



Legislation Text

File #: 171749, Version: 0

171749
ORIGINAL
140901

ALD. COGGS AND MURPHY

Resolution authorizing the sale of a portion of the loans in the City of Milwaukee's STRONG Homes Loan Program loan portfolio.

This resolution authorizes the sale of a portion of the loans in the City of Milwaukee's STRONG Homes Loan Program loan portfolio to Associated Bank for the purpose of generating new capital to originate additional loans to City of Milwaukee homeowners to make essential repairs to their homes.

Whereas, On November 7, 2014, the Common Council of the City of Milwaukee adopted File No. 140901, which created the STRONG Homes Loan Program ("SHLP"); and

Whereas, The SHLP is administered by the Department of City Development ("DCD") and it provides loans to owner-occupants of one-to-four unit properties to make essential repairs to their homes; and

Whereas, There has been significant demand and need for the SHLP among City of Milwaukee ("City") homeowners, with almost 300 loans being originated since 2015; and

Whereas, Associated Bank National Association ("Associated Bank") is headquartered in Wisconsin and is in the business of making investments and loans in the communities and markets it serves; and

Whereas, Associated Bank has offered to purchase a portion of the City's existing SHLP loan portfolio for the purpose of providing the City with additional capital to originate SHLP loans for Milwaukee homeowners; and

Whereas, The estimated amount of the loans to be purchased by Associated Bank is \$1.4 million; and

Whereas, The terms for the sale of SHLP loans from the City to Associated Bank are outlined in a Term Sheet, a copy of which Exhibit "A" is attached to this Common Council File; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the sale of loans from the City's SHLP loan portfolio is authorized consistent with the Term Sheet; and, be it

Further Resolved, That the appropriate City officials are directed to enter into such agreements, as necessary, to accomplish the purposes of this Resolution and the Term Sheet; and, be it

Further Resolved, That DCD will deposit the loan sale proceeds from Associated Bank into the SHLP Capital Account No. 987999-0339-1911-5710-R999-0000-UR05718000A.

DCD:Maria.Prioletta:mp
02/27/18/A