



Legislation Text

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121426
ORIGINAL

THE CHAIR

Resolution authorizing a partial release of deed restrictions and forfeiture rights from a portion of the property at 2401 North 4th Street, in the 6th Aldermanic District. This resolution will release deed restrictions and forfeiture rights imposed by the City of Milwaukee that require use of the property as open space and prohibits division of and construction of any principal buildings on a portion of the property to allow a partial sale of the vacant lot to another property owner.

Whereas, The City of Milwaukee ("City") owned a tax-deed, vacant lot at 414 West Meinecke Avenue ("City Lot") that adjoined 2401 North 4th Street, a duplex owned and renovated by the Neighborhood Improvement Development Corporation ("NIDC" or "NIDC Property"), and a tax delinquent house at 2409 North 4th Street; and

Whereas, The best use of the City Lot was to divide the lot and convey equal portions to the two adjoining owners to provide additional green space and alley access, but the tax delinquency by the owner of 2409 North 4th Street prevented the City from dividing the lot; and

Whereas, The City conveyed the full City Lot to NIDC by a quit claim deed dated October 8, 2012 ("City Deed") and the City Lot and the NIDC Property are to be combined by the City Assessor this year into a single property ("Combined Property"); and

Whereas, The City Deed contained restrictions that the City Lot be used as open space, that no principal buildings may be erected thereon and that the City Lot be joined with the buyer's adjoining property to create a single parcel to be used as a unit (collectively "Deed Restrictions"); and

Whereas, The City Deed stated that the City Deed shall be forfeited and that the City Lot shall revert to City ownership in the event there is a breach of one or more of the Deed Restrictions (collectively, the "Forfeiture Rights"); and

Whereas, The Deed Restrictions and Forfeiture Rights cannot be released except upon approval of the Common Council of the City of Milwaukee; and

Whereas, The adjoining house at 2409 North 4th Street underwent a mortgage foreclosure concurrently with the City Lot conveyance and was recently acquired by the Milwaukee Neighborhood Reclamation Company, LLC ("MNRC"), an entity created by NIDC to acquire critical mortgage foreclosed properties; and

Whereas, NIDC has requested that the Deed Restrictions and Forfeiture Rights be removed from the portion of the Combined Property that adjoins 2409 North 4th Street so that NIDC may convey additional land to the MNRC house that will be renovated for homeownership; and

Whereas, NIDC has agreed that its conveyance of rear land to the MNRC house at 2409 North 4th Street will contain the same Deed Restrictions and Forfeiture Rights contained in the City Deed; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that a Partial Release of the Deed Restrictions and Forfeiture Rights for a portion of the property at 2401 North 4th Street is approved; and, be it

Further Resolved, That the Commissioner of the Department of City Development, or designee, is authorized to execute the necessary legal document to release, waive and disclaim such restrictions and rights; and, be it

Further Resolved, That the Deed Restrictions and Forfeiture Rights on the remaining portion of the NIDC improved property at 2401 North 4th Street remain in full force and effect.

DCD/Real Estate

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