

LAND DISPOSITION REPORT
COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

June 28, 2023

RESPONSIBLE STAFF

Dwayne Edwards, Real Estate, Department of City Development

PARCEL ADDRESS & DESCRIPTION

5229 North 51st Boulevard: An existing church and parsonage on a 42,233 square foot lot, acquired by the City of Milwaukee ("City") through tax foreclosure on December 2, 2013. The property is in the McGovern Park neighborhood, in the 1st Aldermanic District.



City Church and Parsonage



MAP IDENTIFYING CITY PROPERTY



BUYER/ PROJECT DESCRIPTION

Kingdom Empowered Ministries ("Buyer") was established in 2018 and seeks to provide religious activities and worship services to its congregation of 60 members. The Buyer also plans to offer outreach activities and programs to area residents through partnerships with Project RETURN, Hope Street Ministries, Medical College of Wisconsin, Ascension All Saints Family Health Center and others.

Buyer, managed by Pastors Clem L. Richardson and Barbara D. Richardson, will use the property for religious services for worship, provide weekly services to include life classes, bible study classes, drug abuse counseling and empowerment classes among activities to help men, women and children with various self-esteem, behavioral issues and relationship building issues and solutions among its programs and services.

The Buyer's mission is to transform lives, impact communities and empower people.

The Buyer plans to use the parsonage property as a rental unit to generate revenue for ongoing church operations.

Upon purchase of the City property, the Buyer also agrees to a Payment in Lieu of Taxes ("PILOT") Agreement, whereas Buyer would pay an annual amount of \$3,000 to the City if the church applies for and is granted property tax exemption.

Needed renovations to the church and parsonage will be approximately \$158,000. Interior improvements include, but are not limited to replacing the church's boiler system and installing new forced air furnaces in both properties. Exterior work will include new roof and awnings for both church and parsonage, extensive land scaping, installing digital display boards and power washing exterior surfaces on both properties.

PURCHASE TERMS AND CONDITIONS

The purchase price will be \$325,000 and Buyer shall pay all closing costs. The conveyance will be on an "As Is, Where Is" basis. Buyer is also entering into a PILOT Agreement as part of the sale. The Buyer will also pay a \$5,000 performance deposit regarding the Buyer's duty to complete renovation and obtain a Certificate of Completion, by January 15, 2025.

Buyer will be required to meet the City's General Buyer Policies. The Buyer will execute a City Purchase and Sale Agreement, which will outline all terms of the transaction. 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 City's Tax Deficit Fund.