



Legislation Text

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190403
SUSTITUTE 1

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Substitute resolution approving a contract among the Redevelopment Authority of the City of Milwaukee, the City of Milwaukee, JCP Construction LLC, a JCP-related entity, and the Milwaukee Area Technical College for sale and rehab of a City-owned house, in the 6th Aldermanic District.

This substitute resolution approves a contract among the Redevelopment Authority of the City of Milwaukee (RACM), the City of Milwaukee (City), JCP Construction LLC (JCP), a JCP-related entity (LLC), and Milwaukee Area Technical College (MATC) for City sale of 2606 North Holton Street to LLC for rehab by MATC and then sale, with part of the sale proceeds being put back into a RACM fund for hopeful repetition of this model where blight gets reduced, tax-foreclosed homes get rehabbed and returned to the tax rolls, and students earn college credits and valuable hands-on experience to enhance their knowledge, skills and employment opportunities.

WHEREAS, The City of Milwaukee owns roughly 1,000 tax-foreclosed homes, many of which suffer from severe deferred maintenance, which the City markets for sale under MCO 304-49, and one of the homes the City owns is at 2606 North Holton Street; and

WHEREAS, MATC is a premier technical college that provides educational and training opportunities for its students through diverse course offerings and apprenticeship programs, which include, among other things, skilled trades; and

WHEREAS, JCP is a family-owned construction company with substantial experience in residential and commercial real estate, including construction, rehab, general contracting and construction management, and LLC is owned and managed by JCP; and

WHEREAS, The Wisconsin Legislature, in Wis. Stat. 66.1107 (1) (a), 66.1201 (2) and (4) (b), 66.1301 (2), 66.1331 (2), 66.1013, 66.1333, 66.1335, and 66.1337 (2), found that there exists in cities in Wisconsin blighted and deteriorated areas and conditions that are injurious to public health, safety and welfare, and a severe shortage of adequate housing, and that there is a shortage of private economic investment in these areas, thus meriting public intervention and investment; and

WHEREAS, RACM is a Wis. Stat. 66.1333 entity permitted to cooperate with the City in furtherance of blight reduction and redevelopment; and

WHEREAS, The Wisconsin Legislature, in Wis. Stat. 38.001, found that it is in the public interest for technical colleges to offer courses and programs: that enable persons to acquire occupational skills and job training necessary to fully participate in the work force; that facilitate educational options and foster economic development; and that function cooperatively with other educational institutions and governmental bodies; and

WHEREAS, The City, RACM, MATC, LLC and JCP wish to engage in a creative, innovative, collaborative approach to lessen blight, improve neighborhoods, improve Milwaukee's housing stock, and increase knowledge, experience and employment opportunities for students; and

WHEREAS, The City, RACM, MATC, LLC and JCP negotiated the proposed contract that is part

of this file whereby the City will convey the City-owned house at 2606 North Holton Street to LLC, and LLC will allow entry for MATC students, under supervision of MATC and MATC collaborators, including the Social Development Commission (SDC), coordinated by MATC and JCP as general project manager, to rehab the house per plans and specifications approved by the parties, so that MATC students may earn college credit and gain valuable hands-on, real-life experience in their educational and vocational endeavors, and so the rehabbed home may be sold by the LLC with the proceeds being applied and reinvested toward expense of this project and program, including a portion of the proceeds being put back into a RACM fund for hopeful repetition of this model; and

WHEREAS, All parties hope that the experience with this first home and this innovative and collaborative contract will be positive, and believe that success with this first home will result in enhanced employment opportunities for participating students and will encourage private philanthropic support for future homes to be rehabbed under this model; and

WHEREAS, The negotiated contract contemplates future homes being selected, rehabbed and sold under the contract and this program, with each future home being identified in an amendment to the contract, that will require Council and RACM approval; now, therefore, be it

RESOLVED, By the Common Council of the City of Milwaukee, that the proposed contract that is part of this file is approved, and the appropriate City officers and employees are authorized to enter into that contract, or one substantially similar thereto, and to undertake such acts as are required by the City thereunder or in furtherance thereof.
DCD/CA:Matt.Haessly/Gregg.Hagopian:mfh
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