

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


DATE
February 4, 2025

RESPONSIBLE STAFF
Dwayne Edwards, Real Estate Staff, Department of City Development ("DCD")

PARCEL ADDRESS AND DESCRIPTION
3953 North 76th Street (the "Property") consists of a multi-story brick office building constructed in 1970, having 21,000 square feet of space on a 19,200 square foot parcel with approximately 30 surface parking spaces. The Property is located along a high traffic commercial corridor and was previously occupied as a multi-tenant office building located within walking distance to the West Capitol Drive Plaza.

The Property is zoned LB1 or Local Business and located within the Nash Park Neighborhood and was acquired through property tax foreclosure on November 14, 2011.



City Property 

BUYER

Darick Books, LLC ("Buyer") is owned and managed by Darick Spears. Mr. Spears, a graduate of Marquette University with a Bachelor's degree in Communication Studies is an author and publisher of over 200 books. Mr. Spears grew up in Milwaukee and is also a product of Milwaukee Public Schools ("MPS"). He has operated his bookstore in the 5th Aldermanic District for five years. The Buyer, is proposing the Darick Books Café Complex. It is the Buyer's lifelong mission to create a space where Milwaukee residents can write their own story of possibility.

Mr. Spears will be the developer and will take a leading role ensuring that the renovations align with his vision and the needs of the community. By converting the vacant building into a vibrant, multi-use space, Mr. Spears envisions increased social currency through community engagement activities and uses. The development will also provide goods and services to employees and area residents. The Buyer, who presently operates his bookstore at 2877 North 76th Street, also has four employees. Mr. Spears anticipates a total impact of 57 new jobs, including seven full-time employees.



CONCEPTUAL ARCHITECTURAL RENDERING (FRONT VIEW LOOKING WEST)



CONCEPTUAL ARCHITECTURAL RENDERING (EAST VIEW)



CONCEPTUAL ARCHITECTURAL RENDERING (SOUTH VIEW)



CONCEPTUAL ARCHITECTURAL RENDERING (REAR VIEW DEPICTING ELEVATOR)

PROJECT DESCRIPTION

The Buyer proposes to purchase and renovate the 21,000 Square Foot building in the Nash Park Neighborhood into a multi-purpose facility for community engagement, entrepreneurial growth and cultural enrichment. The project will include the following:

First Level: Co-working space, laundromat and gym. The co-working space will offer monthly memberships and day passes, providing flexibility for entrepreneurs and freelancers.

- **Laundromat:** The on-site laundromat will provide service for area residents and generate revenue to invest back into the business venture.
- **Gym Access:** As an exclusive benefit for co-working members, the Buyer proposes the gym will enhance the value of the co-working membership, which he believes could allow for premium pricing.

Second Level: Darick Books Café, Book Sales and Printing Services:

- **Darick Books Café** will offer a selection of beverages and food items, creating a welcoming atmosphere for community members and visitors to gather, work and play.
- **Book sales** featuring books authored by the Buyer, the café will serve as a unique point of sale for literature that inspires and empowers readers.
- **Printing and bindery services** will also be offered, turning the space into a live production and educational experience.

Future Expansion Includes: Bookworm Studios Event Rentals:

- Bookworm Studios will be available for rent and various events, from photo shoots and plays to corporate gatherings and community events.
- Rental streams will include fees for studio space and ancillary services related to event rentals, catering services and event management activities.

The Buyer's proposed renovations will include new roof, plumbing, electrical updates, flooring, ceiling repairs and an HVAC system. The Buyer also will install an elevator at the rear of the building, providing service to all floors to meet ADA accessibility requirements.

The estimated renovation and improvement costs are approximately \$965,000. The Buyer is finalizing conventional financing with his lender, personal equity, and will also explore available City funding resources that may be applicable.

The Buyer understands that any changes or modifications to the exterior facade may require approval and permits from the City of Milwaukee.

PURCHASE TERMS AND CONDITIONS

The purchase price is \$15,000. The building has considerable deferred maintenance, including a leaking roof, that has affected the building's interior, defective electrical and plumbing, and the budget will include mold remediation as part of overall improvements.

The deed of conveyance will be on an "As Is, Where Is" basis. The conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status. The Buyer will pay a \$5,000 performance deposit at closing regarding Buyer's duty to renovate the building and obtain a Certificate of Completion by September 30, 2026.

At closing, a 30 percent disposition fee shall be paid to the Redevelopment Authority of the City of Milwaukee ("RACM"), less sale and marketing expenses, and the remaining proceeds shall be credited to the City's Tax Deficit Fund.

Due Diligence Checklist
Address: 3953 North 76th Street

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| <p>The Commissioner's assessment of the market value of the property.</p> | <p>3953 North 76th Street consists of a multi-story brick office building constructed in 1970, having 21,000 square feet of space on a 19,200 square foot parcel with approximately 30 surface parking spaces. The property was previously occupied as a multi-tenant medical office building and is located near the West Capitol Drive business corridor. The property is zoned LB1 or Local Business and located within the Nash Park Neighborhood and was acquired through property tax foreclosure on November 14, 2011.</p> <p>The purchase price for the Property is \$15,000. The building 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> |
| <p>Full description of the development project.</p> | <p>The Buyer will purchase and renovate the building for co-working space to a bookstore and café, laundromat services, fitness center and small printing business.</p> |
| <p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p> | <p>Facade modifications and landscaping plans were reviewed and approved by the City Planning staff's Design Review Team. The Buyer agreed with recommendations and understands that any future changes or modifications to the exterior facade may require approval from the City of Milwaukee.</p> |
| <p>Developer's development project history.</p> | <p>This is the Buyers first City commercial development project in Milwaukee. The Buyer has assembled a team of experienced trade members to complete the project within 18 months.</p> |
| <p>Capital structure of the project, including sources, terms and rights for all project funding.</p> | <p>The estimated renovation and improvement costs are approximately \$965,000. The Buyer is considering conventional financing, private investors and/or personal equity, while also exploring available City grants that may be applicable.</p> |
| <p>Project cash flows for the lease term for leased property.</p> | <p>Not applicable.</p> |
| <p>List and description of project risk factors.</p> | <p>If the building remains 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 continue to be a blight along West Capitol Drive businesses.</p> |
| <p>Tax consequences of the project for the City.</p> | <p>The property will be fully taxable. The deed of conveyance will contain a restriction prohibiting the Buyer or any successors from applying to the City for tax-exempt property status.</p> |