



Legislation Text

File #: 180808, Version: 0

180808
ORIGINAL
141256, 150238
ALD. HAMILTON

Resolution approving a Strong Neighborhoods Challenge Grant Fund Program grant to Pastors United Milwaukee.

This resolution approves a grant of up to \$240,000 to Pastors United Milwaukee to provide gap financing for the purchase and renovation of six City-owned tax foreclosed properties in the Garden Homes neighborhood.

Whereas, On December 16, 2014, the Common Council of the City of Milwaukee ("Common Council") adopted File No. 141256, which approved a Request for Qualifications ("RFQ") for the Challenge Grant Fund Program ("CGFP") to solicit interest from community development organizations and private development firms to acquire and renovate City-owned tax foreclosed properties ("in rem properties") for affordable homeownership and rental opportunities in concentrated geographic areas; and

Whereas, \$1,000,000 in funding was appropriated in the 2015 Strong Neighborhoods budget to establish CGFP as a pilot program; and

Whereas, On June 23, 2015, the Common Council adopted File No. 150238 that awarded CGFP grants to two organizations chosen through a competitive process, with the goal that each organization would redevelop fifteen tax foreclosed properties in a 12-month period; and

Whereas, Northwest Side Community Development Corporation ("NWSCDC") received a CGFP grant to develop properties in neighborhoods abutting the Century City business park ("Century City"), but it has been unable to complete the project; and

Whereas, Pastors United Milwaukee ("Pastors United"), a registered 501(c)(3) non-profit organization, has established a buy/rehabilitate/resell housing program that redevelops in rem properties and provides financial counseling to first-time homebuyers who wish to purchase the renovated homes; and

Whereas, Pastors United wishes to purchase and renovate six in rem properties in the Garden Homes neighborhood adjacent to Century City and sell completed properties to owner-occupants; and

Whereas, Low property values in the Garden Homes neighborhood make the costs of extensive renovation infeasible without City of Milwaukee ("City") subsidy; and

Whereas, Renovation and sale of properties in the Garden Homes neighborhood will preserve properties and improve the quality of life for current residents; and

Whereas, Pastors United is an experienced community-based developer whose program model is closely aligned with the goals of CGFP; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that a CGFP grant of up to \$240,000 shall be made available to Pastors United and that the Department of City Development ("DCD") shall enter into a Sale and Development Agreement containing the essential terms included in Attachment A-Term Sheet, a copy of which is attached to this Common Council File; and, be it

Further Resolved, That DCD is directed to enter into a Sale and Development Agreement with Pastors United for the properties located at 4481 North 25th Street, 4366 North 26th Street, 4401 North 26th Street, 4447 North 26th Street, 4437-41 North 25th Street and 4369 North 26th Street; and, be it

Further Resolved, That funding for City costs under this CGFP grant shall be allocated from the Capital Improvements In Rem Program Account No. 1910-UR04916002 and 1910-UR04917002.

DCD: Maria.Prioletta:mp

09/05/18/A