

**VICE CHAIR**

- ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE

**MEMBER**

- COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE
- PUBLIC WORKS COMMITTEE

**COMMISSIONER**

- MILWAUKEE REDEVELOPMENT AUTHORITY (RACM)



**WILLIE C. WADE**  
ALDERMAN, 7TH DISTRICT

**CHAIR**

- UNITY CAUCUS

**COMMITTEE MEMBER**

- ENVIRONMENTAL JUSTICE TASK FORCE (SEWRPC)

**BOARD MEMBER**

- LOCAL INITIATIVES SUPPORT GROUP (LISC)
- MILWAUKEE SURVIVE ALIVE FOUNDATION
- WORKFORCE INVESTMENT BOARD
- FRESH COAST BASKETBALL CLASSIC

## Common Council's plan will allow developers to combat blight

### Statement of Alderman Willie C. Wade January 23, 2013

More than 130 vacant, city-owned houses are set to be renovated or rebuilt and converted into rental properties, as a result of action by the Milwaukee Common Council last week. The Council approved the recommendation of the Zoning, Neighborhoods and Development Committee, on which I serve as vice chair, to sell the houses to Gorman & Co. and Maures Development Group LLC (in partnership with Illinois-based Brinshore Development LLC). The houses will sell for \$5,000 each once the firms obtain financing for the renovations, with the proceeds (less sale expenses and a 30 percent reimbursement fee to the city's Redevelopment Authority) credited to the city's Reserve for Tax Deficit.

The properties were acquired through property tax foreclosures, and all are in need of major repairs. This initiative will build the tax base and some much needed affordable rental housing units in my (7th) district and in the 15th District (of Alderman Willie L. Hines, Jr.). Between 30 and 40 of the houses slated for rehabilitation are located in those two districts. I am also very pleased that this project will help provide participants in the Youthbuild program with some excellent opportunities to learn construction skills during the renovation and demolition work on these properties.

Both Gorman and Maures will now seek federal affordable housing credits to help finance the renovations. The Wisconsin Housing and Economic Development Authority allocates those credits in a competitive process each year, announcing a decision in April.

In sites scattered throughout the Sherman Park/Metcalf Park and Washington Park areas, Gorman plans to create 84 rental units within 40 single-family homes and 22 duplexes. Renovation plans include gutting many properties and rebuilding others, with average construction costs estimated at \$140,000 for each duplex and \$180,000 for each single-family home.

Maures will develop sites in the Harambee and Park West neighborhoods, planning 80 units in 40 single-family homes and 20 duplexes. They estimate renovation costs at \$141,000 for each house, and costs of \$186,000 for each house they have to build new.

Once construction is complete, the agreement requires both firms to provide the units at below-market rents to families whose household income does not exceed 60 percent of the area median income.

These homes were destined for neglect—or the wrecking ball—and the city would have been left holding the bill. Instead, we've found partners to help us clean up this blight, save taxpayers' money and provide affordable housing to the hardworking families of this city. Everyone wins in this deal, and I'm proud to see it come through.