

LRB – RESEARCH AND ANALYSIS SECTION ANALYSIS

**SEPTEMBER 13, 2006 AGENDA
PUBLIC WORKS COMMITTEE**

**ITEM 45, FILE 060403
Emma J. Stamps**

File No. 060403 is a resolution declaring the City-owned vacant residential lots in the Bronzeville Tax Incremental District surplus to municipal needs and authorizing marketing and sale for construction of single-family, owner-occupied homes, in the 6th Aldermanic District.

Background

1. File 050395, adopted September 27, 2005 approved the Project Plan and creation of TID No. 59, Bronzeville Cultural and Entertainment District for up to \$4.5 million to help develop an African American cultural and entertainment district and provide business grants and grants to residents to purchase and rehab homes in the qualifying areas of the District.
 - \$1 million - land acquisition
 - \$460,000 - property acquisition
 - \$1 million - business loans/grants
 - \$500,000 - home purchase/rehab
 - \$500,000 - residential assistance grants
 - \$250,000 - rehab MPS public school (Garfield Avenue)
 - \$488,500 - public improvements (tax exempt)
 - \$300,000 - marketing and administrative costs (tax exempt)
 - \$4,498,500 - total budgeted costs
 - \$1,210,000 - total non-TID sources (CDBG/HOME grants/City Development Fund)
 - \$3,288,500 - TID principal impact
 - \$ 328,850 - 10% borrowing costs
 - \$3,617,350 - Fiscal Note Impact
2. The project covers 170 acres over an area extending from W. Garfield Ave. to W. Center St. and N. 7th St. to N. Martin L. King Dr., including a narrow north-south segment encompassing the blocks on either side of N. Martin L. King Dr. from W. Lloyd St. to W. Burleigh St.

Background and Discussion

1. Sale of city owned properties are often advertised on city web site on first come first serve basis. The DCD and the NIDC recommends marketing and sale of 23 city properties for \$1.00 each for assemblage of 27 single-family building sites pending acquisitions through tax foreclosure proceedings and expiration of an outstanding offer to purchase:

CURRENT ADDRESSES		
2513-13A N. 4th Street	2476 N. 5th Street	2327 N. 6th Street
2608 N. 4th Street	2625 N. 5th Street	2332 N. 6th Street
2612 N. 4th Street	2545 N. 5th Street	2513 N. 6th Street
2649 N. 4th Street	2616 N. 5th Street	2523 N. 6th Street
2666 N. 4th Street	2624 N. 5th Street	2602 N. 6th Street
2367 N. 5th Street	2629 N. 5th Street	2608 N. 6th Street
2369 N. 5th Street	2217 N. 6th Street	2666 N. 6th Street
2472 N. 5th Street	2223 N. 6th Street	

2. Minimum single family construction costs are estimated at \$140,000 - \$150,000.
3. File 060411 declares the aforementioned buildable lots surplus to municipal needs and authorizes their sale for construction of single-family homes pursuant to Section 304-49-17, Milwaukee Code of Ordinances.
4. The closing will occur approximately 120 days (4 months) after Common Council approval pending the buyer/developer obtaining all final approvals. Previous Common Council land disposition approvals have included provisions allowing 6 months to close on construction projects.

Fiscal Impact

The fiscal impact is estimated at \$1 per lot or \$23 total. Sale proceeds will be credited to the Reserve for Tax Deficit Fund.

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