



Meeting Date: 2/28/2013 - 6:30 PM

Category: Report of the Committee on Accountability, Finance, and Personnel

Type: Action

Subject: 14. Action on a Request to Waive Administration Policy 5.01 and to Sell a Property Located at 1920 North 36th Street

Strategic Plan Compatibility Statement: Goal 6
The district is accountable for measurable results

Policy: Admin Policy 5.01 - Facilities

Attachments: Term Sheet for North 36th Street Property

File Attachment:  Term Sheet for North 36th Street Property.pdf

In recent years, the Board has declared under-used or vacant properties to be surplus on a case-by-case basis. The parcel (Property) under consideration is approximately 0.5 acre located at 1920 North 36th St.

This Property has not been declared surplus and so will require a waiver of Administrative Policy 5.01.

The Progressive Community Health Center, Inc., (Progressive CHC), formerly named Westside Healthcare Association, Inc., has had ongoing discussions with MPS Administration regarding the expansion of its Lisbon Avenue Clinic over the last eight (8) years. Progressive CHC most recently contacted MPS in October 2012 to notify the Administration that it had received its primary source of funding and to express its interest in acquiring a portion of MPS land in order to complete Progressive CHC's expansion of the Lisbon Avenue Clinic.

Summary: Progressive CHC has a strong partnership with MPS and has worked closely with Westside Academy's school nurse to ensure that students and their families have timely access to primary medical and dental care. Progressive CHC also collaborates with other MPS schools via its partnership with Washington Park Partners. Representatives from Bethune Academy and CEO Leadership Academy have joined Progressive CHC on the Washington Park Partners Health & Wellness Committee.

The new facility will enable Progressive CHC to more than double its capacity for primary care and dental services. Specifically, Progressive CHC will launch a comprehensive pediatric oral-health-screening-and-fluoride-treatment program. The new clinic will also house a health-education center designed for specialty programs related to diabetes, asthma, obesity, and other chronic conditions affecting both pediatric and adult populations.

The offer to purchase from Progressive CHC is for \$1.00. The purchase price was reviewed by the City of Milwaukee Department of City Development, which recommended that the Administration accept the offer as presented for the Property.

The Administration is requesting the authority to authorize the Board President and Superintendent to complete the sale described above in accordance with the attached term sheet. The term sheet, drafted by the Office of the City Attorney, outlines the parameters to be used in negotiating and executing the sale of the Property. Use of a term sheet allows the district to complete real estate transactions in the most expeditious manner. This method has been used in the past and

has been recommended by the City Attorney's Office.

Pursuant to Wis. Statute 119.60(2), property used for school purposes shall be sold by the City upon written request of the Board of School Directors. Sale of district real estate requires the Common Council's approval.

Fiscal Impact Statement:

This item does not authorize expenditures. Sale proceeds shall be deposited into the school construction fund, pursuant to Wis. Statute 119.60(1).

Upon the Board's approval, the Administration will submit a request to the City to sell this Property in accordance with the attached term sheet.

Implementation and Assessment

Plan: The President of the Board and the Superintendent will be authorized to execute an option-to-purchase agreement, purchase-and-sale agreement, and other documents as necessary to carry out the land sale transaction and support the expansion of the Lisbon Avenue Clinic pursuant to this Item.

Your Committee recommends that the Board:

1. waive Administrative policy 5.01, which requires the declaration of surplus before sale of property;

Recommendation

2. authorize the Administration to submit a request to the City to sell the Property located at 1920 North 36th Street, pursuant to the terms outlined in the attached term sheet; and

3. authorize the Superintendent and President of the Board to execute all documents necessary to complete the sale of the Property located at 1920 North 36th Street.

Recommended By:

Approvals:

Signed By:

Signature

Sobczak, Lynne A - Director, OBG

(ATTACHMENT 1) **AUTHORIZATION TO WAIVE ADMINISTRATIVE POLICY 5.01 AND ACTION
ON A REQUEST TO SELL A PROPERTY LOCATED AT 1920 NORTH 36TH
STREET**

**TERM SHEET
FOR SALE OF PARCEL LOCATED AT
1920 N. 36th Street**

Buyer: Progressive Community Health Center, Inc. ("Progressive")

Property: The parcel is located at 1920 N. 36th Street in Milwaukee, Wisconsin. This open area is approximately 0.5 acre of land (the "Property"). Progressive will use the Property to construct and operate an expansion of its Lisbon Avenue Clinic. Property is being sold in "as is where is" condition with all faults and defects, known or unknown, physical or otherwise, and without representation or warranty, express or implied.

Purchase Price: One Dollar (\$1.00).

Closing: Closing shall occur as mutually agreed by the parties.

Title Insurance and Closing Fees: Progressive shall be responsible for obtaining and paying the cost of title insurance, gap endorsements, closing fees, and title updates, if any.

Use Covenants: Sale shall be subject to a restriction providing that the property will be used only for a community health clinic and supporting uses.

Other Terms: The transaction documents shall contain the following other terms and conditions:

- MPS will have a have a right of first refusal should Progressive ever desire to sell the Property.
- Progressive must be a "good neighbor" to MPS,
- Progressive and MPS/City will negotiate the terms and conditions of all necessary temporary and permanent easements needed for the construction and operation of the Lisbon Avenue Clinic. All temporary construction easements shall require Progressive to restore MPS property disturbed as a result of construction.
- Progressive shall not be in violation of City of Milwaukee Buyer Policies.
- Progressive shall provide evidence of firm financing for construction of Lisbon Avenue Clinic Expansion.