



City of Milwaukee

200 E. Wells Street
Milwaukee, Wisconsin
53202

Meeting Minutes SPCL. JNT. CTTEE. ON THE REDEVELOPMENT OF ABANDONED AND FORECLOSED HOMES

ALD. ROBERT BAUMAN AND STEVE CHERNOF, CO-CHAIRS
Ald. Joe Davis, Sr.; Ald. Willie L. Hines, Jr.; Antonio Perez,
and Maria Prioletta

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Tuesday, June 22, 2010

9:00 AM

Room 301-B, City Hall

Meeting convened: 9:10 A.M.

Present 4 - Hines Jr., Prioletta, Bauman and Perez

Excused 2 - Davis and Chernof

1. Review and approval of the minutes of June 2nd meeting.

Ald. Hines moved, seconded by Mr. Perez, for approval of the minutes. There were no objections.

2. Update from the Department of City Development, Community Block Grant Administration, Dept. of Neighborhood Services, Police Department, City Attorney's Office and Treasurer's Office related to the city's plan for dispersal of Neighborhood Stabilization Program Funds and plan to remediate vacant and abandoned homes.

Ald. Bauman summarized the legislation that was passed by the Council to expedite in-rem foreclosure of problem properties. Tom Mishefske, Dept. of Neighborhood Services, has referred 6 properties for the expedited in-rem process. Ald Bauman prefers that the form required by the City Attorney's Office not be completed as part of the process. Linda Burke, City Attorney's Office, spoke regarding uniformity requirements in taxation and tax collection; she noted that the required form provides the office with proof of uniformity. Ms. Burke noted that the form required all the information needed by the Treasurer's Office and the City Attorney's Office to proceed with foreclosure. Ald. Bauman and Ms. Burke discussed how the process does and should proceed with questions from committee members.

Jim Klajbor, Treasurer's Office, said that his office was working on bundling in-rem foreclosures to create economies of scale. Ald. Bauman noted that the resolution does not support bundling; it wants action quickly on specific problem properties. Mr. Klajbor noted that if seasoned city employees are used for this job, then temporary employees would need to be hired for other jobs. Mr. Klajbor said that his department is already over budget with the in-rem foreclosures they've already done.

In the past, the Dept. of City Development has been billed for the additional costs.

Steve Mahan, Community Block Grants Administration, said that the city does have the discretion to go to Housing and Urban Development to amend its plan. Ald. Murphy questioned if some of the administrative duties related to foreclosures could be privatized; Mr. Klajbor was concerned that the Treasurer's Office would still have to compile the data. Mr. Klajbor said that the Treasurer's Office really has no idea of how many properties are being considered. Ald. Murphy said that 100 parcels would be a good number to use in the Treasurer's Office's calculation to estimate cost and staff needed to provide this expedited service. Mr. Klajbor will provided a budget to process 100 total properties with properties being processed every 30 days.

Ald. Murphy is concerned that the city has purchased properties from Deutsche Bank, which has a number of properties with outstanding building code violations, resulting in neighborhood destabilization. Ms. Prioletta noted that a number of properties were purchased fairly cheaply and Ms. Prioletta will meet with him about this issue.

Mr. Dahlberg noted that his department is using water records to determine if properties are vacant and, if they are, they are moved to the vacant building registry. Dept. of Neighborhood Services is in the process of visiting all the properties with water shutoffs. Ald. Murphy suggested using chi analysis and a sampling of properties, rather than survey every property. There are over 5,000 long-term vacant properties, which are not those in pre-foreclosure. Of the vacant properties, approximately 2,400 are residential properties and 1,200 are commerical properties. Ald. Murphy noted that the city has already lost \$800 million in property value, which doesn't include the bulk of these vacant, poorly maintained properties. Mr. Dahlberg will provide a written report with a long-term plan (3-5 years) for the city. Ald. Murphy would like the city to ask the federal government for funds to pursue different city programs and to have city staff think creatively about how to get a better handle on these vacant properties and solving long-term, systemic problems facing the city.

Mr. Perez noted that the city can document the damage the city faces and there is now discussion of NSP 3 funds, which might add more funds to the city. Mr. Mahan said that it seems as if NSP 3 funds will come to fruition. Ald. Bauman would like a report on NSP funds disbursed and the breakdown by category by the Dept. of City Development and Community Block Grant Administration.

Ald. Murphy requested the City Attorney's Office research whether the ordinance relating to grass cutting/snow shoveling could be amended to do a one-time documentation that the work isn't done and then put the property on a standing list to have it maintained at the owner's cost. Prior to each cutting or snow removal event, the work would be documented with a picture to prove that the work needed to be done. Ald. Murphy suggested looking at hiring youths to cut grass in a timely manner. Ms. Prioletta would also like to have it researched if there's another way to bill for the work, rather than merely certify the charges to the property tax. Richard Withers, Legislative Reference Bureau, will draft a letter on behalf of Ald. Murphy, Ald. Hines and Ald. Bauman asking that the issue of snow/grass be reviewed by the City Attorney's Office. Mr. Klajbor noted that the Treasurer's Office now has an automated receivables system and the owner can be billed at the time of service, which private businesses do. Placing charges on the tax bill, said Mr. Klajbor, should be the last resort.

Pres. Hines would like city staff to think creatively, as specialists, about how to solve

some of these long-term problems and a incorporate the input from a number of city departments.

Mr. Dahlberg said that the Dept. of Neighborhood Services has received proposals for deconstruction and there are contracts for six properties. The first property will be begun in July. Mr. Mahan noted that the Dept. of Workforce Development approved paying \$30/hour for trainees on a Social Development Commission project and the city is fighting to pay \$12-\$15/hour to trainees. The city is appealing this wage rate and hopes to have an answer this week. Ald. Bauman would like a list of these deconstruction sites and start dates so he can visit the sites.

Ms. Prioletta said that another media campaign will soon be begun, called "Take Root", relating to foreclosure prevention efforts.

3. Set next meeting date and agenda.

Monday, July 26 at 9 a.m

*Meeting adjourned: 10: 34 A.M.
Linda M. Elmer
Staff Assistant*