

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

### DATE

October 29, 2008

### PROPERTY

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

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



### BUYER

Residential Living Services, Inc. ("RLS"), a non-profit corporation established in 1994, is currently located at 2014 West North Avenue. RLS provides supportive secured services for the elderly and/or individuals in need of living assistance, after-school programming for youth, in-service training for home care staff and certification training for other health professionals. RLS has successfully operated supportive service programming in the neighborhood for 14 years, and its offices are now overcrowded. Jo Ann Harris is the CEO.

### PROPERTY USE

The rehabilitation as corporate office, after-school youth program, health care training program and on-site parking. The total project costs are expected to be \$499,900, and the property will be fully taxable as required by the RFP.

### OFFER TERMS AND CONDITIONS

The purchase price is \$8,700. The City will conduct a Phase I environmental assessment. A \$1,500 option fee is required to be submitted after Council approval and will be credited toward the purchase price if the buyer closes prior to expiration of the first option period.

The base option term is for six months commencing on the date of Common Council adoption.

The option may be extended by the Commissioner of the Department of City Development for up to two, three-month periods upon submission of a satisfactory progress report on buyer's efforts to obtain final plans, financing and payment of a \$250 renewal fee for each request.

Prior to or at closing, the Buyer also will be required to obtain DCD approval of final construction plans and financing, execute an Agreement for Sale and submit a \$1,000

Performance Deposit, which will be held until satisfactory completion of the project. The deed of conveyance will contain a restriction prohibiting application to the City for tax-exempt property status and to join the lots to create a single parcel. A 30 percent development fee shall be paid to the Redevelopment Authority and the remaining proceeds, less sale and marketing expenses, shall be returned to the Reserve For Tax Deficit Fund.

**PAST ACTIONS**

DCD advertised a Request for Proposal. Six proposals were received and evaluated by DCD.

**FUTURE ACTIONS**

Upon approval of the Report by your Honorable Body, and receipt of requisite approvals by regulatory bodies, the City will close the transaction according to the terms in this report.