



Legislation Text

File #: 72120, Version: 1

Fiscal Note

The proposed resolution authorizes the Economic Development Division Director, or designee, to participate in and bid on behalf of the City at a Dane County public auction for the foreclosure sale of the property located at 13 Lakeshore Court for future incorporation with Olin Park. Per the Notice of Foreclosure Sale, the minimum bid amount for the property is \$407,061.37. The current assessed value is \$460,000 for this apartment-type building. Based on recent appraisals of adjacent and nearby properties reviewed and approved by the Office of Real Estate Services, as well as other online resources, an estimated acquisition price of \$500,000 is justified for the property, plus \$45,000 in additional related costs. These costs include, but may not be limited to: \$12,822 in unpaid taxes (2021 taxes in the amount of \$10,590 and 2020 taxes in the amount of \$2,232), real estate costs for title work, miscellaneous closing costs, and staff time. In addition, the Parks Division anticipates approximately \$75,000 in demolition costs. Total costs up to \$620,000 will be funded by impact fees in the Land Acquisition project (Munis project 17128). Funding is available in this project for the purchase of the parcel and associated costs based on the estimate.

Ten percent (10%) of the successful bid must be paid at the sale in cash, cashier's check or certified funds payable to the Dane County Clerk of Courts. The balance must be paid to the Clerk of Courts in cash, cashier's check or certified funds within ten (10) days after the date of confirmation of the sale. The proposed resolution would require a cashier's check estimated to be \$62,000 at the time of the auction.

Title

Authorizing the Economic Development Division Director, or designee, to participate in and bid on behalf of the City at the public auction Foreclosure Sale of the Estate of Harold Langhammer and James A. Shapiro for the City's acquisition of the property located at 13 Lakeshore Court for future assemblage with Olin Park. (13th A.D.); and authorizing payment by certified check to Dane County Clerk of Courts for the purchase amount and additional costs, if the City's bid is successful.

Body

WHEREAS, 13 Lakeshore Court, LLC, Registered Agent Harold Langhammer, Estate of Harold Langhammer and James A. Shapiro appeared in the State of Wisconsin Circuit Court of Dane County on April 12, 2022 regarding the property located at 13 Lakeshore Court, described as Lot 9, Plat of Pleasure Park, in the City of Madison, Dane County, Wisconsin ("Property"); and

WHEREAS, Dane County Circuit Court has posted a Notice of Foreclosure Sale (Sale #22_0047, Court Case # 21CV1824), to take place at 10:00 AM on July 12, 2022 at Room 354, City County Building, 210 Martin Luther King Drive, Madison, WI; and,

WHEREAS, the City of Madison ("City") desires to purchase the Property for future assemblage with Olin Park and blight elimination, as the acquisition of properties in the vicinity of Olin Park is a long term goal of the City's Parks Division; and

WHEREAS, the City's adopted 2018 Comprehensive Plan identifies the Property as parkland on the Generalized Future Land Use Map with the following note: "The existing office and residential uses are recommended to continue until a future opportunity arises to convert this area to public park and open space use ...;" and

WHEREAS, the City's acquisition of the Property would add approximately 43 linear feet of shoreline for future public access to Lake Monona, while providing expanded opportunities for recreational uses in this heavily used park, which is consistent with the City's adopted 2018 Park and Open Space Plan includes the recommendation to "Improve Public Access to Lakes"; and

WHEREAS, the City's Common Council understands that the property is being sold in AS-IS condition, subject to any legal liens and encumbrances and any and all outstanding and accruing real estate taxes, special assessments, and penalties and interest, if any. As such, terms and conditions, including due diligence, found within most City Purchase and Sale Agreements, used to protect the City's interest, will not be available to the City for this transaction.

NOW, THEREFORE, BE IT RESOLVED that the City's Common Council hereby authorizes the Economic Development Division Director, or designee, to participate in and bid on behalf of the City at the public auction Foreclosure Sale (Sale #22_0047, Court Case # 21CV1824) for the purposes of demolition and blight elimination; and,

BE IT FUTHER RESOLVED that if the property currently houses tenants, the Parks Division Shall contract with a property management company to manage tenant relations and maintain property until such a time that demolition is scheduled; and,

BE IT FUTHER RESOLVED that the City's Common Council hereby authorizes payment by cashier's check made payable to the Dane County Clerk of Courts in the amount of 10% of the bid amount, to be paid on July 12, 2022 upon acceptance of successful bid by City representative or voided if City bid is unsuccessful; and,

BE IT FUTHER RESOLVED that the City's Common Council hereby authorizes payment of the balance of a successful bid to the Clerk of Courts through cashier's check or certified funds within ten (10) days after the date of confirmation of the sale; and,

BE IT FINALLY RESOLVED that the Economic Development Division Director (or designee), Mayor and City Clerk are authorized to accept a quit claim deed and otherwise sign, accept, and record any and all documents and legal instruments required to complete the transactions contemplated in this resolution, on a form and in a manner that has been approved by the City Attorney.