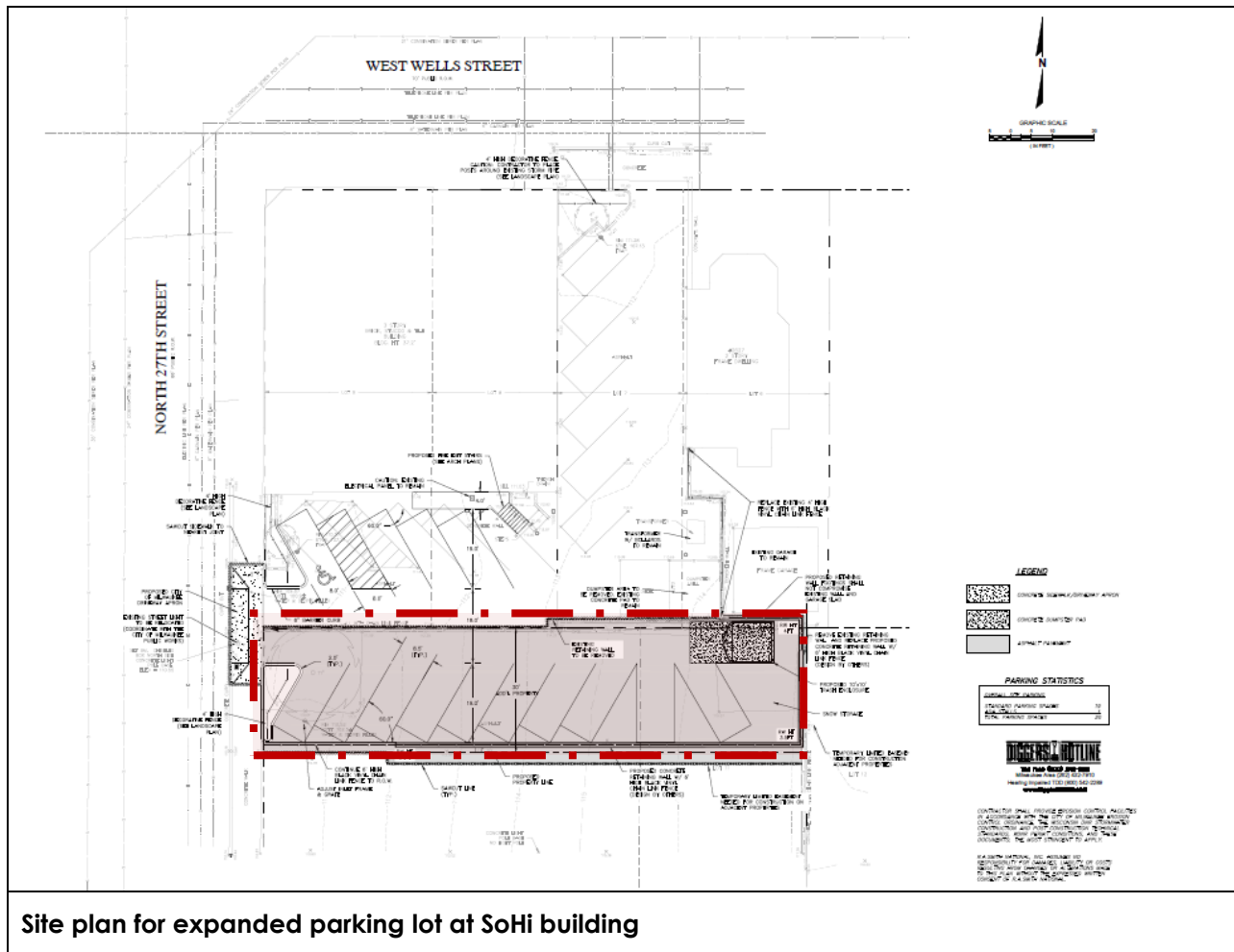


**BUYER**

SoHi Corner, Inc. ("SoHi"), whose managing member is the Hennessy Group, Inc., which is owned by John Hennessy. The Hennessy Group has been active since 1987 in redeveloping numerous buildings in Milwaukee, including in the Near West Side, Concordia and SOHI neighborhoods. Hennessy's redevelopments include National Register historic renovations of apartment buildings and new construction. Hennessy owns the SoHi building at 760 North 27<sup>th</sup> Street, which is adjacent to the RACM parking lot. The SoHi building has undergone major renovations and is a significant contributor to the revitalization of the SOHI district. The SoHi building is the home of "Daddy's Soul Food and Grill" restaurant, which is a locally owned and operated comfort food destination.

**PROJECT DESCRIPTION**

The north 30 feet of the parking lot at 748 North 27<sup>th</sup> Street will be sold to SoHi so it may expand and improve its parking facilities at its adjacent property at 760 North 27<sup>th</sup> Street. Improved parking will include upgraded paving, landscaping, fencing, security and lighting. The project budget is estimated to be \$168,950. The expanded parking at 760 North 27<sup>th</sup> Street will allow SoHi to sign a long-term lease with Siebert Lutheran Foundation for new headquarters in SoHi's building.



**OPTION TERMS AND CONDITIONS**

The purchase price is \$2,000. A Purchase and Sale Agreement will be executed with SoHi to outline performance obligations and assure satisfactory compliance through reversion of title power. A Certificate of Code Compliance must be provided within eighteen months following the closing as evidence of satisfactory redevelopment and conformance with City of Milwaukee ("City") code. Conveyance will be by quit claim deed on an "as is, where is" basis, with a deed restriction prohibiting tax-exempt status. The sale proceeds shall be credited to the RACM General Fund.

**DUE DILIGENCE CHECKLIST**  
**ADDRESS: 748 NORTH 27TH STREET**

The commissioner's assessment of the market value of the property.	Sales price of portion of the parking lot was negotiated with the buyer and is based on SoHi's total investment in the building renovation and the parking lot expansion, which will be close to \$1,000,000.
Full description of the development project.	The north 30 feet of the parking lot at 748 North 27 <sup>th</sup> Street will be sold to SoHi so it may expand and improve its parking facilities at its adjacent property at 760 North 27 <sup>th</sup> Street. Improved parking will include upgraded paving, landscaping, fencing, security and lighting. The project budget is estimated to be \$168,950. The expanded parking at 760 North 27 <sup>th</sup> Street will allow SoHi to sign a long-term lease with Siebert Lutheran Foundation for new headquarters in SoHi's building.
Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.	Please see the attached Land Disposition Report.
Developer's development project history.	John Hennessy's Hennessy Group has been active in the surrounding neighborhoods since 1987 and has developed numerous properties including: <ul style="list-style-type: none"> <li>• Kilbourn Knoll Historic Apartments</li> <li>• St. James Court Historic Apartments</li> <li>• Nicole and Tim's Place</li> <li>• The SoHi Building</li> </ul>
Capital structure of the project, including sources, terms and rights for all project funding.	Parking lot expansion for the SoHi building will be funded with the buyer's equity and private financing.
Project cash flows for the license term for licensed property.	Not applicable.
List and description of project risk factors.	Risk is low based on Mr. Hennessy's experience, involvement and investment in the neighborhood over many years.
Tax consequences of the project for the City.	The Property will be added to the tax rolls. The Property sale will add value to the adjacent SoHi building and will attract a long-term tenant to the neighborhood. The project will add stability to the area and help catalyze future development.