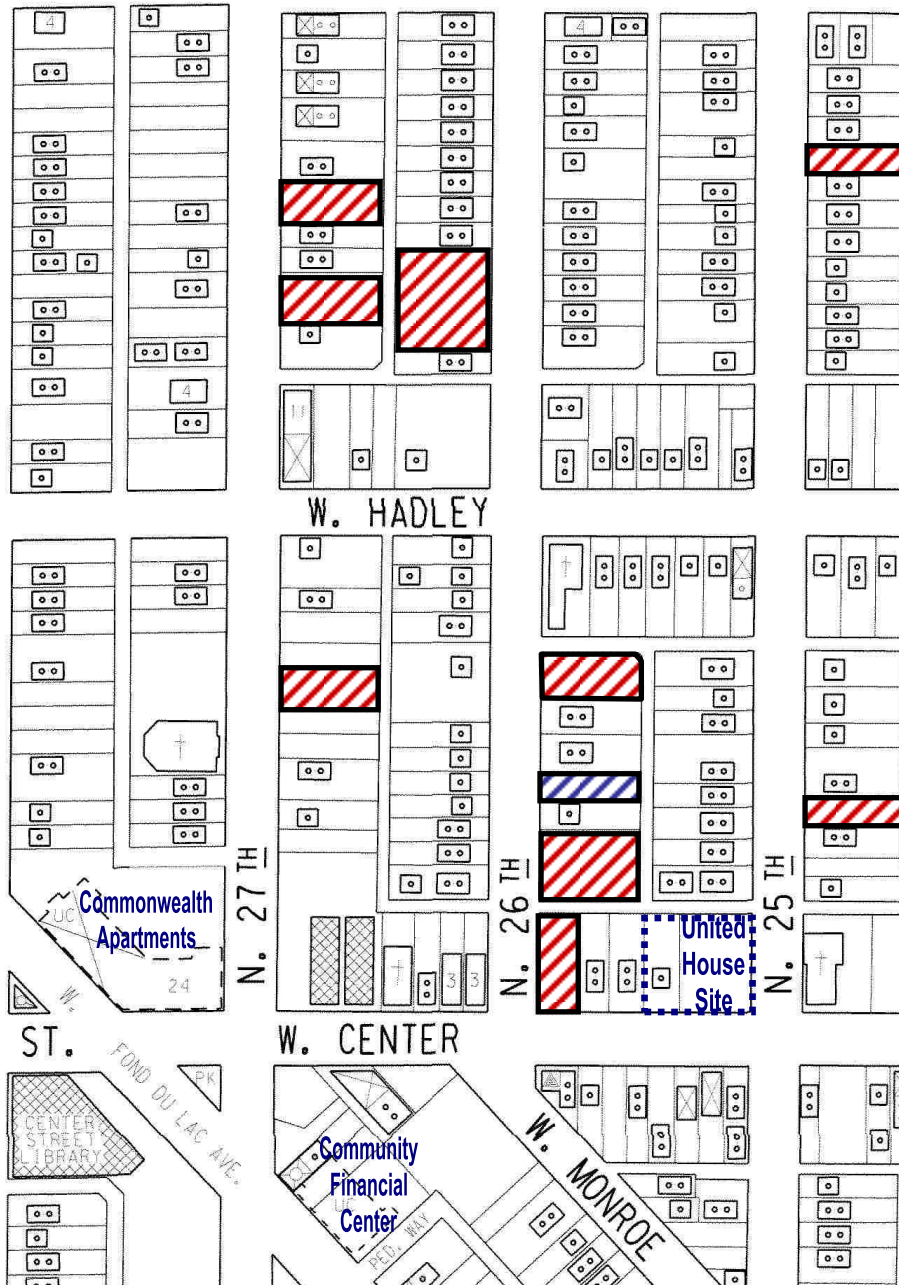


**BLIGHT DESIGNATION SUMMARY AND
LAND DISPOSITION REPORT
26TH & CENTER**

DATE
November 15, 2007

RESPONSIBLE STAFF
Dwayne Edwards, Neighborhood Development Team (286-5735)

PROPOSED ACTIVITY
Declare one privately owned and the surround City-owned vacant lots "blighted" for acquisition by the Redevelopment Authority and allow subsequent conveyance for housing development.



 Private Property to be Acquired  City Lots

PROPERTIES TO BE ACQUIRED

2736-38 North 26th Street



Owner: Anthony P. Collins & Maria Phillips Collins
 Property: A 4,375 SF vacant lot. The City razed a duplex at the site in 2006 after the structure was damaged by fire.
 Assessment: \$2,400
 Tax Status: Two years delinquent.
 Condition: N/A
 Code Status: No outstanding code violations.
 Comment: Property title is also encumbered by a \$15,000 mortgage and at least \$10,000 in liens.

City-owned Vacant Lots

2732-34 North 25th Street
 2854-56 North 25th Street
 2702-04, 2718-20, 2724, 2728 and 2754 North 26th Street
 2825-27, 2829-31, 2833 and 2839 North 26th Street
 2752-54 and part 2758 North 27th Street
 2830, 2834, 2846 and 2850 North 27th Street

FINDINGS OF BLIGHT

The properties meet the statutory definition of blight by virtue of the vacant status, small lot size and diversity and absentee nature of ownership, all of which impair and arrest the sound growth of the neighborhood and the City.

