

LAND DISPOSITION REPORT AND DUE DILIGENCE CHECKLIST

REDEVELOPMENT AUTHORITY

COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

December 14, 2021 – Common Council

December 16, 2021 – Redevelopment Authority of the City of Milwaukee

January 10, 2022 – Bronzeville Advisory Committee

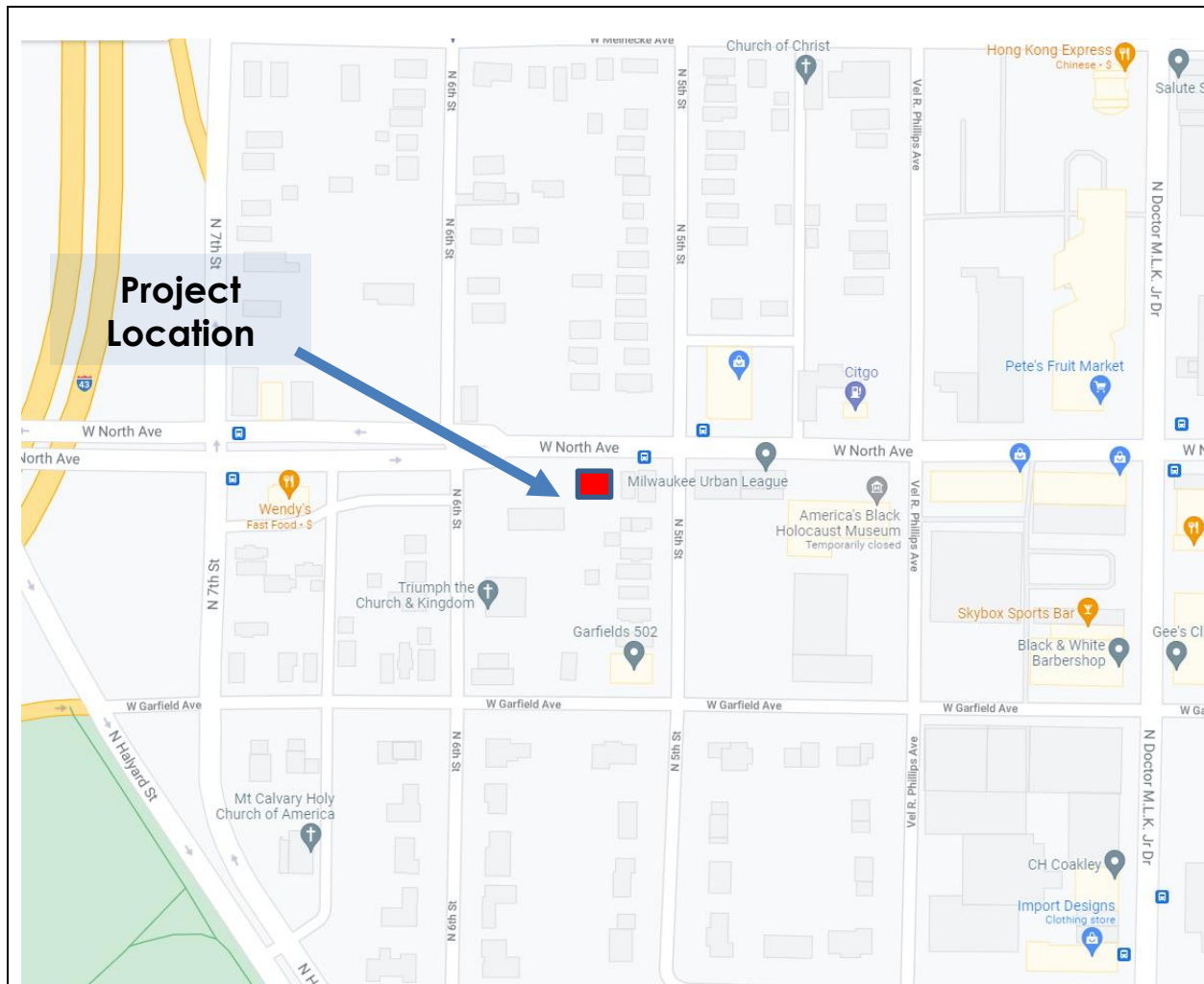
January 11, 2022 – Zoning & Neighborhood Development

RESPONSIBLE STAFF

Yves LaPierre, Real Estate Analyst, Department of City Development

PROJECT AREA

Bronzeville. Lot was acquired on 03/08/2007 by the Redevelopment Authority of the City of Milwaukee ("RACM").



