

City Attorney

2017 Budget Overview
Finance & Personnel Committee
October 6, 2016

Community Goals and Department Objectives

1. Improve the city's fiscal capacity
 - Protect the city's interests in litigation
 - Manage risk so that liabilities do not disrupt finances
2. Support the city's interests and policy initiatives
3. Develop and sustain legal strategies to promote respect for individual civil liberties
4. Sustain safe and healthy neighborhoods
 - Reduce nuisances that detract from neighborhood quality of life

2017 Budget Summary

	2016 ADOPTED BUDGET	2017 PROPOSED BUDGET	DIFFERENCE (amount, %)
FTEs – O&M	59.00	60.00	1 (1.67%)
FTEs - Other	2.00	2.00	0
Salaries & Wages	\$4,996,810	4,917,245	\$-79,565(-1.62%)
Fringe Benefits	2,398,469	2,212,760	\$185,709 (-8.39%)
Operating Expenditures	405,300	405,500	\$200 (0.05%)
Equipment	87,000	82,000	-\$5,000(-6.10%)
Special Funds	60,000	0	(%)
TOTAL	\$7,947,579	\$7,617,505	\$-330,074 (-4.33%)

Revenues

	2016 ADOPTED BUDGET	2017 PROPOSED BUDGET	DIFFERENCE (amount, %)
Charges for Service	\$878,100	\$818,700	\$-59,400 (-7.26%)
TOTAL	\$878,100	\$818,700	\$-59,400 (-7.26%)

Special Purpose Accounts

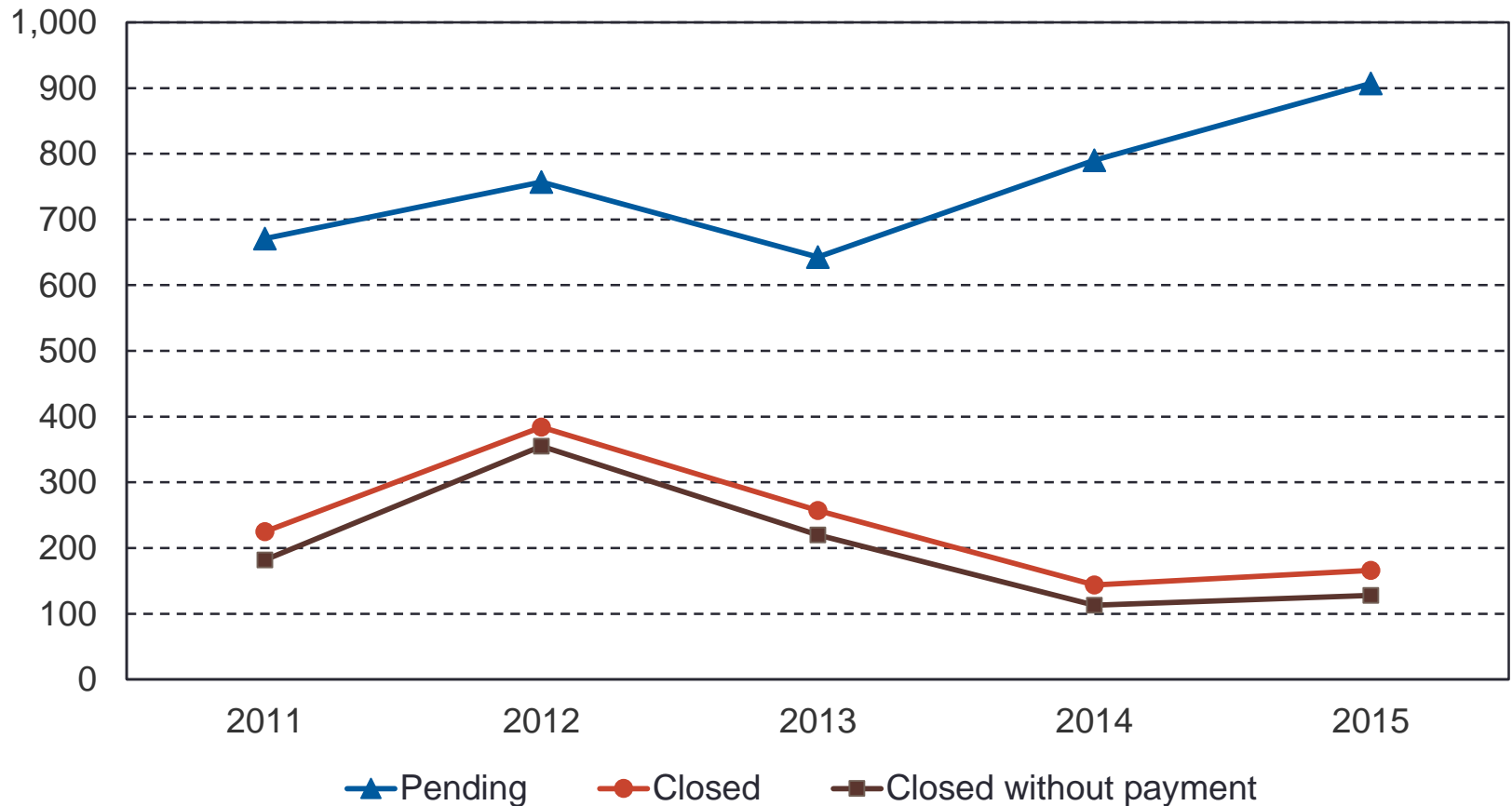
	2016 ADOPTED BUDGET	2017 PROPOSED BUDGET	DIFFERENCE (amount, %)
City Attorney Collection Contract	\$1,125,000	\$1,125,000	\$ 0
Damages & Claims Fund	1,225,000	1,225,000	\$0
Insurance	600,000	655,000	\$55,000 (9.2%)
Outside Counsel-Expert Witness	850,000	850,000	\$0
Total SPAs	\$3,800,000	\$3,855,000	\$55,000 (1.4%)

