

LAND DISPOSITION REPORT COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

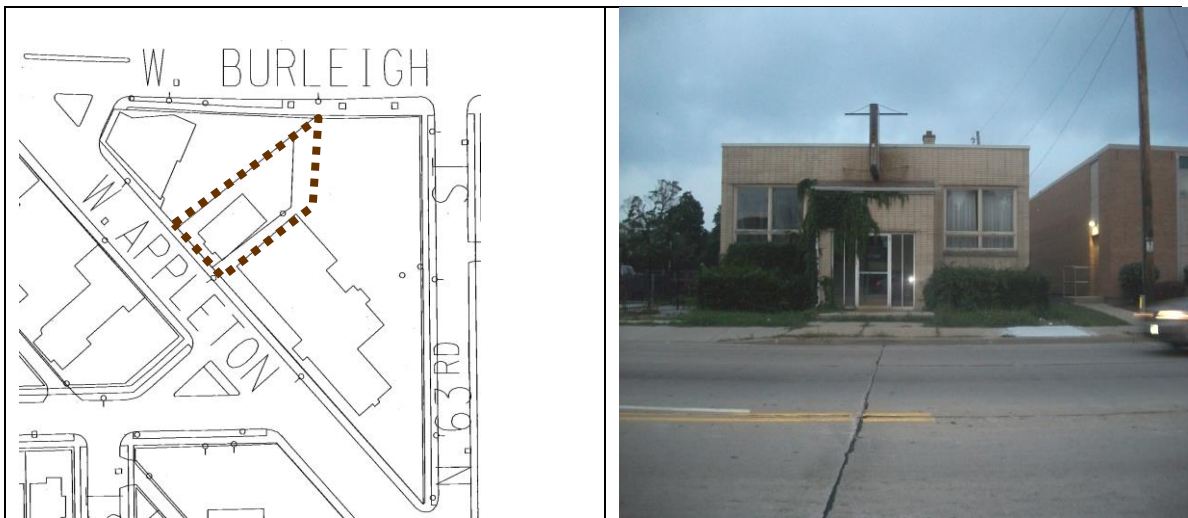
February 2, 2015

RESPONSIBLE STAFF

Dwayne Edwards, Program Manager, DCD

PARCEL ADDRESS & DESCRIPTION

6300 West Appleton Avenue ("Property"): A 3,890 SF mixed-use building built in 1960. The building sits on an approximately 5,787 SF parcel with a side drive and parking in the rear. The parcel was acquired by the City in 2010 through tax foreclosure.



BUYER

Tabatha Jordan will purchase, rehabilitate and transform a vacant City-owned commercial mixed-use property into a neighborhood music laboratory for music lessons and recordings on the lower level of the property. The Buyer envisions a small, upscale work out studio for its small, but growing clientele. The three apartments will be professionally renovated with modern updates and will be market-rate rental units.

In November, 2014, the Buyer purchased a City of Milwaukee residential property at 2714 North Richards Street for homeownership. Other real estate holdings include a condominium unit at 8603 North Servite Drive in Milwaukee.

PROJECT DESCRIPTION

The Buyer proposes to renovate the building's exterior and interior with sustainable and green materials, including high-efficiency supplies from local vendors like Community Warehouse and Habitat for Humanity's Restore. The property will include modern improvements in the lower level office spaces and the residential apartments. The Buyer's estimated rehabilitation costs will be approximately \$71,777. Plans call for a new roof, mechanicals, HVAC, plumbing, updated

electrical service, painting, dry wall, flooring, signage, etc. The Buyer plans to do a portion of the work through "sweat equity" and will use relationships with local tradespeople to put the property back on the City's tax rolls within six to nine months. Complete site, operations and scope of work for redevelopment of the property were reviewed by City staff who recommended that the sale move forward.

PURCHASE TERMS AND CONDITIONS

The purchase price will be \$9,777, which factors in the building's overall condition. The Buyer plans to use a matching grant from the Neighborhood Improvement Development Corporation's ("NIDC") Rental Rehabilitation Program to assist with improvements to the apartments. The Buyer also plans to use the City's Facade Grant Program for exterior improvements and new signage. The conveyance will be on an "as is, where is" basis. The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status. The sale proceeds, less sales expenses and a 30 percent disposition cost reimbursement to the Redevelopment Authority of the City of Milwaukee, shall be credited to the Delinquent Tax Fund.