



Legislation Details (With Text)

File #: 151563 **Version:** 0
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Title: Resolution authorizing an agreement between Phoenix Citation LLC and the City of Milwaukee concerning assignment under Wisconsin Statutes 75.106 of the City's right to Wisconsin Statutes 75.521 in-rem foreclosure judgment against 4041-51 North 27th Street, in the 1st Aldermanic District.

Sponsors: ALD. HAMILTON

Indexes: CONTRACTS, FORECLOSURES

Attachments: 1. Fiscal Impact Statement.pdf, 2. Land Disposition Report.pdf, 3. Assignment Contract as of 2-12-16.pdf

Date	Ver.	Action By	Action	Result	Tally
2/9/2016	0	COMMON COUNCIL	ASSIGNED TO		
2/11/2016	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
2/22/2016	0	JUDICIARY & LEGISLATION COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	5:0
3/1/2016	0	COMMON COUNCIL	ADOPTED	Pass	13:0
3/8/2016	0	MAYOR	SIGNED		

151563
ORIGINAL

ALD. HAMILTON

Resolution authorizing an agreement between Phoenix Citation LLC and the City of Milwaukee concerning assignment under Wisconsin Statutes 75.106 of the City's right to Wisconsin Statutes 75.521 in-rem foreclosure judgment against 4041-51 North 27th Street, in the 1st Aldermanic District.

This resolution authorizes a contract between Phoenix and the City pursuant to which the City will assign its right to in-rem foreclosure judgment on 4041-51 North 27th Street to Phoenix so that Phoenix may raze the dilapidated buildings, remediate the property, as the WDNR may require, and improve the property for future development.

Whereas, The property located at 4041-51 North 27th Street ("Property") (i) is now owned by 27th Street Industrial LLC, which shares common ownership with Phoenix Citation LLC ("Phoenix"), (ii) was recently acquired by 27th Street Industrial LLC to take control of the criminal element and disorder at the Property caused by the preceding owner, who neglected to monitor the Property, (iii) is property tax-delinquent for years 2012-2015, and (iv) is per City of Milwaukee ("City") belief, a brownfield; and

Whereas, The City and Phoenix believe that the Property is environmentally impacted or a "brownfield," based on historical land use, Wisconsin Department of Natural Resources ("WDNR") records and/or other limited investigations that have been performed; and

Whereas, Phoenix, whose managing member is David M. Marks, wishes to use the brownfield redevelopment tool available under Wisconsin Statutes 75.106 to acquire the Property via City assignment of the City's right to a Wisconsin Statutes 75.521 in-rem foreclosure

judgment; and

Whereas, Department of City Development ("DCD"), Real Estate staff, requested that the City commence an in-rem foreclosure action against the Property and the City has included the Property in its 2015 No. 5 In-Rem File, Milwaukee County Circuit Court; and

Whereas, Phoenix will, after it becomes owner of the Property, pay the City \$10,000 as an assignment payment, plus foreclosure expenses, plus year 2014-2015 and future taxes against the Property that will not be foreclosed against in the City's in-rem tax foreclosure proceeding; raze the dilapidated buildings, remediate the Property, as needed, per WDNR requirements; and prepare the Property for future development; and

Whereas, The City, wishing to foster economic development and brownfield remediation and redevelopment, and to return tax-delinquent properties to the tax roll and productive reuse, and to promote public health, safety and welfare, negotiated the "75.106 In-Rem Assignment Contract" (the "75.106 Contract"), a copy of which is attached to this Common Council File, governing the specifics of the 75.106 assignment deal; now, therefore, be it

Resolved, That the Common Council of the City of Milwaukee, approves the 75.106 Contract and directs and authorizes: (i) its execution (or execution of a contract in substantially the form as is part of this file) by the appropriate City employees; and (ii) City action as contemplated and required thereunder; and, be it

Further Resolved, That the amounts paid to the City under the 75.106 Contract for foreclosure expenses shall be deposited to the City's Delinquent Tax Fund; and, be it

Further Resolved, That if the City is successful in its foreclosure efforts and judgment of foreclosure on the Property is granted to Phoenix, the amounts paid under the 75.106 Contract for unforeclosed taxes and for 70 percent of the assignment payment also shall be deposited in the City's Delinquent Tax Fund, with the other 30 percent of the assignment payment being paid to the Redevelopment Authority of the City of Milwaukee.

DCD:Matt.Haessly:mfh

02/09/16/A