



Legislation Text

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021556
ORIGINAL

THE CHAIR

Resolution declaring vacant tax-deed and/or other municipally owned lots surplus to the City of Milwaukee's needs and authorizing the Department of City Development to advertise the lots for sale and accept Offers to Purchase for development purposes in various aldermanic districts. (DCD)

This resolution will facilitate the aggressive marketing and sale of vacant lots for new construction. Specifically, it will permit the Department of City Development to make the City's entire inventory of lots available for sale on a first-come, first-served basis after an initial public offering period without any further approvals from the Common Council. This will allow the City to expeditiously respond to its customers, demonstrate cost effective service delivery and aid growth of the tax base.

Whereas, The City of Milwaukee ("City") has been enjoying unprecedented growth in new development because it is Wisconsin's center of commerce, culture and industry; and

Whereas, The City has a competitive economic development advantage by virtue of its readily available and affordable real estate inventory, and further, the City can leverage that advantage by making improvements to existing land disposition processes; and

Whereas, The Department of City Development ("DCD") has catalogued all of the City's vacant land inventory and has identified on Exhibit A, a copy of which is attached to this Common Council File, the lots that separately or in combination are suitable for new construction in commercially zoned and other non-residential zoned districts; and

Whereas, DCD wishes to market this inventory in a comprehensive way and in a proactive manner that will be responsive to customers needs; and

Whereas, DCD recommends that the lots identified on Exhibit A be made immediately available for sale under the following general programmatic guidelines:

1. DCD will establish listing prices representative of fair market value based upon current assessment and comparable sales data, yet price them attractively enough to encourage new investment in neighborhoods.
2. All lots will be offered "as is" and the City will make no representations or warranties concerning the condition of the property, including but not limited to soil and subsurface conditions. However, if during excavation a buyer discovers extraordinary amounts of rubble and debris or discovers that the soil has unsuitable load bearing capacity for the intended use, DCD may refund sale proceeds to financially assist the buyer with properly documented construction cost increases that could not be anticipated.
3. The lots will be advertised in print media and on DCD's web site for an initial 30-day period. Offers to Purchase will only be accepted when buyers agree to close a sale within 90 days of acceptance and agree to complete construction within 9 months thereafter. No long-term options, reservations or speculative offers will be considered. If no acceptable offers are received during the initial 30-day offering, lots will be available on a first-come, first-served basis.

4. No Offers to Purchase will be accepted from builders, developers or individuals who:
(a) have a history of non-compliance with orders from any enforcement agency in the City;
(b) are not current in the payment of taxes or any special charges due and owing the City; or (c) are known or suspected to have been involved in property flipping, predatory lending practices or other criminal activity, the nature of which can be reasonably construed to threaten the quality of life for area residents.

5. All closings will be contingent upon: (a) final site and building plan approval by DCD; and (b) the receipt of firm financing commitments in amounts adequate to complete construction as proposed; and

Whereas, The City Plan Commission has determined that there is no municipal need for the vacant lots listed on Exhibit A; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that said buildable tax-deed and/or other municipally owned lots are declared surplus; and, be it

Further Resolved, That DCD is authorized and directed to advertise said lots for sale and to accept Offers to Purchase for new construction in accordance with the general program description outlined above; and, be it

Further Resolved, That DCD is authorized and directed to review the City's real estate inventory from time-to-time to add lots to this buildable inventory for sale in the manner described above without further Common Council action, provided however, that the City Plan Commission first makes a determination that the land is surplus to the City's needs; and, be it

Further Resolved, That DCD shall periodically provide the Common Council with a report of accomplishments; and, be it

Further Resolved, That the proper City officials are authorized and directed to perform such acts as necessary to carry out the intent of this resolution with the proceeds from sales credited to the Reserve For Tax Deficit Fund Account or other appropriate departmental accounts, less a 20 percent marketing and development fee credited to the Redevelopment Authority of the City of Milwaukee.

DCD:SS:ss
02/11/03/B