

LAND DISPOSITION REPORT COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

July 24, 2018

RESPONSIBLE STAFF

Dwayne Edwards, Program Manager, DCD

PARCEL ADDRESS AND DESCRIPTION

5200 West Villard Avenue (the "Property"): A 2,316 SF two-story vacant mixed-use building having a lot area of approximately 5,400 SF. The City of Milwaukee ("City") acquired the Property on July 25, 2017 through property tax foreclosure.



City Property

BUYER

Lucan T. Smith (the "Buyer") contacted Department of City Development ("DCD") staff about the City-owned property at 5200 West Villard Avenue after seeing a City "For Sale" sign posted on the Property. The Buyer has expressed interest in operating a used appliance sales and repair business in the commercial space. The Buyer's son and business partner plans to reside in the three-bedroom apartment on the upper level.

PROJECT DESCRIPTION

The Buyer, who has been in the appliance repair field for over 30 years, is seeking to operate a neighborhood used appliance store. This will be the Buyer's first development project in Milwaukee, but renovation plans will include exterior improvements to the front exterior, new signage and lighting among other improvements. The Buyer's estimated rehabilitation costs are approximately \$40,000 and a portion of the renovation work will be done with "sweat equity."

The Buyer may need certain City approvals in addition to the approval of the Land Disposition Report. Closing is contingent upon the Buyer obtaining all necessary approvals, financing and DCD approval of the final landscaping plans.

PURCHASE TERMS AND CONDITIONS

The purchase price is \$30,000. The Buyer may seek City assistance for exterior repairs or to fund a portion of the improvements. The conveyance of the Property will be on an "as is, where is" basis. The deed of conveyance will include a restriction prohibiting the Buyer from applying to the City for tax-exempt property status. At closing, subtracted from the sale proceeds will be sale and marketing expenses and a 30 percent disposition fee to the Redevelopment Authority of the City of Milwaukee; the remaining proceeds shall be deposited in the Delinquent Tax Fund.