



## Legislation Text

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**File #: 150493, Version: 0**

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ORIGINAL  
121715  
ALD. DAVIS

Resolution amending the agreement for sale, declaring restrictive covenants and releasing a deed restriction regarding properties sold to Veterans Gardens, LLC.

This resolution approves release of restrictive covenants contained in a previously approved agreement to sell four tax foreclosed properties to Veterans Gardens, LLC, and approves a Payment in Lieu of Taxes agreement for the affected properties.

Whereas, File No. 121715, adopted by the Common Council on April 9, 2013, authorized an agreement for sale ("Sale Agreement") regarding the sale of four tax foreclosed properties ("Property") to Veterans Gardens, LLC ("Veterans Gardens"), for development of supportive housing for veterans; and

Whereas, The City of Milwaukee ("City") conveyed the Property to Veterans Gardens by Quit Claim Deed and Restrictive Covenants ("Deed") dated December 11, 2014 and recorded with the Milwaukee County Register of Deeds on December 17, 2014 as Document No. 10420636; and

Whereas, The Deed included a provision prohibiting Veterans Gardens or any subsequent owner from applying for an exemption from real estate taxes pursuant to Section 70.11, Wisconsin Statutes; and

Whereas, The U.S. Department of Housing and Urban Development ("HUD") has provided a \$500,000 supportive housing grant ("Grant") to Veterans Gardens to be used toward the cost of renovating the Property; and

Whereas, HUD has requested an amendment to the Sale Agreement and Deed to state that Veterans Gardens gives certain restrictive covenants to HUD as required by the Grant and for the City to acknowledge these restrictive covenants; and

Whereas, The City is willing to make the restrictive covenants contained in the Sale Agreement and the Deed subordinate to the restrictive covenants granted to HUD; and

Whereas, HUD has requested that the City release its tax exemption prohibition restrictive covenant in the Sale Agreement and Deed and the City agrees to remove the prohibition on application for tax-exempt status in exchange for Veterans Gardens and the City executing a Payment in Lieu of Taxes ("PILOT") agreement; now, therefore, be it

Resolved, That the Common Council of the City of Milwaukee, authorizes the release of the tax exemption prohibition restrictive covenant contained in the Deed, and approves the PILOT agreement and declaration of restrictive covenants in conformance with the draft PILOT Agreement and the draft Agreement to Amend Agreement for Sale, Declare Restrictive Covenants and Release Deed Restriction, copies of which are attached to this Common Council File; and, be it

Further Resolved, That the Commissioner of DCD shall cause these documents to be recorded with Milwaukee County Register of Deeds.

DCD:Martha.Brown:mlb  
07/21/15/A