Budgetary Changes

Staffing and Compensation

- ❑ 2016: Department of Employee Relations approved the implementation of a merit pay plan for Assistant City Attorneys
 - Salary adjustments based on merit shall not exceed 4% of an eligible employee's salary
 - Pay Progression for Non ACA staff
- ❑ Potential Retirements
 - At least 13 staff (20%) will be eligible for retirement in 2017
- ❑ Insurance SPA – Increase due to local Government pool insurance expired there coverage seek private insurance

Litigation Matters Pending and Closed



	2011	2012	2013	2014	2015
Pending	671	757	643	790	907
Closed	225	384	257	144	166
Closed without payment	182	355	220	113	128

Highlights & Accomplishments

- ❑ \$5 million group settlement:
 - 74 body cavity and strip search cases,
 - obtained releases from 74 claimants plaintiffs
 - dismissal of 14 lawsuits in the US District Court

- ❑ July 29, 2016 Interest Arbitration award in the City's favor
 - 4 year contract with the Milwaukee Professional Firefighters Association, Local 215 saving the City \$9.1 million

- ❑ Assistant to Deferred Compensation and on-going counseling for departments and agencies regarding changes in the Deferred Compensation Plan

Highlights & Accomplishments

- ❑ Continued success in defense of a wide range of cases, for example:
 - May 6, 2016 Decision and Order granting summary judgment in the City's favor in a death in custody case against numerous police officers, *Estate of James Franklin Perry, et al, v. Cheryl Wenzel, et al*, Case No. 12-C-664. (appeal pending)
 - June 13, 2016 Decision of the Seventh Circuit Court of Appeals affirming dismissal of housing discrimination claim in *Tri Corp Housing, Inc. v. Robert Bauman*, Case No. 12-C-216
 - April 29, 2016 jury verdict in favor of defendant police officer in a use of force case entitled *Darrell Haze v. Mark Kubicek*, Case No. 13-C-1344 (motions for new trial pending)
 - March 30, 2016 Decision and Order granting summary judgment to MPS in an employment discrimination suit entitled *Sherlyn Brown v MPS*, Case No. 13-C-747 (appeal pending)

Highlights -Real Estate & Development Section

- ❑ Central Parking v. RACM: favorable order for increased rent and payment of back rent for the parking operations at 4th & Wisconsin and allowing RACM to terminate the parking management lease to allow the parcel to be redeveloped
- ❑ Litigation compelling the owner of 311 E. Greenfield Ave. (former Solvay Coke facility) to raze and remove 5 dilapidated buildings allowing the parcel to be remediated and opened for redevelopment.
- ❑ Documents necessary for financing and construction of new Bucks arena, training facility, parking structure and Live Block
- ❑ Assist the Treasurer on in rem tax foreclosure filings and acquisitions
 - 1,366 filings, 405 improved parcel acquisitions, 31 vacant parcel acquisitions
- ❑ Represent City in bankruptcy cases where the City is the creditor
- ❑ Legal assistance provided:
 - DCD, RACM, MPL and MPS for various land development projects and land sales
- ❑ Legal counsel to the City's Public Debt Commission and as issuer's counsel for various bonds and notes issued by the City and RACM
- ❑ Legal counsel for HACM on various matters including evictions

