

Neighborhood Improved Properties

June 2011 update



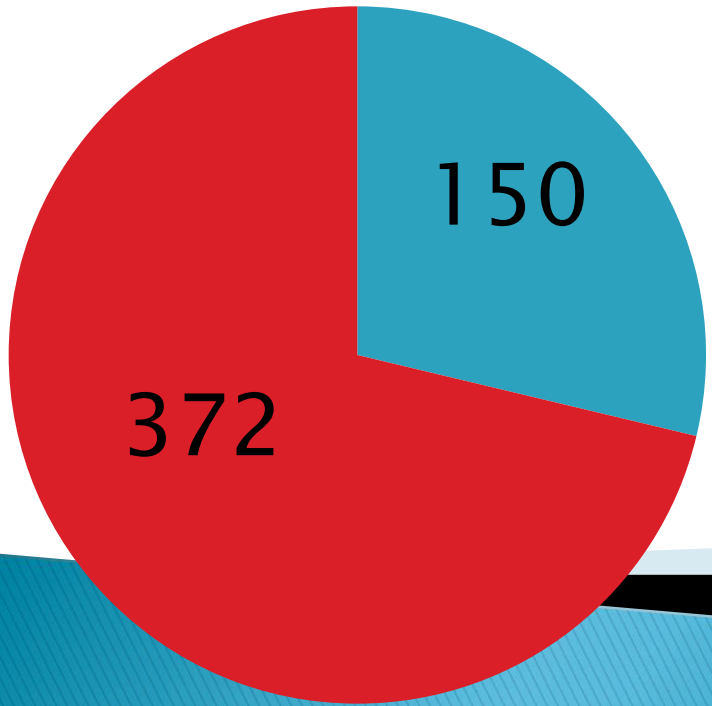
Neighborhood Improved Properties are defined as:

An improved residential lot
containing 4 housing units or
less.

In REM Process

- Treasurer's office refers delinquent property tax cases for collection purposes
- Collection process ensues for 9 - 12 months (during year 2 of delinquency)
- Unresolved cases are then referred back to the Treasurer's office for further legal action
- After 3 years, tax delinquent properties are acquired by the City

Current Inventory

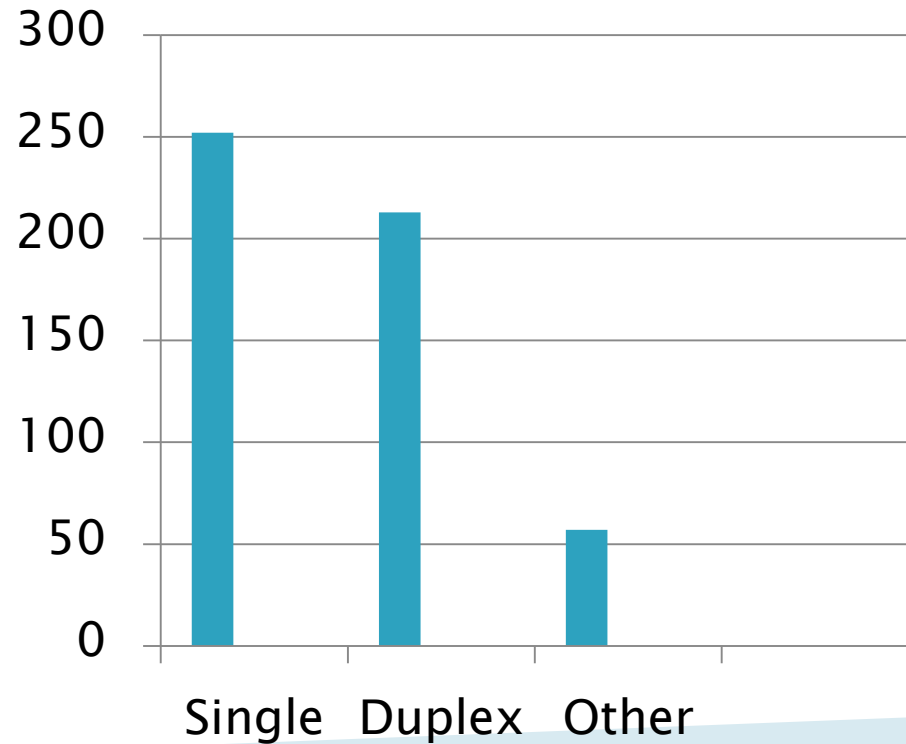


522 total properties

- Occupied properties
- Vacant

Breakdown by property type

The vast majority of properties in the City's inventory are one and two family dwellings.



