



Legislation Details (With Text)

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**Effective date:**

**Title:** Resolution canceling real estate taxes levied against certain parcels sold to Veterans Gardens, LLC, for levy year 2015.

**Sponsors:** ALD. JOHNSON, ALD. BOHL

**Indexes:** PROPERTY SALES, PROPERTY TAXES

**Attachments:** 1. Fiscal Impact Statement, 2. Veterans Gardens Project

Date	Ver.	Action By	Action	Result	Tally
9/20/2016	0	COMMON COUNCIL	ASSIGNED TO		
9/26/2016	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
10/3/2016	0	JUDICIARY & LEGISLATION COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	5:0
10/11/2016	0	COMMON COUNCIL	ADOPTED	Pass	15:0
10/19/2016	0	MAYOR	SIGNED		

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ORIGINAL  
150493

ALD. JOHNSON AND BOHL

Resolution canceling real estate taxes levied against certain parcels sold to Veterans Gardens, LLC, for levy year 2015.

This resolution cancels 2015 property taxes, plus delinquent interest and penalties, for the properties located at 7829-7831 West Villard Avenue, 8905-8911 West Villard Avenue and 9009 West Villard Avenue, in the 2nd Aldermanic District, and 4483-4493 North 84th Street, in the 5th Aldermanic District, owned by the Center for Veterans Issues, Ltd. Whereas, The City of Milwaukee ("City") and Veterans Gardens, LLC ("VG") entered into an Agreement for Sale dated December 3, 2014, recorded with the Milwaukee County Register of Deeds on December 10, 2014 as Document No. 10418355 ("Sale Agreement"), that obligated VG to acquire four properties at 7829-7831 West Villard Avenue, 8905-8911 West Villard Avenue, 9009 West Villard Avenue and 4483-4493 North 84th Street (collectively the "Property") and to rehabilitate the Property to provide 20 units of supportive and affordable housing for homeless, disabled veterans ("Project") using funds provided in part from the U.S. Department of Housing and Urban Development ("HUD"); and

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

Whereas, The City entered into an Agreement to Amend an Agreement for Sale, Declare Restrictive Covenants and Release Deed Restrictions ("Amended Agreement") with VG, recorded with the Milwaukee County Register of Deeds on October 16, 2015 as Document No. 10508127; and

Whereas, The Amended Agreement was required by HUD to subordinate City restrictive covenants allowing HUD to release a \$500,000 supportive housing grant ("Grant"); and

Whereas, In consideration for the Amended Agreement terms required by HUD, the City negotiated to remove the prohibition on application for property tax exemption and entered into a Payment in Lieu of Taxes agreement ("PILOT"); and

Whereas, The Amended Agreement and PILOT were authorized by Common Council File No. 150493; and

Whereas, The PILOT was signed by the City and VG, recorded with the Milwaukee County Register of Deeds on October 22, 2015 as Document No. 10510202; and

Whereas, VG is a 501(c)(3) organization created solely for the development of the Property and the registered agent for VG is the President and Chief Executive Officer of the Center for Veterans Issues, Ltd. ("CVI"), a 501(c)(3) organization; and

Whereas, VG transferred, on December 18, 2015, by Quit Claim Deed the Property to CVI to be in administrative compliance with HUD requirements to release Grant funds; and

Whereas, All terms of sale of the Amended Agreement and PILOT transferred to CVI when it became the owner of the Property; and

Whereas, CVI believed that upon signing and recording the PILOT that the Property would be property tax exempt; and

Whereas, Because it already had non-profit status with the State of Wisconsin, CVI was unaware that it needed to file for property tax exempt status for the Property with the City and, therefore, failed to meet the statutory deadline of March 1st to obtain tax exempt status for the 2015 tax year; and

Whereas, The proper filing has now been made for the 2016 tax year and CVI has been found to qualify for property tax exempt status for the upcoming 2016 tax year; and

Whereas, The Common Council finds that CVI is a benevolent organization, which should not be subject to property taxation on the Property in 2015 and should not be required to pay 2015 property taxes, based on a technicality; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the proper City officials are directed to cancel the 2015 property taxes, plus delinquent interest and penalties, for Tax Key Nos. 213-0132-000-8, 214-0902-100-7, 214-0901-000-5 and 223-0601-000-3 (7829-7831 West Villard Avenue, 8905-8911 West Villard Avenue, 9009 West Villard Avenue and 4483-4493 North 84th Street); and, be it

Further Resolved, That the proper City officials are directed to reflect the reduction in State Tax Credits, as shown in this file by means of journal entries, and credit the State Tax Credit Fund.

DCD:Amy.Turim:aet  
09/20/16/A