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November 11, 2009

Common Council Members
Attn: Ronald D. Leonhardt, City Clerk
City Clerk's Office
Room 205, City Hall

Re: Proposed Amendment to MCO 304-50

Dear Mr. Leonhardt:

Enclosed for your consideration is a proposed amendment to MCO 304-50 which expands the timeframe by which a former owner and/or interested party may petition the Council for return of a property taken by the City as a result of an *in rem* foreclosure.

Presently, a former owner and/or interested party has 45 days from the date of judgment to petition the Council for return of the property. After the 45 days elapses, former owners and/or interested parties, or their attorneys, frequently contact the City to inquire about additional options to redeem the property.

Their primary option is to file a motion in court seeking to reopen the case based on "excusable neglect." If the Department of City Development does not oppose the return of the property, it has been the practice of our office not to oppose the motion as long as all delinquencies are paid in full. While it may be desirable to return the property in these cases, this process is problematic, partly because there is no showing of actual excusable neglect, but also because the Council may wish to participate in the decision.

Under the proposed amendment, the time to petition the Council would be increased to 90 days from the date of judgment. The expansion of time to redeem, with additional accompanying modifications to the ordinance, will ensure adherence to the legislative intent of MCO 304-50(9), which grants the Council the authority to determine whether a property may be returned. Thereafter, if a former owner and/or interested party seeks to vacate the judgment after the proposed 90 day timeframe has elapsed, they may only do so by petitioning the court and demonstrating to the court that there is actual excusable neglect to warrant the judgment being vacated pursuant to Wis. Stats § 806.07.

Additionally, the proposed amendment will ensure uniformity of process. It is hoped that this will help to reduce the confusion that many former owners and/or interested parties encounter when seeking information about how to redeem their property.

Moreover, the proposed amendment provides additional assurance to the City that the property will be returned to a responsible owner. Under the proposed amendment, the Council will have the authority to disapprove a vacation of the judgment if a former owner has delinquent real estate taxes, special charges, special taxes, or special assessments. The Council will also have the authority to disapprove vacation of the judgment if a former owner and/or interested party has provided false or incomplete information on their application in an effort to hinder the investigation of their ownership interests of other properties within the City.

Also, the new process would provide protection to individuals who are in the final steps of buying an *in rem* foreclosed property. In the current ordinance, there is no such protection provided. Under the proposed amendment, the City Treasurer's Office would not accept an application to vacate the judgment if the Department of City Development has accepted an offer to purchase the property. This proposal would give prospective buyers security in knowing that the former owner and/or interested party cannot come in at the time of closing and redeem the property.

Ronald D. Leonhardt
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We have consulted with the Treasurer's Office and the Department of City Development, and have obtained their input into this revised procedure.

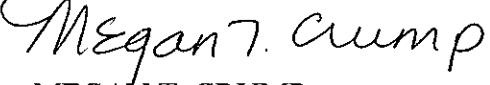
Very Truly Yours,



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c: Mr. Wayne Whittow, Treasurer's Office
Attention: Jim Klajbor
Mr. Rocky Marcoux, Department of City Development
Attention: Martha Brown

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