



Legislation Details (With Text)

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Title: Resolution relating to the cancellation of loan balances due from Community Development Corporation of Wisconsin.

Sponsors: THE CHAIR

Indexes: COMMUNITY BLOCK GRANT ADMINISTRATION, COMMUNITY DEVELOPMENT BLOCK GRANT, HOUSING

Attachments: 1. Fiscal Note, 2. CDCW-Bankruptcy Payments

Date	Ver.	Action By	Action	Result	Tally
10/24/2006	0	COMMON COUNCIL	ASSIGNED TO		
11/21/2006	1	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
11/21/2006	1	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
11/21/2006	1	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
11/28/2006	1	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	4:0
12/12/2006	1	COMMON COUNCIL	ADOPTED	Pass	15:0
12/21/2006	1	MAYOR	SIGNED		

060891

THE CHAIR

Resolution relating to the cancellation of loan balances due from Community Development Corporation of Wisconsin.

This resolution authorizes the cancellation of loan balances due from Community Development Corporation of Wisconsin as result of Chapter 7 bankruptcy proceedings in Case No. 99-21871 pending in the United States Bankruptcy Court for the Eastern District of Wisconsin.

Resolution

Whereas, There is currently pending a Chapter 7 bankruptcy proceedings in Case No. 99-21871 pending in the United States Bankruptcy Court for the Eastern District of Wisconsin, filed on behalf of Community Development Corporation of Wisconsin; and

Whereas, The Final Report of the Trustee in that action lists general unsecured claims in an amount of \$2,261,937.90 and proposes that unsecured creditors holding such claims receive a recovery of 2.849761%; and

Whereas, The City of Milwaukee filed general unsecured claims in such action in an aggregate amount of \$1,487,021 and has received payment on such claims in an aggregate amount of \$43,686.52, as set forth in the Loan Schedule attached hereto and made a part of this file; and

Whereas, The debtor has ceased operations and no further recovery on such loan balances is reasonably anticipated; and

Whereas, Under these circumstances, the cancellation of the loan balances due to the City of Milwaukee's reflects the legal liability of the parties;

Whereas, The Common Council wishes to cancel these loan balances; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the remaining outstanding loan balances due from the Community Development Corporation of Wisconsin in an aggregate amount of \$1,443,334.48 be and hereby are cancelled.

City Attorney
EHT:eht
October 17, 2006

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