



## Legislation Text

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**File #: 040351, Version: 2**

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040351

SUBSTITUTE 2

030680

ALD. WITKOWIAK

Substitute resolution authorizing an agreement between the City of Milwaukee and Mariposa Investments, LLC, for assignment under Wisconsin Statutes Section 75.106 of the City's right to an in-rem foreclosure judgment against 1036-1038 West National Avenue in the 12th Aldermanic District.

This substitute resolution directs property-tax foreclosure against 1036-1038 West National Avenue so assignment of the foreclosure judgment to a developer, Mariposa Investments, LLC, may occur so the property may be remediated, improved and placed in tax-paying ownership.

Whereas, Harry Wait owns tax-delinquent property at 1036-1038 West National Avenue ("Parcel"); and

Whereas, The City of Milwaukee ("City") and Mariposa Investments, LLC, ("Mariposa") believe that the Parcel may be environmentally impacted or a "brownfield" based on historical land use and other limited investigations that have been done; and

Whereas, Mariposa wishes to use the brownfield redevelopment tool available under Wisconsin State Statute Section 75.106 to acquire the Parcel via City assignment of the City's right to a Wisconsin State Statute Section 75.521 in-rem foreclosure judgment; and

Whereas, The Department of City Development's Real Estate staff ("DCD-Real Estate") completed an "Internal Protocol/Questionnaire for Community-Improvement-In-Rem Foreclosure Actions" as required by Common Council File No. 030680 requesting that the City commence a special in-rem foreclosure action against the Parcel and indicating that the developer will cover DCD-Real Estate's costs under that protocol to cover the City's foreclosure expenses; and

Whereas, The City Attorney drafted a "75.106 In-Rem Assignment Contract" ("75.106 Contract"), a copy of which is attached to this Common Council File, governing the specifics of the transaction; and

Whereas, Mariposa wishes to enter into the 75.106 Contract and to accept assignment of the City's in-rem foreclosure rights in exchange for: paying for the City's foreclosure expenses (up to a maximum of \$3,500); compensating the City \$1; paying all unforecasted tax-roll amounts; testing the Parcel to the extent required by the Wisconsin Department of Natural Resources ("DNR"); remediating the Parcel if required by the DNR; and developing and improving the Parcel; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the 75.106 Contract between the City and Mariposa is approved; and, be it

Further Resolved, That the City Treasurer and City Attorney shall prosecute Section 75.521 in-rem foreclosure against the Parcel so that judgment may be assigned to Mariposa per the terms of the 75.106 Contract; and, be it

Further Resolved, That the City Attorney shall complete negotiation of the 75.106 Contract with Mariposa and that the proper City officials are authorized to execute said

contract in substantially the form as attached to this Common Council File; and, be it

Further Resolved, That any amounts paid to the City under 75.106 Contract paragraph 6.B. (herein called "Foreclosure-Expense Moneys") shall be deposited in a City-general-fund-revenue account (0001-1910-987999) per said 75.106 Contract (including, but not limited to, paying for or reimbursing foreclosure expenses incurred by the City Attorney or by the City Treasurer); and, be it

Further Resolved, That in the event judgment of foreclosure is granted to Mariposa as a result of the City's in-rem foreclosure action against the Parcel and if there are then any Foreclosure-Expense Moneys remaining in the City-general-fund-liability account, any such balance shall, along with the \$1 sale proceeds, then be transferred and deposited to the Tax Deed Remediated Property Account (0110-107802) to help offset the principal amount of the delinquencies against the parcel; and, be it

Further Resolved, That the City Comptroller is authorized and directed to transfer funds in the amount of up to \$3,500 from the 2004 Common Council Contingent Fund (0001-9990-0001-C0001-006300) to supplement the appropriation of the Department of City Development's Services Account (0001-1910-0001-R999-006300-2004) for the payment of the foreclosure expenses incurred by the Departments of City Development, City Attorney and City Treasurer.

City Attorney:DCD

GCH:MFH:mfh

07/22/04