



Legislation Text

File #: 191294, Version: 1

191294
SUBSTITUTE 1

ALD. STAMPER

Substitute resolution approving the sale of property to FIT Investment Group, LLC in partnership with CMS Contracting, LLC, or assignee.

This substitute resolution authorizes the sale of approximately 40 City-owned, tax-foreclosed properties in the 15th Aldermanic District.

Whereas, The City of Milwaukee ("City") has an inventory of tax-deed properties that are suitable for rehabilitation as affordable housing using Low Income Housing Tax Credits ("LIHTC") that are allocated by the Wisconsin Housing and Economic Development Authority ("WHEDA"); and

Whereas, FIT Investment Group, LLC in partnership with CMS Contracting, LLC, or Assignee ("Developer") desires to complement existing rehabilitation of scattered site, former tax-deed properties in the 15th Aldermanic District by submitting an application for LIHTC; and

Whereas, Developer has requested to purchase scattered site residential properties for renovation as affordable housing as outlined in a Land Disposition Report ("LDR"), a copy of which is attached to this Common Council File; and

Whereas, Developer has identified most of the properties required to create a competitive LIHTC application and will continue to identify properties that are acceptable both to the Developer and to the local alderperson, as well as the Department of City Development ("DCD"); and

Whereas, Section 304-49-8, Milwaukee Code of Ordinances, allows the City to negotiate property sales when the City receives fair compensation, whether monetary or non-monetary; and

Whereas, DCD has determined that the terms indicated in the LDR represent fair compensation to the City in terms of the purchase price, investment in City neighborhoods and provision of affordable housing; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that DCD is directed to enter into a Purchase and Sale Agreement with Developer consistent with the LDR, with the understanding that additional property may be added and individual properties may be exchanged for other properties in the City's in rem inventory as needed to ensure project success; and, be it

Further Resolved, That if Developer is not awarded LIHTC financing for the project in spring 2020, the properties will be released for return to general marketing; and, be it

Further Resolved, That the appropriate City officers are authorized to take such acts as are necessary to implement the provisions and intent of this resolution, including signing and causing the City to enter appropriate development agreements, to be prepared by DCD in consultation with the City Attorney's Office.

DCD:Amy.Turim:at
12/05/19