REDEVELOPER

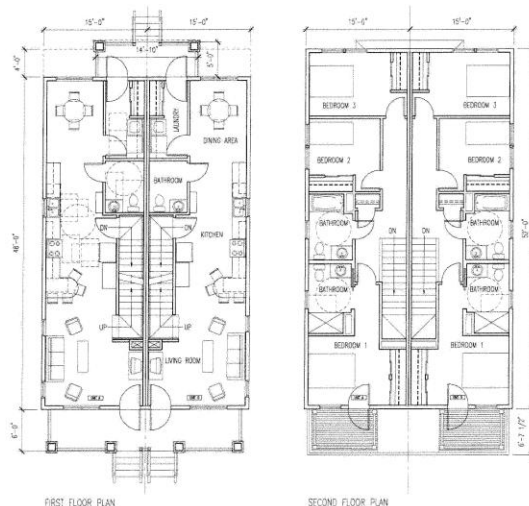
United Christian Church, Inc., or assigns. The church, formerly known as United Baptist Church, has been at 2538 West Hadley Street since 1994. Elloyd Jones is the pastor. The church recently worked with Cardinal Capital Management to develop United House, a 24-unit supportive housing initiative at 2500 West Center Street. Construction will begin shortly.

PROPOSED REDEVELOPMENT

Development of United Townhomes, a scattered site development with 22 to 24 units of affordable housing that will be financed in part through federal housing tax credits allocated by WHEDA. In 2007, UCC received a purchase option from the City for some of these lots, but did not receive a tax credit allocation from WHEDA. UCC has revised its proposal for 2008 to reduce the density but needs additional lots.



Preliminary Duplex Elevation
 Accessible unit also will be available



Preliminary Duplex Floor Plans

The revised project proposes a combination of single-family homes, duplexes (side-by-side and upper/lower units) or three-unit rowhouses rather than four-unit buildings in the prior proposal. The units typically will have three bedrooms and each building will have a basement, its own garage and play area.

The tenants will be a mix of families earning in the 40 percent, 50 percent and 60 percent of county median income and two market-rate units. After the 15-year tax-credit compliance period, the units will be sold at affordable prices to tenants who have built up sufficient equity through the rental payments. Total costs are approximately \$4.4 million.

OPTION TERMS AND CONDITIONS

The purchase price will be \$30,000, or \$5,000 per lot plus any extra acquisition costs. Conveyance will be on an "as is" basis. The City shall provide a Phase I environmental assessment for the property that fronts West Center Street that has commercial zoning, as required by ordinance, and the Redeveloper will share equally in any recommended Phase II testing costs. A financial feasibility or environmental condition credit may be granted by DCD's Commissioner at closing based on demonstrated hardship. A \$250 Option Fee will be required and will be credited toward the purchase price. A \$1,000 performance deposit will be submitted at closing and shall be held until satisfactory completion of the project. Sale proceeds, less sale expenses and a 30 percent fee to the Redevelopment Authority, will be deposited in the Reserve For Tax Deficit Fund.

The total option period is for two years so as to allow multiple applications for WHEDA tax credits in the event the project does not receive a 2008 allocation. The option periods correspond to WHEDA's tax credit schedule. The base option is until February 15, 2008, to allow the Redeveloper time to submit a tax-credit application to WHEDA. Upon application, the option will be automatically extended four months, or until WHEDA makes its initial allocation of tax credits. Upon award of the tax credit allocation, the option is automatically extended until December 31, 2008. If the Redeveloper requires additional time beyond December 31st to obtain financing or final plans, the Commissioner of DCD 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 does not receive a 2008 allocation, the Commissioner may renew the base option until 2009 to allow a second WHEDA application. If the Redeveloper fails to make any required submissions to WHEDA, or if the WHEDA allocation is not received in 2009, the option may be cancelled immediately by the Commissioner.

In the event additional vacant lots in the Redeveloper's target area become City-owned through tax foreclosure that are more suitable for the project, the lots may be conveyed to the Redevelopment Authority and to the Redeveloper upon the recommendation of the Commissioner of the Department of City Development.

PAST ACTIONS

On November 15, 2007, the Redevelopment Authority held a Public Hearing on the blight designation after which it conditionally approved the blight designation and property acquisition. The hearing concurrently addressed the subsequent disposition of the properties pursuant to Wisconsin Statutes.

FUTURE ACTIONS

Upon approval by the Common Council, the Redevelopment Authority will proceed with the acquisition of properties pursuant to Section 32.05, Wisconsin Statutes. Because the properties will be conveyed to a third-party buyer after acquisition, the Authority also will follow the procedures outlined in Wisconsin Act 233 (Wisconsin Statutes 32.02 (1) or (11); that requires providing the owner with the findings of blight and other information. In addition, a Relocation Plan will be prepared and all tenants relocated according to Wisconsin Statutes. The Authority will pay for all acquisition, relocation and demolition expenses from Community Development Block Grant Funds. Some of these funds may be reimbursed by Redeveloper upon sale.