

LRB – RESEARCH AND ANALYSIS SECTION ANALYSIS

APRIL 26, 2006 AGENDA
PUBLIC WORKS COMMITTEE

ITEM 29, FILE 051677
Emma J. Stamps

File No. 051677 is a resolution declaring the City-owned vacant lots at 2324 South 16th Street, 2328 South 16th Street, and 725 South 21st Street surplus to municipal needs and authorizing their sale to the Milwaukee Christian Center, Inc., for residential construction, in the 8th and 12th Aldermanic Districts.

Background and Discussion

1. The Common Council declares city-owned properties surplus to municipal needs and authorizes sale as a special use pursuant to Section 304-49, Milwaukee Code of Ordinances.
2. Two adjacent city-owned vacant lots located at 2324 S. 16th St. and 2328 S. 16th St. are both 30 feet wide and 95 feet deep for a land area of 2,850 s.f. with alley access.
3. The city-owned vacant lot at 725 S. 21st St. is a 7,500 s.f. property measuring 50 feet wide and has a depth of 150 feet, but no alley access.
4. The Milwaukee Christian Center submitted offers to purchase the abovementioned lots for \$500 each to build 3 affordable homes for resale to owner-occupants having household income below 80% of the county median income guideline.

# in Household	Maximum Household Income		# in Household	Maximum Household Income
1	\$37,650		5	\$58,050
2	\$43,000		6	\$62,350
3	\$48,400		7	\$66,650
4	\$53,750		8	\$70,950

Qualifying buyers must secure conventional private mortgages. The units will sell for approximately \$145,000 each, although the construction costs are estimated at \$170,000 each and will be financed in part using HOME funds awarded by the CDGA.

5. File 051677 declares the vacant city-owned lots at 2324 S. 16th St., 2328 S. 16th St., and 725 S. 21st St., surplus to municipal needs and authorizes sale to Milwaukee Christian Center to build 2-story, 3-bedroom single-family residences, and eventually resale to area residents.

Fiscal Impact

The estimated fiscal impact totals \$1,500, less sales expenses and the 25% RACM administration fee. The sale proceeds will be credited to the Reserve for Tax Deficit Fund.

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