



Legislation Details (With Text)

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Title: Resolution authorizing an agreement between TJM Holdings, 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 1644-48 North 12th Street, in the 15th Aldermanic District.

Sponsors: ALD. STAMPER

Indexes: FORECLOSURES

Attachments: 1. Land Disposition Report.pdf, 2. 75.106 In-Rem Assignment Contract as of 1-14-16.pdf, 3. Fiscal Impact Statement.pdf

Date	Ver.	Action By	Action	Result	Tally
1/19/2016	0	COMMON COUNCIL	ASSIGNED TO		
1/22/2016	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
2/1/2016	0	JUDICIARY & LEGISLATION COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	5:0
2/9/2016	0	COMMON COUNCIL	ADOPTED	Pass	14:0
2/18/2016	0	MAYOR	SIGNED		

151459
ORIGINAL

ALD. STAMPER

Resolution authorizing an agreement between TJM Holdings, 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 1644-48 North 12th Street, in the 15th Aldermanic District.

This resolution authorizes a contract between TJM and the City pursuant to which the City will assign its right to in-rem foreclosure judgment on 1644-48 North 12th Street (the "Target Parcel") to TJM so that TJM may: remediate the Target Parcel as the WDNR may require; combine the Target Parcel with adjacent lands that TJM owns; vacate the east-west alley situated between the TJM-owned properties and the Target Parcel and improve the combined lands by expanding TJM's current car wash operations.

Whereas, The property located at 1644-48 North 12th Street (the "Target Parcel"): (i) is now owned by Minnie Lubotzky, deceased; (ii) is property tax-delinquent for years 2010-2015; and (iii) is per the City of Milwaukee's ("City") belief, a brownfield; and

Whereas, The City and TJM Holdings, LLC ("TJM") believe that the Target Parcel may be environmentally impacted or a "brownfield" based on historical land use and/or other limited investigations that have been performed; and

Whereas, TJM, whose managing member is Thomas J. McHugh, Jr., wishes to use the brownfield redevelopment tool available under Wisconsin Statutes 75.106 to acquire the Target Parcel 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 Target Parcel and the City will include the Target Parcel in its 2016 No. 1 In-Rem File, Milwaukee County Circuit Court; and

Whereas, TJM will, after it becomes owner of the Target Parcel: pay the City \$5,000 as an assignment payment, plus foreclosure expenses, plus year 2015 and future taxes against the Target Parcel that will not be foreclosed against in the City's in-rem tax foreclosure proceeding; vacate the alley to the south of the Target Parcel; combine, by means of a Certified Survey Map, the Target Parcel and vacated alley, along with the adjacent lands that TJM owns, including TJM's current car wash operation at 1626 North 12th Street; construct on the combined parcels a new building that will consist of a tunnel car wash and office; and remediate the Target Parcel, as needed, per Wisconsin Department of Natural Resources requirements; 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: (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 Target Parcel is granted to TJM, the amounts paid under the 75.106 Contract for unforeclosed taxes and for 70 percent of the assignment payment also shall be deposited to 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

01/19/16/A