PARCEL ADDRESS & DESCRIPTION

517-19 West North Avenue. Development site consists of a vacant RACM owned parcel (the "Property") of 6,150 square feet, zoned LB2, Local Business district. Property to be combined with adjacent property at 507 West North Avenue.



RACM-Owned Property



Adjacent Property



DEVELOPER

The Developer is the Maures Development Group, LLC. Maures has developed housing in the Milwaukee area. Maures is acting as owner's representative for the adjacent property at 507 West North Avenue which is owned by DSK LLC.

PROJECT DESCRIPTION

Developer intends to complete construction of a one story commercial space and associated parking and landscaping. One story commercial space will consist of gallery and office space. The existing duplex at 507 West North Avenue will be renovated into office space and residential. The estimated total development cost for the project is approximately \$1,500,000.00.



View of building to be renovated and adjacent RACM Property

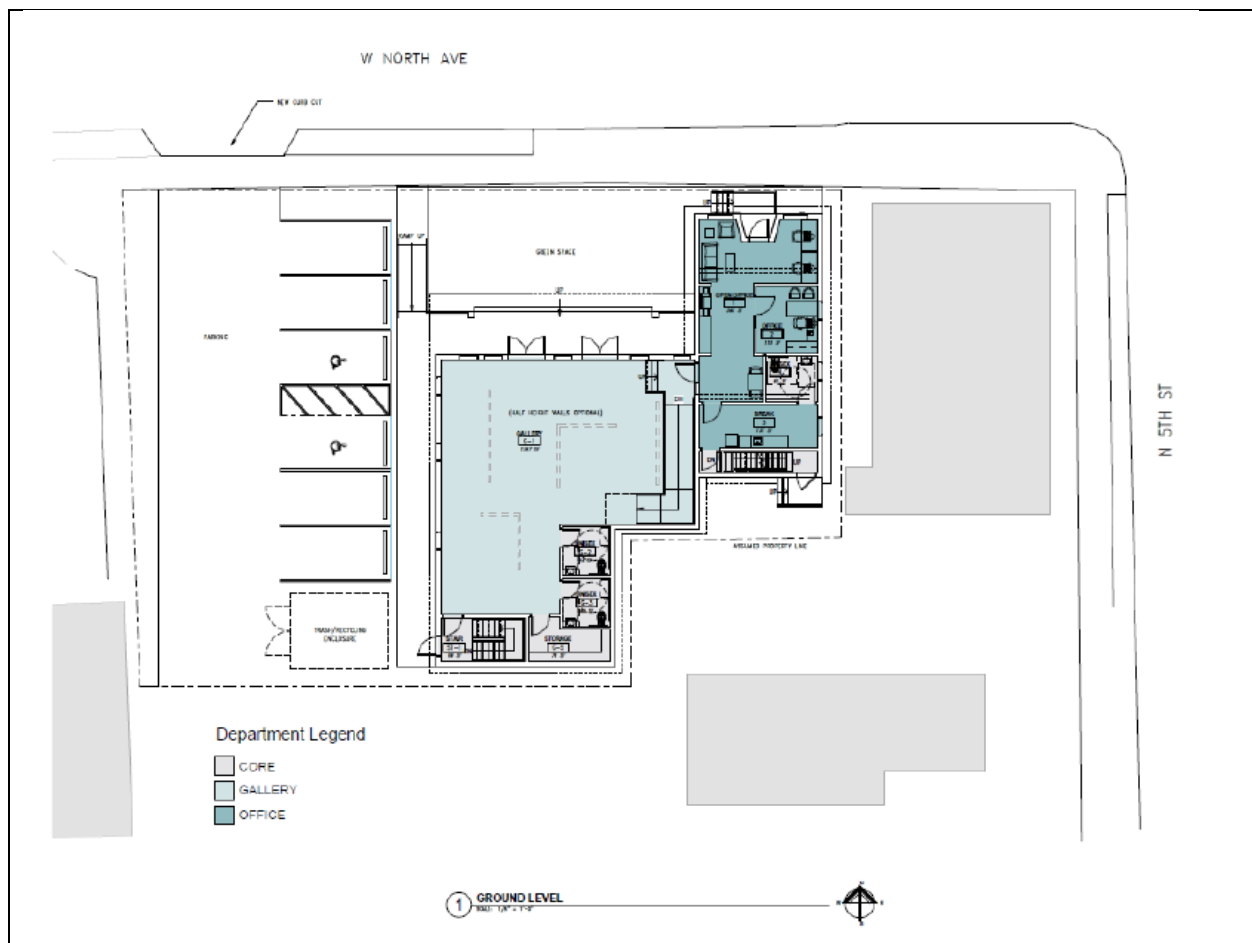
Upon completion, the project will be donated to Bronzeville Center for the Arts, Inc. ("BCA"). The Bronzeville Center for the Arts (the "Museum" or "Project") will be a major community resource and a center for African American fine arts in Milwaukee.

