



Legislation Details (With Text)

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On agenda: **Final action:** 6/20/2017

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Title: Resolution approving the sale of property at 2770 North 5th Street to Gorman & Company for development of affordable senior housing, in the 6th Aldermanic District.

Sponsors: ALD. COGGS

Indexes: HOUSING, PROPERTY SALES

Attachments: 1. Land Disposition Report, 2. Due Diligence Checklist, 3. Hearing Notice List, 4. DCD PowerPoint

Date	Ver.	Action By	Action	Result	Tally
5/31/2017	0	COMMON COUNCIL	ASSIGNED TO		
6/8/2017	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
6/8/2017	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
6/8/2017	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
6/8/2017	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
6/8/2017	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
6/8/2017	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
6/13/2017	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	RECONSIDERED	Pass	5:0
6/13/2017	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	5:0
6/13/2017	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HELD TO CALL OF THE CHAIR	Pass	5:0
6/20/2017	0	COMMON COUNCIL	ADOPTED	Pass	13:0
6/28/2017	0	MAYOR	SIGNED		

170327

ORIGINAL

141319

ALD. COGGS

Resolution approving the sale of property at 2770 North 5th Street to Gorman & Company for development of affordable senior housing, in the 6th Aldermanic District.

This resolution authorizes the sale of City-owned vacant improved property at 2770 North 5th Street, built originally as the Fifth Street School and later occupied by the City's Isaac Coggs Health Center, to Gorman & Company for redevelopment as affordable senior housing.

Whereas, The property at 2770 North 5th Street ("Property") was constructed originally as the Fifth Street School; and

Whereas, In the 1970s, Fifth Street School was closed, and the building was subsequently

occupied by the City of Milwaukee Health Department Isaac Coggs Health Center; and

Whereas, In 2006, the Milwaukee Health Department closed the Coggs clinic, leaving the Property vacant; and

Whereas, Since the closure of the clinic, the Department of City Development ("DCD") has made several attempts to find a buyer for the Property; and

Whereas, In June 2013, the Property was evaluated as part of a commercial district charrette conducted for the Martin Luther King Economic Development Corporation by the Community Design Solutions program at the University of Wisconsin-Milwaukee; and

Whereas, The charrette recommended that a Request for Proposal ("RFP") be issued to seek a buyer that would redevelop the Property as senior housing; and

Whereas, In October 2014, DCD issued a RFP seeking redevelopment proposals for the Property in accordance with the charrette recommendation; and

Whereas, In December 2014, the Common Council adopted File No. 141319 declaring the property to be "underutilized" in order to ensure that the sale of the Property conformed with a recent change in State Statute with respect to the sale of buildings formerly used by the Milwaukee Public Schools; and

Whereas, Gorman & Company ("Buyer") was the only respondent to the RFP; and

Whereas, The Buyer's proposal indicated a plan to redevelop the Property as senior housing and to work with Mt. Moriah Baptist Church to accommodate parking needs for the church; and

Whereas, The Buyer has shared its plans for the redevelopment of the Property with neighbors at a community meeting arranged by the local Alderwoman; and

Whereas, The Buyer has received an allocation of Low Income Housing Tax Credits ("LIHTC") from the Wisconsin Housing and Economic Development Authority; and

Whereas, The Buyer has submitted an offer to purchase the Property for \$250,000; and

Whereas, The Buyer anticipates investing approximately \$9.7 million to purchase and renovate the property; and

Whereas, DCD has reviewed financial information submitted by the Buyer and determined that the Buyer has the financial capacity to purchase and renovate the Property; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Land Disposition Report for the Property, a copy of which is attached to this Common Council File, is approved and that DCD is authorized to enter into a Purchase and Sale Agreement with the Buyer, or assignee, materially consistent with the Land Disposition Report and then convey the Property to the Buyer in accordance therewith; and, be it

Further Resolved, That the Commissioner of DCD, or designee, is authorized to sign the Purchase and Sale Agreement, deed and requisite closing documents and to close the transaction and to take such actions, as may be needed, to effectuate the terms of the sale and this resolution, including any needed easements and/or releases of deed restrictions; and, be it

Further Resolved, That the sale proceeds, less sale expenses, shall be deposited in the Milwaukee Public Schools Operations Fund.

DCD:Martha.Brown:mlb

05/31/17/A