

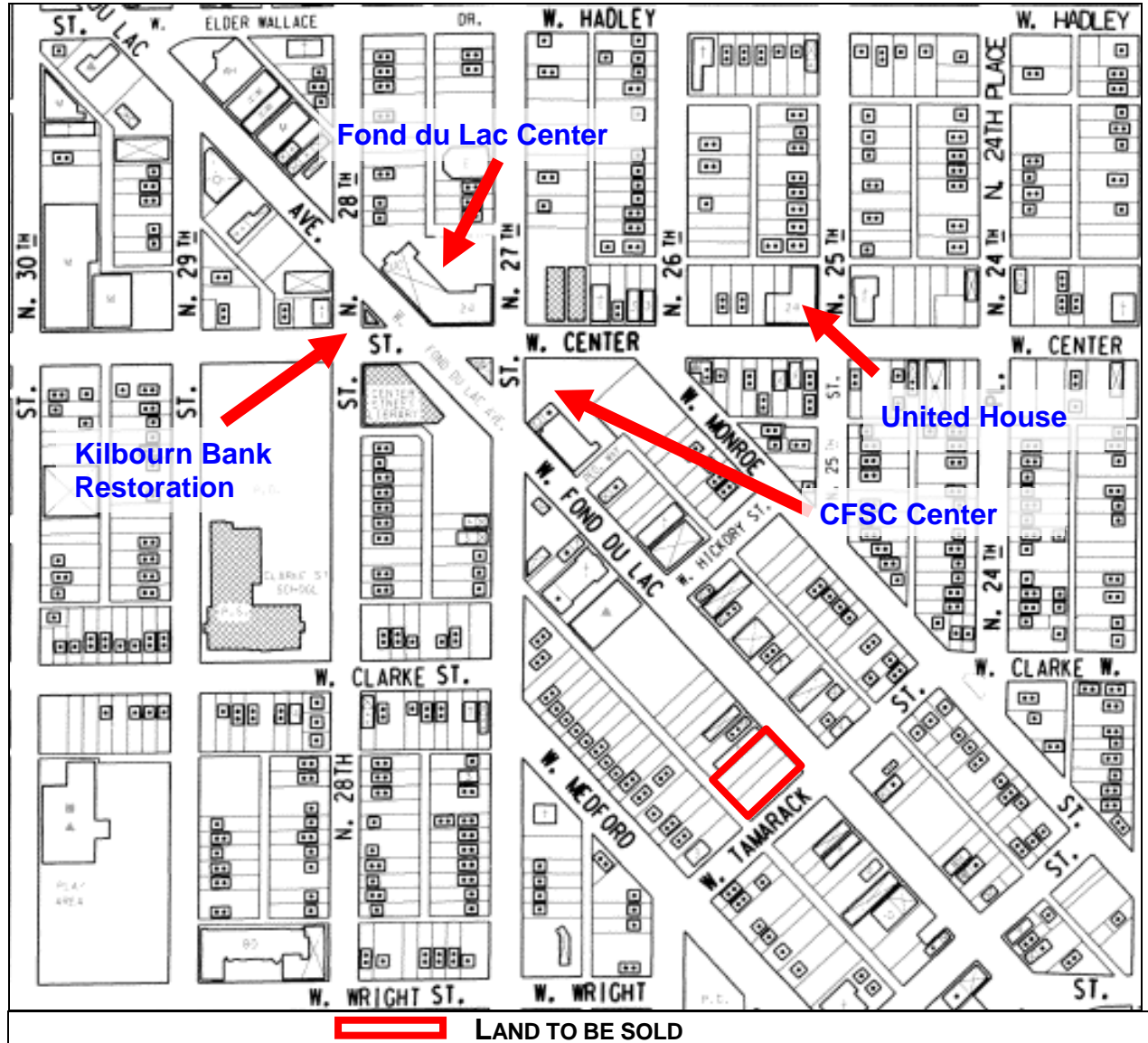
**LAND DISPOSITION REPORT  
COMMON COUNCIL OF THE CITY OF MILWAUKEE**

**RESPONSIBLE STAFF**

Yves LaPierre, Real Estate Section (286-5762)

