

**LAND DISPOSITION REPORT AND DUE DILIGENCE CHECKLIST  
COMMON COUNCIL OF THE CITY OF MILWAUKEE**

**DATE**

June 2, 2021

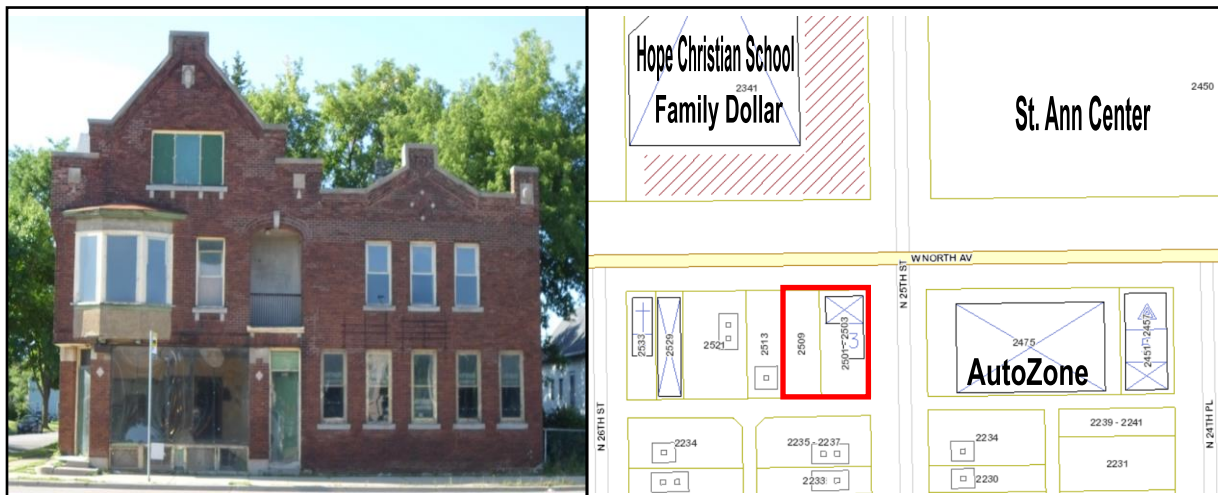
**RESPONSIBLE STAFF**

Dwayne Edwards, Program Manager, Department of City Development

**PARCEL ADDRESS AND DESCRIPTION**

2501-03 West North Avenue: Two-story brick building containing 5,144 square foot plus a full basement. Built in 1914, the building has about 2,572 square feet of ground floor commercial space and equally sized second floor containing two residential units. The building is situated on a 6,372 square foot lot, has a detached two car brick garage with access off of 25th Street.

2509 West North Avenue: A vacant lot containing 4,720 square feet to be combined with the City property at 2501-03 West North Avenue to create a single 11,092 square foot parcel.



**BUYER**

UniteWI, Inc., (the "Buyer"), is a Corporation established in 2020, by Bria Grant. Ms. Grant, a 2017 graduate of the Associates in Commercial Real Estate ("ACRE") program, studied the property as part of an ACRE class project and decided to pursue the property for development. The Buyer has made inroads with several community partners, including St. Ann Center for Intergenerational Care and Brad Thurman, owner of Coffee Makes You Black Café. Mr. Thurman has agreed to mentor and provide supportive service to the Buyer's business operation.

**DEVELOPER SELECTION AND PROJECT DESCRIPTION**

The rehabilitation plan for the site calls for having two first floor retail tenants. Café and wine will bring a new family-style restaurant to the neighborhood. The Buyer also plans to lease a portion of the space to UniteMKE for office space and outreach activities. The second floor will consist of two newly renovated apartments. The total project costs are expected to be \$750,000 and the property will be fully taxable as required by the Department of City Development.



### **Conceptual rendering after renovations**

#### **PURCHASE TERMS AND CONDITIONS**

The purchase price is \$1,500, which factors in the overall condition of the property. The Buyer has been approved for funding from Zilber Foundation, The Greater Milwaukee Foundation ("GMF"), Lending Wisconsin and Iowa ("IFF") and will use personal savings, while also exploring available City funding resources that may be applicable.

The conveyance of the property will be on an "as-is, where-is" basis. The deed of conveyance will include a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status.

At Closing, subtracted from the sale proceeds will be sale and marketing expenses and a 30 percent disposition cost reimbursement to the Redevelopment Authority of the City of Milwaukee, with the remaining proceeds being deposited in the Delinquent Tax Fund.

## DUE DILIGENCE CHECKLIST

ADDRESSES: 2501-03 AND 2509 WEST NORTH AVENUE

The Commissioner's assessment of the market value of the property.	<p>The Properties at 2501-03 and 2509 West North Avenue are being sold "as is, where is," without any guarantees. The Properties are zoned LB2 or Local Business. The single-tenant space at 2501-03 West North Avenue was previously occupied as a retail business.</p> <p>The purchase price for the property is \$1,500. The property has considerable deferred maintenance, including a leaking roof and defective electrical and plumbing. The leaking roof has negatively affected the interior of the building.</p>
Full description of the development project.	UniteWI, ("Buyer"), is a Corporation established in 2020, by Bria Grant, who will manage day-to-day operations. The Buyer will purchase and renovate the property to operate a new restaurant and plans to establish offices in the upper level space.
Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.	The Buyer was advised that any changes or modifications to the exterior facade may require approval from the City of Milwaukee and monitored by the City's Commercial Corridor Team.
Developer's development project history.	This will be the Buyer's first commercial development in Milwaukee.
Capital structure of the project, including sources, terms and rights for all project funding.	The estimated renovation and improvement costs are approximately \$750,000. The Buyer has been approved for funding from Zilber Foundation, The Greater Milwaukee Foundation ("GMF"), Lending Wisconsin and Iowa ("LFI") and will use personal savings, while also exploring available City funding resources that may be applicable.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	If the buildings remain vacant, the deferred maintenance and costs to cure will continue to increase. Continued vacancy of the building will serve as a hindrance on efforts to redevelop the property and this stretch of West North Avenue.
Tax consequences of the project for the City.	The property will be fully taxable. The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status.