

LAND DISPOSITION REPORT TO THE REDEVELOPMENT AUTHORITY AND THE Common Council of the City of Milwaukee

DATE

May 19, 2005

RESPONSIBLE STAFF: James Sayers, Development Team (286-5723)

16TH TO 20TH - CENTER AND 18TH & CENTER

The development site is located within the above project area and is also in the Lindsay Heights neighborhood including Tax Incremental District No. 44, Walnut/Locust Neighborhood Improvement Fund.

REDEVELOPER

The Commonwealth Corporation of America (dba New Village LLC I) is a Fond du Lac, Wisconsin-based housing developer that specializes in developing low-income housing tax credit projects.

PARCEL DESCRIPTION & PROPOSED REUSE

1626-28, 1702, 1706-1714, 1721-23, 1722, 1725-27, 1726, 1729-31, 1730-32, and 1733-35 West Center Street, along with 2719 North 17th Street and 2710, 2716-18, and 2720 North 18th Street are Redevelopment Authority-owned vacant lots that will be sold to a redeveloper, The Commonwealth Corporation of America, dba New Village LLC I. The redeveloper will build two six-unit and one four-unit rowhouse-style buildings, along with an on-site office/clubhouse containing a media center and an enclosed community patio. (See attached site map.) The building designs have been conditionally approved by Department of City Development planning staff. Each unit will contain 1,187 square feet and have amenities such as a separate entrance, a patio, attached one-car garage, two bedrooms, 1.5 baths, and full appliance package including dishwasher, microwave, central air conditioning and washer/dryer. Rents will vary by income, starting at \$453 per month. Management services will be through the Friends of Housing Corporation. Friends of Housing manages over 1200 rental units and has an excellent reputation.

OPTION TERMS AND CONDITIONS

The sale price of the parcels is \$52,993 and will be conveyed by limited warranty deed. A \$500, non-refundable Option Fee is required and shall be credited toward the purchase price if the Redeveloper closes within the initial option period. A \$1,000 performance deposit will be submitted at closing and shall be held until satisfactory completion of the project. Construction is expected to start in September, 2005 with completion by Spring, 2006. The option period corresponds to WHEDA's tax credit schedule and will extend until December 31, 2005. If the Redeveloper requires additional time beyond December 31st to obtain financing or final plans, the Executive Director may extend the option for a six-month period upon submission of a \$500 non-refundable renewal fee and satisfactory progress report on the project. If the project is rejected by WHEDA at any point in the tax credit process or the Redeveloper fails to make the required submissions, the Executive Director may terminate the option.

PAST ACTIONS

The Redevelopment Authority held a public hearing on May 19, 2005, after which it conditionally accepted the Option to Purchase of the named Redeveloper.

FUTURE ACTIONS

Upon approval of this Report by the Common Council, Redeveloper obtaining firm financing, and approval of final plans, the Redevelopment Authority will enter into an Agreement for Sale and proceed to close in accordance with the terms and conditions expressed herein and contained in the resolution.