

LAND DISPOSITION REPORT
COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

November 9, 2020

RESPONSIBLE STAFF

Matthew Haessly, Real Estate Specialist, Department of City Development

PARCEL ADDRESS AND DESCRIPTION

2979 North Palmer Street (the "Property") consists of a 2,464 square foot mixed-use building situated on a 7,200 square foot parcel. The Property is zoned RT4 and was acquired through property tax foreclosure in September 2018. The Property is located within the Harambee Neighborhood.



 City Property

BUYER

WestCare Wisconsin Inc. (the "Buyer"), has been a licensed and insured contractor since 2012. The buyer provides a variety of services, including, but not limited to:

- Providing low-income veterans home ownership (only entity in the state of Wisconsin)
- Providing low-income homeowners with necessary repairs to keep their home sustainable for next 5 to 10 years (Neighborhood Improvement Project)
- Providing construction management to other not-for-profit organizations
- Certifying agency for Resident Preference Program
- Creating lead certified contractors for Milwaukee Health Department Lead Program
- Helping residents become licensed and insured contractors
- Working closely with home owners to help mitigate existing property code violations
- Working closely with the Department of Neighborhood Inspections

PROJECT DESCRIPTION



----- This red dashed line illustrates the base of the bulging bricks.

- Renovate and restore the dilapidated building in accordance with applicable permitting requirements.
- The resource center will be open Monday through Friday, 9am-5pm and non-operational hours by appointment only. We will make the space available to city government agencies, and the community for meetings, events, and drop in appointments.
- Bring resources including food and clothing to a highly improvised and high crime neighborhood. The Buyer also intends to conduct a survey within the neighborhood to see what additional resources are needed.
- Assist Milwaukee Police Department with Community Based Crime Reduction strategies.
- Create job opportunities for the community. The Buyer partners with organizations such as WRTP Big Step and Employ Milwaukee to provide job opportunities.
- Create a safe place for the community where they know no illegal activity will be taking place.
- Have space for elected officials, law enforcement, community leaders, and residents to be able to meet.
- Project will be a Resource Hub/COP House for the community with the Buyer providing 100 percent staff participation.
- Create a Hub that will serve as community space consistent with COP House goals even if COP House goals switch to Community Policing efforts.
- Credible Messengers Pilot project (24/7). The Buyer has a contract with Milwaukee County as Credible Messengers which is a form of mentoring but a little more in-depth. Buyer will pilot this program out of this facility to help create more community awareness with people already living in the community by people in the community.

- Equip the resource hub with Wi-Fi, conference phone, teleconference equipment, & computer lab.

PURCHASE TERMS AND CONDITIONS

The purchase price is \$1.00 along with all closing costs. The City of Milwaukee ("CITY") will provide a COP House grant of \$100,000 to the Buyer or its assignee for the project, based on estimates provided by the Buyer that costs related to design, renovate the building and purchase of resource hub equipment. The City grant amount is fixed; an increase in project costs will not result in an increase in the grant amount. Attached to this file is a Term Sheet.

The conveyance will be on an "as is, where is" basis. The Buyer understands that the proposed project may require certain City approvals in addition to the approval of the Land Disposition Report, including all necessary permits and Board of Zoning Appeals approvals, as needed. The estimated budget is \$507,000.

The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status. The sale proceeds shall be deposited in the Delinquent Tax Fund.

Due Diligence Checklist
Address: 2979 North Palmer Street

<p>The Commissioner's assessment of the market value of the properties.</p>	<p>2979 North Palmer Street ("City Property") is mixed-use property acquired by the City through property-tax foreclosure in September, 2018. The Property will be sold "as is, where is," without any guarantees. The Property is zoned RT4. The building has considerable deferred maintenance. The purchase price for the Property is \$1.00.</p>
<p>Full description of the development project.</p>	<p>Renovate and restore the dilapidated building in accordance with applicable permitting requirements. The resource center will be open Monday through Friday, 9am-5pm and non-operational hours by appointment only. The space will be available to city government agencies and the community for meetings, events, and drop in appointments. Provide resources to a highly improvised and high crime neighborhood. Assist Milwaukee Police Department with Community Based Crime Reduction strategies.</p> <p>Create job opportunities for the community. Create a safe place for the community where they know no illegal activity will be taking place. Have space for elected officials, law enforcement, community leaders, and residents to be able to meet. The Project will be a Resource Hub/COP House for the community with the Buyer providing 100 percent staff participation. Create a Hub that will serve as community space consistent with COP House goals even if COP House goals switch to Community Policing efforts. Credible Messengers Pilot project (24/7). Equip the resource hub with Wi-Fi, conference phone, teleconference equipment, & computer lab.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>The façades will be restored in a manner consistent with the original building context. The building has considerable deferred maintenance, including the roof and interior water damage resulting from the poor roof, all of which will be renovated by the Buyer.</p>
<p>Developer's development project history.</p>	<p>WestCare Wisconsin Inc. has been a licensed and insured contractor since 2012. The buyer provides a variety of services, including, but not limited to:</p> <ul style="list-style-type: none"> Providing low-income veterans home ownership (only entity in the state of Wisconsin). Providing low-income homeowners with necessary repairs to keep their home sustainable for next 5 to 10 years (Neighborhood Improvement Project). Providing construction management to other not-for-profit organizations. Certifying agency for Resident Preference Program. Creating lead certified contractors for Milwaukee Health Department Lead Program. Helping residents become licensed and insured contractors. Working closely with home owners to help mitigate existing

	property code violations. Working closely with the Department of Neighborhood Inspections
Capital structure of the project, including sources, terms and rights for all project funding.	The estimated renovation budget is approximately \$507,000. Common Council of the City of Milwaukee approves a grant of \$100,000.00 to WestCare Wisconsin Inc. to assist the agency to renovate the space to create the COP House. Please see Term Sheet.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	The Common Council not approving the sale file and COP House Grant award.
Tax consequences of the project for the City.	The Buyer anticipates investing \$507,000 in the Property. The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status.