Highlights Neighborhood Revitalization and Ordinance Enforcement (NROE) Section

Lead the legal efforts associated with the Strong Neighborhoods program:

- ❑ Circuit Court:
 - Nuisance abatement/raze actions, 2015: 12; 2016 (YTD): 7
 - Zombie property abandonment filings: 2015: 26; 2016 (YTD): 24
- ❑ Municipal Court:
 - Building & zoning code prosecutions: 2015: 3571; 2016 (YTD): 1939
 - Chronic Nuisance Premises citation prosecutions: 2015: 4; 2016 (YTD) 0
 - Municipal license revocation & nuisance designation administrative hearings: 2015: 3; 2016 (YTD): 7
- ❑ Initiated litigation to force property owners to address dilapidated buildings without risking any taxpayer money or relying on collections
 - This new tactic resulted in 2 buildings razed, 1 sold, 1 repaired, and 1 ready to be sold, all at the owners' cost. The Solvay Coke case alone saved the City \$200,000 in raze expenses
- ❑ Prosecuted multiple nuisance abatement actions in circuit court:
 - Shut down and close residential and commercial properties that facilitate criminal and nuisance behavior, including 27th Street Tobacco and Paloma's Place. Continue to seek licensed premise revocations such as Texas Jay's and All Star Foods

Highlights Neighborhood Revitalization and Ordinance Enforcement (NROE) Section

- ❑ Intercede in stalled mortgage foreclosure actions involving abandoned residential properties (i.e., “zombie properties”) and advocate for better mortgage foreclosure practices with the Milwaukee County Circuit Court.
- ❑ Attorneys published multiple articles in statewide and national publications pushing for court practice reform and better property management in foreclosure cases
 - Governing Magazine, International Municipal Lawyers Association, National Judicial College, Wall Street Journal’s Market Watch section, the Wisconsin Law Journal and the Wisconsin State Bar Association
- ❑ Received the Unsung Hero Award from Milwaukee Downtown/BID 21 for abating chronic nuisance behavior associated with aggressive panhandling and negative quality of life issues. This effort assists MPD and county housing officials to respond to chronic behavioral problems, investigate disorder hotspots and nuisance premises, and draft legal opinions and legislation relative to the Keep the Change program and unsafe median loitering

Highlights General Legal Services Section

- ❑ Draft, review, and revise hundreds of DOA, DPW, and other contracts for goods and services
- ❑ Review, response, and advice to departments on public records requests
- ❑ Attend License & Public Safety Committees and defense of litigation arising therefrom
- ❑ General counsel to the Assessor and defense of property tax refund litigation in Circuit Court and Court of Appeals
- ❑ General counsel to Milwaukee Public Schools, Milwaukee Public Library, FPC, BOZA, Harbor, Health, and DPW
- ❑ Research and write formal legal opinions and informal legal advice to all City departments
- ❑ Successfully defended the following assessments:
 - Ballering, Metropolitan South, Clear Channel, and Marathon Petroleum
 - The combined amounts at stake exceed \$10 Million

Budget Issues/Challenges

□ Litigation

- Defend the City against law enforcement related claims and tax assessment challenges
 - Requires significant expenditures
- Additional but unknown costs for pre-trial discovery, deposition, outside counsel, expert witness, settlements and judgments
- Active caseload has increased:
 - 374 cases as of June 30, 2014
 - 438 cases as of June 30, 2015
 - 432 on June 30, 2016 (a 15.5% increase over 2 years)
 - Examples include: tax assessment challenges licensing litigation, construction disputes (MPD 3rd District Parking) demolition and nuisance abatement

Budget Issues/Challenges

- ❑ Updating the claims process to use an electronic program (Government Q & A) to provide more efficiency in investigating and resolving claims
- ❑ Continued defense of major liability claims involving alleged police misconduct: *Estate of Dontre Hamilton v. Christopher Manney and City of Milwaukee*, and *Estate of Derick Williams v. City of Milwaukee*
- ❑ Possible remand from Seventh Circuit Court of Appeals of significant cases of wrongful conviction in *Avery v. City of Milwaukee*, and *Robert Lee Stinson v. City of Milwaukee, et al*
- ❑ Hiring and training new personnel to replace anticipated losses due to retirements
- ❑ Inadequate office space
- ❑ 8th Floor renovation