



PLANNING AND DEVELOPMENT

400 LA CROSSE STREET | LA CROSSE, WI 54601 | P: (608) 789-7512 | F: (608) 789-7318

Memorandum

To: Housing Rehabilitation Review Board
From: Dawn Reinhart
Date: 6/8/17
Re: Acquisition of 1218-22 7th Street (17-0782)

Assessed value: \$163,500, FMV \$178,400 **Asking Price:** \$178,400, fair market value

Lot size: 50x139 **Units:** 1 single family home and a triplex, **Rents:** approximately \$2,500

The RHP acquired two properties on this block 1206 7th Street and 1212 7th Street. We have a pending offer to purchase (OTP) on 1216 7th Street. While inspecting 1216 7th Street RHP Staff noticed that the front structure at 1218-22 7th Street was in need of exterior maintenance and structures did not conform to current or future zoning.

Staff toured the structures on 1218-22 7th Street. It would be possible to acquire the property, demolish the front structure and maintain the rear structure until the tenants move out. There are currently tenants in 2 out of the 3 units in the rear, no tenants in the front structure. The City could offer the the vacant unit of the triplex to the La Crosse Homeless Collation. There is approximately 9 months left on the current tenant’s leases. Maintaining rental units can be challenging, units have to be maintained and relocation can become costly and time consuming.

Owner does recognize rental property is in great demand and based off of the income approach, determine the estimated appraised value well over \$200,000. The owner has cosmetically kept the front unit’s interior but the foundation, brick and roof is in need of repair. The triplex was built in the 80’s, while structurally sound the interior needs some minor renovations (window, tub surrounds, flooring, paint, A/C unit).

The City of La Crosse has limited dollars available to clear land for single family housing. It is likely that it would not recoup the costs of replacing a single family and a triplex with another single family. However, the owner reported crime on the property due to the dark space between the homes. If the city expended dollars on this home, then it would be unable to pursue another potential drug house in the future, due to limited funds.

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