



Legislation Text

File #: 200465, Version: 1

200465
SUBSTITUTE 1

ALD. ZAMARRIPA

Substitute resolution approving a Land Disposition Report and Due Diligence Checklist and authorizing acquisition and then sale of 1875 West Bruce Street, in the 8th Aldermanic District.

This substitute resolution, if the City is successful in tax foreclosure, authorizes sale of the tax-delinquent parcel at 1875 West Bruce Street to an affiliate of John Raettig. Whereas, The property at 1875 West Bruce Street (the "DNA Parcel") is currently owned of record by BCMR Development, LLC. It is a blighting influence. It is tax delinquent and vacant, and has outstanding building code violations. It is in the City's 2020 No. 2 property-tax foreclosure file, and the total taxes, interest and penalties due as of August 2020 equals \$101,303.19; and

Whereas, The Department of City Development ("DCD") conducted a historical land use investigation and found that the DNA Parcel historically was operated as the International Harvester Company heating plant and later for indoor salvage. The DNA Parcel is on DCD's brownfield list of Do Not Acquire properties; and

Whereas, DCD received an unsolicited offer to purchase the DNA Parcel from John Raettig (or his affiliate) ("Buyer") because Law Tanning Co. LLC (or an affiliate) ("Tanning") wants to enter into a long-term lease to occupy the DNA Parcel for specialty warehouse storage, thereby freeing up space in Tanning's nearby facility at 1616 and 1638 West Pierce Street. Buyer is willing to improve and rehab the DNA Parcel so that it will be put back onto the tax rolls, and so that it will be code-compliant, and so that it may be leased to Tanning and be put back into productive reuse; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee ("Common Council"), that the Common Council approves the Land Disposition Report ("LDR") that is part of this file, and per Milwaukee Code of Ordinances 308-22-2-c, authorizes City acquisition of the DNA Parcel by 3/4 vote so that, if the City is successful with its tax foreclosure, the DNA Parcel may be immediately conveyed to Buyer on an "as is, where is" basis per the LDR, and the Common Council authorizes appropriate City officials to sign and enter into an Offer to Purchase with Buyer materially consistent with the LDR and to take the acts contemplated hereby and thereunder; and, be it

Further Resolved, That upon closing on the conveyance to Buyer, closing proceeds, less sale and marketing expenses and a 30 percent disposition fee to the Redevelopment Authority of the City of Milwaukee, shall be credited to the Delinquent Tax Fund.

DCD:Matt.Haessly:mfh
09/09/20