



Legislation Text

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151349

SUBSTITUTE 1

141277

ALD. PEREZ, HAMILTON

Substitute resolution authorizing distribution of grant funds set aside from the sale of the tax-foreclosed building at 611 West National Avenue, Milwaukee, Wisconsin, in the 12th Aldermanic District.

This substitute resolution implements elements of the settlement reached between the City of Milwaukee and the U.S. Department of Commerce, Economic Development Administration, regarding the City's sale of the tax-foreclosed property at 611 West National Avenue. This file authorizes the distribution of \$92,835.35 in grant funds to the Milwaukee Area Workforce Investment Board, allowing MAWIB, in cooperation with Milwaukee Public Schools, to operate an in-school workforce development program. This file also authorizes the distribution of \$14,000 in grant funds to restore the "Mural of Peace" at 611 West National Avenue.

Whereas, The City of Milwaukee ("City"), per Common Council File No. 141277, entered into a December 23, 2014 Agreement with the U.S. Department of Commerce, Economic Development Administration ("EDA"), to settle outstanding issues with the EDA regarding a 1994 EDA grant to renovate the property at 611 West National Avenue; and

Whereas, In the 2014 Agreement, the EDA consented to the City's tax-foreclosure against the tax-delinquent property at 611 West National Avenue and the City's issuance of a Request for Proposals to find a buyer for the building after City tax foreclosure; and

Whereas, The EDA and the City agreed that if a buyer were selected, at a sale price agreed to by the EDA, the City would convey the property to that buyer, and the proceeds of that sale would be apportioned between the City and the EDA: (i) to reimburse the EDA under Federal Law for a \$712,800 grant the EDA made to the City and Esperanza Unida in 1994; (ii) to recover the City's foreclosed and unpaid taxes, winterization costs and costs associated with the City's sale; and (iii) to create a City-funded grant to a workforce development program to be operated by a nonprofit organization selected by the City; and

Whereas, In accordance with the 2014 Agreement with the EDA, the City foreclosed against the delinquent property taxes and conveyed the Esperanza Unida Building to 611 West National Avenue Milwaukee, LLC ("Developer"), the Developer that is currently converting the building into a mixed-use development, with apartments and commercial space; and

Whereas, The City has been having the Redevelopment Authority of the City of Milwaukee hold: (i) \$92,835.35 of the sale proceeds per the 2014 Agreement for the grant to the City-identified nonprofit; and (ii) \$14,000 of the sale proceeds for mural restoration work by artist Reynaldo Hernandez as required by the Closing Statement signed at the closing of the sale from the City to the Developer; and

Whereas, Per Section 4 of the 2014 Agreement, the City has identified the Milwaukee Area Workforce Investment Board ("MAWIB") as the nonprofit entity to which to disburse the \$92,835.35 in grant funds for use by MAWIB to operate, in conjunction with Milwaukee Public Schools ("MPS"), an in-school workforce development program, described in the MAWIB Proposal, a copy of which is attached to this Common Council File; and

Whereas, The City is ready to disburse the \$14,000 for mural restoration so the work can proceed in Spring 2016; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the appropriate City officials are authorized: (i) to enter into an agreement with MAWIB regarding the \$92,835.35 grant and to disburse to MAWIB those funds for that grant; and (ii) to enter into an agreement with mural artist Reynaldo Hernandez and the Developer regarding mural restoration and to disburse the \$14,000 to the artist for the mural restoration work; and, be it

Further Resolved, That the Department of City Development, with assistance from the City Attorney, shall prepare and negotiate the afore-referenced agreements; and, be it

Further Resolved, That the appropriate City staff are directed to take such further actions, as may be necessary or required, to effectuate the above and the intent of this resolution.

DCD:Martha.Brown:mlb

01/05/16