



Legislation Text

File #: 110261, Version: 1

110261
SUBSTITUTE 1

ALD. WADE AND HINES

Substitute resolution authorizing the sale of up to 21 in-rem, duplex homes and up to one multi-family structure to Gorman & Company, Inc. for renovation into 40 affordable housing units and one leasing office, in the 7th and 15th Aldermanic Districts. This substitute resolution authorizes the sale of Neighborhood Improved Properties according to the conditions in a Land Disposition Report pursuant to Section 304-49-7, Milwaukee Code of Ordinances.

Whereas, Gorman & Company, Inc. ("Gorman") has proposed to restore two-unit and up to one multi-family scattered site housing in the 7th and 15th Aldermanic Districts by rehabilitating and offering rental housing using federal affordable housing tax credits and Neighborhood Stabilization Program funds as summarized in a Land Disposition Report, a copy of which is attached to this Common Council File; and

Whereas, Gorman has offered to purchase up to 21 City-owned Neighborhood Improved Properties and up to one multi-family structure in impacted foreclosure target areas bounded by North Avenue to the North, Vliet Street to the South, North 47th Street to the West and North 20th Street to the East; and

Whereas, Gorman will maintain these properties for the federally required affordable rental period of 15 years; and

Whereas, Section 304-49-7 of the Milwaukee Code of Ordinances allows the City of Milwaukee ("City") to accept unsolicited offers to purchase property when the City receives fair compensation, whether monetary or non-monetary; and

Whereas, Sale of these properties will allow Gorman to provide affordable rental housing to qualified households and will provide the City with fair compensation through additional tax base and housing opportunities; and

Whereas, The Department of City Development ("DCD") has reviewed the offer and the development proposal and has determined that the proposed price and development represent fair compensation to the City considering the offering price and investment in neighborhoods; and

Whereas, DCD recommends sale of these properties with closing contingent on DCD approval of final site and restoration plans; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the proposal submitted by Gorman & Company, Inc. to purchase up to 21 City-owned Neighborhood Improved Properties and up to one multi-family structure in the target areas, as stated herein and in the Land Disposition Report, is accepted; and, be it

Further Resolved, That the Commissioner of DCD, or designee, is authorized to execute an Offer, Option to Purchase, Agreement for Sale, release any deed restrictions that inhibit development and execute other legal documents on behalf of the City and to close the transaction according to the terms contained herein and in the Land Disposition Report; and, be it

Further Resolved, That in the event additional City-owned Neighborhood Improved Properties in the target areas become available through tax foreclosure, selected properties are unable to be restored, or by termination of the existing Exclusive Right to Negotiate letter agreed to by the City and Gorman, that the Commissioner of DCD is authorized to amend the Option to Purchase with Gorman to include other properties for this project upon the consent of the local member of the Common Council; and, be it

Further Resolved, That the sale proceeds, less sale expenses and a 30 percent disposition cost reimbursement to the Redevelopment Authority of the City of Milwaukee, shall be credited to the Reserve For Tax Deficit Fund Account No. 0001-334106.

DCD:CWC:cwc

06/23/11