Tax foreclosed property

- ▶ Current inventory (1–4 family property)
 - 522 properties
 - 30% occupied, 70% vacant
 - 51% single family, 40% duplex
- ▶ Current pipeline (1–4 family)
 - 800+ properties face foreclosure in 2011
 - Payment of back taxes prior to foreclosure, or redemption post-foreclosure, will reduce this number to some extent
 - First group of four new foreclosure lists to be referred to DCD in June 2011
 - Each file will consists of 250 or less

Intake Process

- DCD staff performs a visual inspection of each in Rem property to determine the status of the property
- A file (computer and hard copy) is created for each property
- DCD sends out a letter to the property stating the change in ownership
- Site visits occur with the DNS inspector, locksmith and DCD staff
- Tenant contracts are agreed upon, notices to vacate are issued
- File is routed to the Planning Administration Dept. for recommendations
- Dispositions are put forth and acted upon

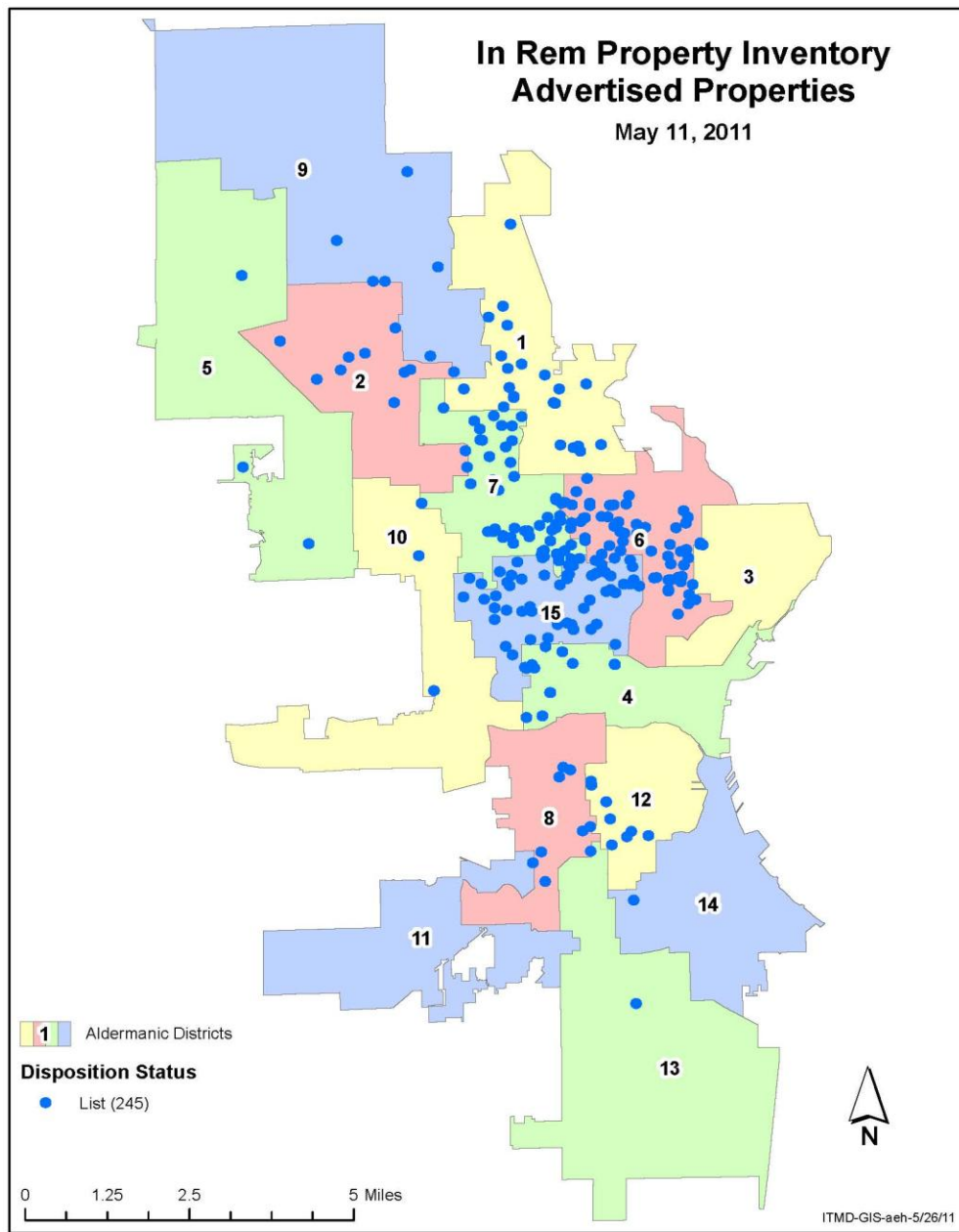
2011 Sales to date

Properties sold:	31 at \$305,349.29 (total)
Private home buyer:	19
CBO:	12
Accepted Offers:	13