Bronzeville Center for the Arts, Inc. is a Wisconsin non-stock corporation that has applied for non-profit 501(c)(3) status ("BCA" or "Owner"). The BCA is committed to exploring, preserving, and presenting African American art and culture to enrich Milwaukee through creative practices that span advocacy, education, entrepreneurship, and exhibitions. The BCA is supportive, collaborative, and ideational in promoting the projects of artists and cultures of African descent, and is fully devoted to the freedom of expression and social justice.

The BCA is dedicated to investigating ways that the arts can foster and inspire personal expression, the exchange of ideas, and creative entrepreneurship through a wide range of programs: exhibitions, internships, lectures, symposia, workshops, and special events. As a center for cultural and social interaction, the BCA empowers people of all ages to tell and create their own stories, engage different perspectives, and collaborate on innovative art projects. These exchanges educate our communities, support cultural and social networks, inspire professional opportunities, and stimulate personal fulfillment.



Proposed Development



Site Plan

OFFER TERMS AND CONDITIONS

Sales price for the RACM Property shall be \$24,600.00. RACM shall convey the Property to Developer at closing via quit claim deeds in an "as is, where is" condition, with no warranties or representations, express or implied, and with all faults and defects, including environmental and geotechnical conditions, known or unknown. Such provisions shall bar all tort, warranty, and misrepresentation claims including any action based on non-disclosure. No additional environmental investigation shall be conducted by RACM, but RACM will provide results of any environmental investigations previously conducted on the Properties. Developer shall be responsible for all closing costs.

Deed will contain a restriction prohibiting the Developer or its successors or assignees from applying to the City for tax-exempt property status. At each closing, the sale proceeds, less all sale and marketing expenses to the RACM General Fund. At closing, Developer shall pay a performance deposit of \$5,000 to RACM, to be refunded if Developer meets the respective occupancy certificate date.

RACM shall have a Retained Reversionary Interest in the Property to guarantee Developer's performance. RACM's reversionary right is a material provision to the conveyances of the Properties, without which, RACM would not have entered into this transaction.

DUE DILIGENCE CHECKLIST**ADDRESS: 517-19 WEST NORTH AVENUE**

Market value of the property.	The lot totals 6,150 square feet. The property is being sold "as is, where is," without any guarantees. Development of site will create high value commercial and residential development at a long vacant site. Sales price is \$24,600.00.
Full description of the development project.	Please see Land Disposition Report for full details.
Complete site, operations and scope of work for development.	Please see the Land Disposition Report for details.
Developer's project history.	Development team has extensive experience developing residential and business properties in Milwaukee area.
Capital structure of the project, including sources, terms and rights for all project funding.	Development is funded with private equity and financing.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	Department of City Development staff determined that there is low risk in selling the vacant lot to the Maures Development Group, LLC due to developer's experience and success in developing property in the Milwaukee area.
Tax consequences of the project for the City.	Total development estimated at \$1,500,000.00 and will be fully taxable. Former vacant property will be added to City tax rolls.