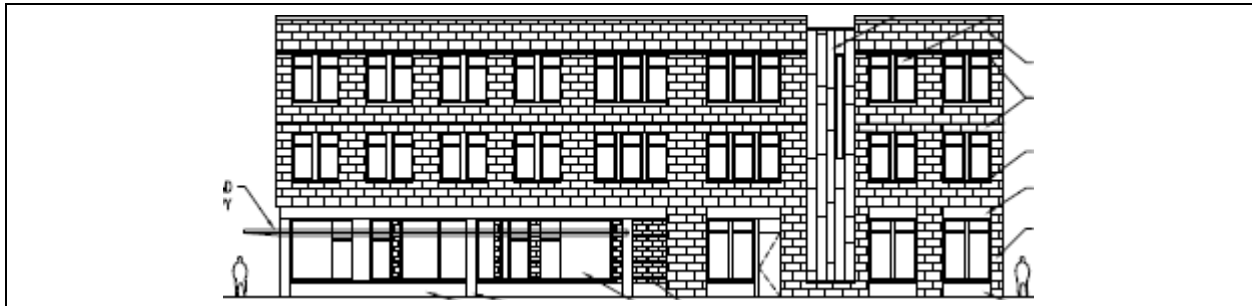
**PROPERTY**

2501-2505 and 2513 West Fond du Lac Avenue containing 7,500 SF and 4,500 SF, respectively. The City-owned parcels bookend a private parcel at 2509 West Fond du Lac Avenue that has been optioned by the buyer. Total site is 16,500 SF with 110 feet of frontage along Fond du Lac Avenue.



**BUYER**

Heartland Housing, Inc. ("Buyer"), an Illinois non-profit corporation that has developed over 1,400 units of affordable housing in Chicago and Milwaukee and manages over half of these units. In Milwaukee, Heartland recently completed the Prairie Apartments, a 24-unit supportive housing development at 1218 West Highland Avenue. Heartland's community partner will be St. Ben's Community Meal and its legal and consultant partner is Community Development Associates. The director of Heartland Housing is Michael Goldberg.



**PRELIMINARY FOND DU LAC AVENUE ELEVATION**



**PRELIMINARY TAMARACK STREET ELEVATION**

#### **PROJECT DESCRIPTION**

A 40-unit supportive housing effort with on-site management and community services. The building will be three stories and 30,000 SF. The first floor will contain meeting rooms, offices and a small business center and the upper floors will provide studio and one-bedroom apartments. Apartments will be rented to low and very low income households.

The total project costs are estimated at \$6,730,000. The project will be financed in part through federal housing tax credits from the Wisconsin Housing and Economic Development Authority ("WHEDA"). Tax credit applications are due to WHEDA by June 15, 2009 and the Buyer needs to demonstrate site control for its application. Tax credit reservations will be awarded by August. Additional funding will be provided by secondary grant sources.

#### **OPTION TERMS AND CONDITIONS**

The property will be sold for \$24,000. Closing will occur once the Buyer has final plans approved for permitting and has financing in place. A \$1,000 performance deposit will be required to insure satisfactory completion of this project. Construction will be expected to commence within one month of closing and the Buyer will have nine months to complete construction.

The total option period is for two years to allow multiple applications for WHEDA tax credits in the event the project does not receive a 2009 allocation. The base option is until June 15, 2009 to allow the Buyer time to submit an application to WHEDA for the federal housing tax credits. When the Buyer submits the application, the option will be automatically extended four months, or until WHEDA makes its initial allocation of tax credits. Upon award of the tax credit allocation, the option is automatically extended until December 31, 2009. If the Buyer requires additional time beyond December 31st to obtain financing or final plans, the Commissioner of DCD may extend the option for a six-month period upon submission of a \$500 non-refundable renewal fee and a satisfactory progress report on the project. If the project does not receive a 2009 allocation, the base option may be renewed until 2010 to allow a second application to WHEDA. If the Buyer fails to make any required submissions to WHEDA, the option may be cancelled immediately by the Commissioner.