*Total number of sales in 2010: 60

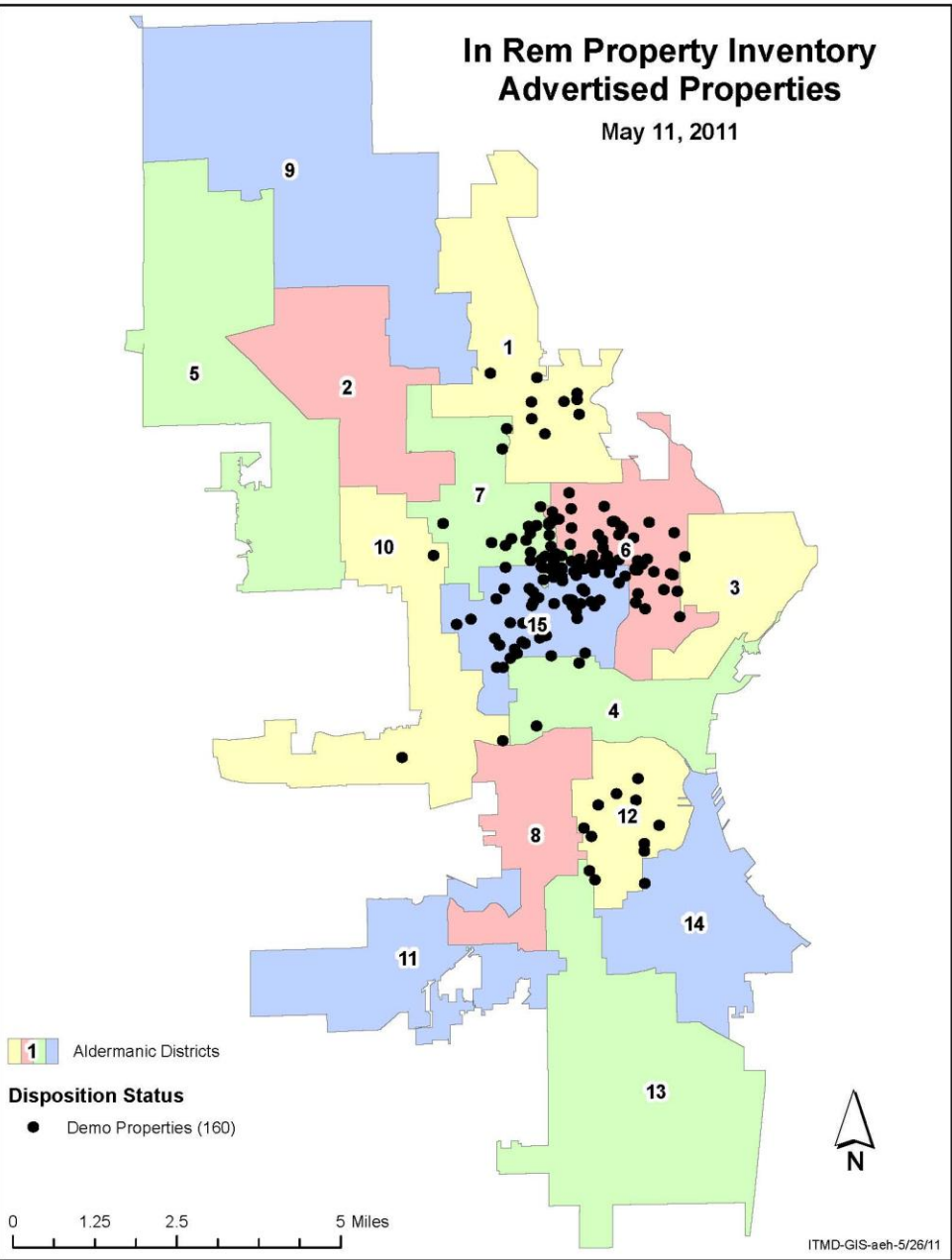
In Rem Property Inventory Advertised Properties

