

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

DATE

November 8, 2021

RESPONSIBLE STAFF

Yves LaPierre, Real Estate, Department of City Development (286-5762)

BUYER

Milwaukee Habitat for Humanity, Inc. is a local organization that is part of a nationwide effort to build new homes for first-time, low to moderate-income buyers. Volunteer labor, including required sweat equity by future buyers, and homebuyer counseling are key to Habitat's success. Its Executive Director is Brian Sonderman. Since 1984, Habitat has built over 500 homes for Milwaukee families. After several years of concentrating in the Washington Park, Walnut Hill and Midtown neighborhoods, Habitat is committing to a multi-year effort to build new homes and renovate existing homes in the Harambee neighborhood. Habitat plans to continue its building program in the Harambee neighborhood until 2024 and to construct 41 new homes on City-owned lots.

PROPOSED USE

Construction of single-family, owner-occupied homes beginning in Spring 2022. Three different models will be constructed. Each home will be approximately 1,100-1,400 square feet and will have 3-4 bedrooms and 2 baths. Once completed, the homes will be sold to owner-occupants for approximately \$85,000 to \$90,000. Each owner is required to contribute "sweat equity" to the new home.

OFFER TERMS AND CONDITIONS

The properties will be sold "as is" for \$1 per lot. 2022 closing will occur within six months of Common Council of the City of Milwaukee ("Common Council") approval, but in advance of construction to allow Habitat to obtain needed certified survey maps to create building sites. Subsequent closings will occur in each year of Habitat's build program for the Midtown neighborhood. Closing is subject to Department of City Development ("DCD") approval of final house designs and site plans. The Purchase and Sale Agreement will include reversion of title provisions for non-performance. No earnest money or performance deposit will be required based on Habitat's past performance.

PROPERTIES

Forty-one vacant lots for building sites in the Harambee neighborhood. If any lots are determined to be infeasible for construction, as Habitat prepares building plans or certified survey maps or additional lots become City-owned, the Commissioner of DCD may substitute a similar lot in the target area upon approval from the local Common Council Member.



Sample House Design

	ADDRESS	TAX KEY
1	3283 NORTH 5TH STREET	2821669000
2	3279 NORTH 5TH STREET	2821670000

3	3273 NORTH 5TH STREET	2821671000
4	3267 NORTH 5TH STREET	2821672000
5	3251 NORTH 5TH STREET	2821674100
6	3136 NORTH 5TH STREET	2821723000
7	3123 NORTH 5TH STREET	2821696000
8	3116 NORTH 5TH STREET	2821718000
9	3130 NORTH 5TH STREET	2821722000
10	3163 NORTH 5TH STREET	2821688000
11	3451 NORTH VEL PHILLIPS AVENUE	2822213000
12	3457 NORTH VEL PHILLIPS AVENUE	2822214000
13	3446 NORTH VEL PHILLIPS AVENUE	2820442000
14	3432 NORTH VEL PHILLIPS AVENUE	2820439000
15	3348 NORTH VEL PHILLIPS AVENUE	2821316000
16	3344 NORTH VEL PHILLIPS AVENUE	2820460000
17	3340 NORTH VEL PHILLIPS AVENUE	2820459000
18	3427 NORTH VEL PHILLIPS AVENUE	2822217000
19	3431 NORTH VEL PHILLIPS AVENUE	2822216000
20	3057 NORTH 6TH AVENUE	3121528100
21	3049 NORTH 6TH AVENUE	3121530000
22	3040 NORTH 6TH AVENUE	3121510000
23	3037 NORTH 6TH AVENUE	3121533000
24	3033 NORTH 6TH AVENUE	3121534000
25	3031 NORTH 6TH AVENUE	3121535000
26	3028 NORTH 6TH AVENUE	3121532000
27	3041 NORTH 6TH AVENUE	3121532000
28	2940 NORTH 6TH AVENUE	3121709000
29	2938 NORTH 6TH AVENUE	3121710100
30	2655 NORTH VEL PHILLIPS AVENUE	3220943000
31	2649 NORTH VEL PHILLIPS AVENUE	3220944000
32	2643 NORTH VEL PHILLIPS AVENUE	3220945000
33	2620 NORTH VEL PHILLIPS AVENUE	3220919100
34	2616 NORTH VEL PHILLIPS AVENUE	3220918100
35	2612 NORTH VEL PHILLIPS AVENUE	3220917000
36	2624 NORTH 5TH STREET	3221312000
37	2616 NORTH 5TH STREET	3221311000
38	2538 NORTH 6TH STREET	3230541000
39	2523 NORTH 6TH STREET	3230501000
40	2513 NORTH 6TH STREET	3230503000
41	2512 NORTH 6TH STREET	3230547000



HARAMBEE

**Habitat building target area in the Harambee neighborhood
2022-2024 Build**

DUE DILIGENCE CHECKLIST – MILWAUKEE HABITAT FOR HUMANITY 2022-2024

Market value of the property.	Vacant lots to be sold for \$1 per lot to create building sites for new home construction and owner-occupancy.
Full description of the development project.	Construction of single-family, owner-occupied homes beginning in Spring 2022. Three different models will be constructed. Each home will be approximately 1,100-1,400 square feet and will have 3-4 bedrooms and 2 baths. Once completed, the homes will be sold to owner-occupants for approximately \$85,000 to \$90,000. Each owner is required to contribute "sweat equity" to the new home.
Complete site, operations and scope of work for development.	Please see the Land Disposition Report for details.
Developer's project history.	Milwaukee Habitat for Humanity has built over 500 homes since 1984 and successfully supported new homeowners and strengthened neighborhoods.
Capital structure of the project, including sources, terms and rights for all project funding.	Habitat will fund the project with its own equity, fundraising and private financing.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	Department of City Development staff determined that there is very low risk in selling the property to Habitat, based on the Developer's track record developing previous projects in Milwaukee.

<p>Tax consequences of the project for the City.</p>	<p>The deed of conveyance will contain a restriction prohibiting the Developer, its assignee or its successors from applying to the City for tax-exempt property status. Development of City land with new homes will greatly increase taxable value of property.</p>
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