



Legislation Details (With Text)

File #:	160616	Version:	1
Type:	Resolution	Status:	Passed
File created:	9/1/2016	In control:	COMMON COUNCIL
On agenda:		Final action:	9/20/2016
Effective date:			
Title:	Substitute resolution authorizing an agreement between Washfountain, LLC and the City of Milwaukee concerning assignment under Wisconsin Statutes 75.106 of the City's right to Wisconsin Statutes 75.521 in-rem foreclosure judgment against 2203 West Michigan Street, in the 4th Aldermanic District.		
Sponsors:	ALD. BAUMAN		
Indexes:	AGREEMENTS, ENVIRONMENT, FORECLOSURES		
Attachments:	1. Fiscal Impact Statement.pdf, 2. 75.106 Contract.pdf, 3. Land Disposition Report.pdf, 4. Letter to Mayor		

Date	Ver.	Action By	Action	Result	Tally
9/1/2016	0	COMMON COUNCIL	ASSIGNED TO		
9/6/2016	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
9/8/2016	1	CITY CLERK	DRAFT SUBMITTED		
9/8/2016	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
9/12/2016	0	JUDICIARY & LEGISLATION COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	5:0
9/20/2016	1	COMMON COUNCIL	ADOPTED	Pass	15:0
9/23/2016	1	MAYOR	SIGNED		

160616
SUBSTITUTE 1
160617
ALD. BAUMAN

Substitute resolution authorizing an agreement between Washfountain, LLC and the City of Milwaukee concerning assignment under Wisconsin Statutes 75.106 of the City's right to Wisconsin Statutes 75.521 in-rem foreclosure judgment against 2203 West Michigan Street, in the 4th Aldermanic District.

This substitute resolution authorizes a contract between Washfountain, LLC and the City pursuant to which the City will assign its right to in-rem foreclosure judgment on 2203 West Michigan Street to Washfountain, LLC so that Washfountain, LLC may remediate the Property as the WDNR may require and renovate the Property for office, cold storage and light industrial uses.

Whereas, The property located at 2203 West Michigan Street (the "Property"): (i) is now owned by Downey Inc.; (ii) is property tax delinquent for years 2010-2015; and (iii) is per the City of Milwaukee's ("City") belief, a brownfield; and

Whereas, The City and Washfountain, LLC ("WFN") believe that the Property may be environmentally impacted or a "brownfield," based on historical land use and/or other limited investigations that have been performed; and

Whereas, WFN, whose managing member is Peter Ogden, wishes to use the brownfield

redevelopment tool available under Wisconsin Statutes 75.106 to acquire the Property via City assignment of the City's right to a Wisconsin Statutes 75.521 in-rem foreclosure judgment; and

Whereas, Department of City Development ("DCD") Real Estate staff requested that the City commence an in-rem foreclosure action against the Property and the City has included the Property in its 2016 No. 3 In-Rem File, Milwaukee County Circuit Court Case No. 16-CV-3646; and

Whereas, WFN will, after it becomes owner of the Property: pay the City \$16,000 as an assignment payment, plus foreclosure expenses, plus year 2015 and future taxes against the Property that will not be foreclosed against in the City's in-rem tax foreclosure proceeding; renovate the Property into office, cold storage and light industrial uses; and remediate the Property, as needed, per Wisconsin Department of Natural Resources requirements; and

Whereas, WFN also has submitted a concurrent offer to purchase the City-owned vacant lot at 2200-2220 West Michigan Street, which is under consideration in Common Council File No. 160617; and

Whereas, The City, wishing to foster economic development and brownfield remediation and redevelopment and to return tax delinquent properties to the tax roll and productive reuse and to promote public health, safety and welfare, negotiated the "75.106 In-Rem Assignment Contract" (the "75.106 Contract"), a copy of which is attached to this Common Council File, governing the specifics of the 75.106 assignment deal; now, therefore, be it

Resolved, That the Common Council of the City of Milwaukee, approves the 75.106 Contract and directs: (i) its execution, or execution of a contract in substantially the form as attached to this file, by the appropriate City employees and (ii) City action as contemplated and required thereunder; and, be it

Further Resolved, That the amounts paid to the City under the 75.106 Contract for foreclosure expenses shall be deposited in the City's Delinquent Tax Fund; and, be it

Further Resolved, That if the City is successful in its foreclosure efforts and judgment of foreclosure on the Property is granted to WFN, the amounts paid under the 75.106 Contract for unforeclosed taxes and for 70 percent of the assignment payment also shall be deposited in the City's Delinquent Tax Fund, with the other 30 percent of the assignment payment paid to the Redevelopment Authority of the City of Milwaukee.

DCD:Matt.Haessly:mfh

09/07/16