May 11, 2011



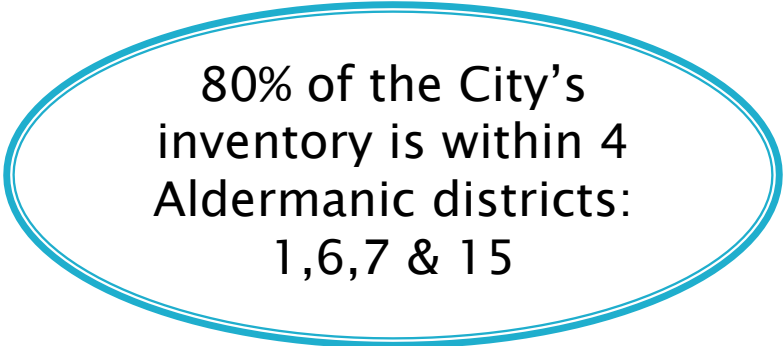
In Rem Property Inventory Advertised Properties

May 11, 2011



In Rems per Aldermanic District

Dist 1:	44	(8% of inventory)
Dist 2:	15	
Dist 3:	3	
Dist 4:	26	
Dist 5:	4	
Dist 6:	132	(26% of inventory)
Dist 7:	93	(18% of inventory)
Dist 8:	11	
Dist 9:	14	
Dist 10:	7	
Dist 11:	1	
Dist 12:	21	
Dist 13:	2	
Dist 14:	3	
Dist 15:	146	(28% of inventory)



80% of the City's
inventory is within 4
Aldermanic districts:
1,6,7 & 15

Property Maintenance

- Three grass cutting vendors. Cutting takes place from April through October on 3-week cycles.
- Three snow removal vendors. Snow removal is always required and pay is based upon National Weather Service totals.
- City staff spot checks results across the city completed by each vendor

Management/marketing resources

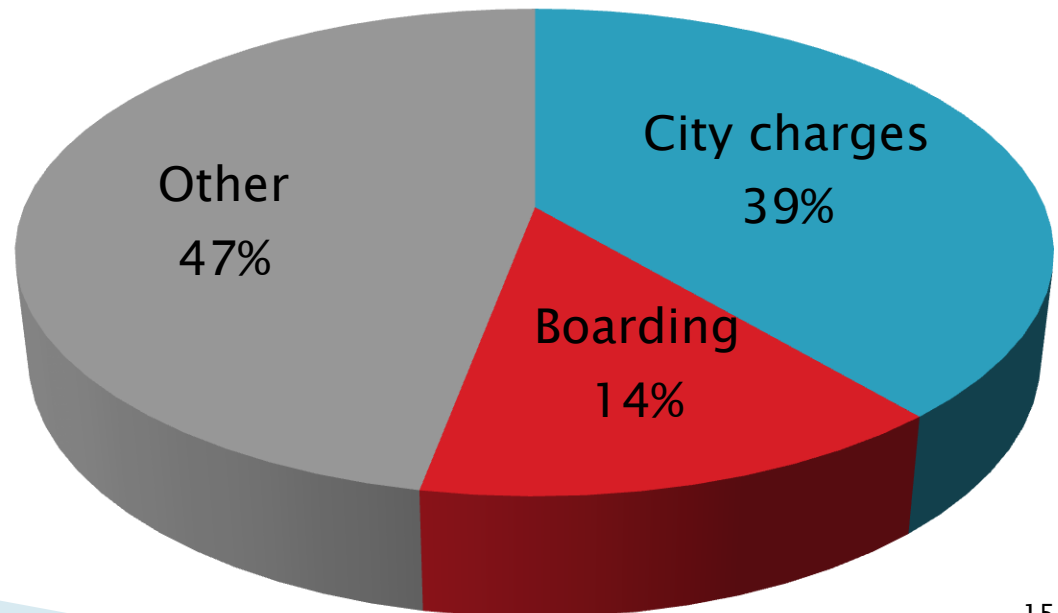
CDBG land management	\$ 317,625
Special purpose account	\$ 300,000
Rent (occupied properties)	\$ 580,000 (est)
Total (2011 funding)	\$1,197,625

Current funding levels

Anticipated revenue	\$1,200,000
Spent YTD	\$ 422,000
Current balance	\$ 778,000

Expenditures

- \$1940/property/year
- Snow/grass maintenance
- City charges
- Boarding, cleanout
- Evictions
- Locksmith



Housing Infrastructure Preservation Fund

- Preserve homes that are historic or architecturally significant and stabilize neighborhoods
- Homes are acquired by City through tax foreclosure or bank donations.
- Unrepaired homes do not appraise in today's market – arranging major exterior repairs allows buyers to obtain financing and complete renovations



3320 W. St. Paul Ave

Housing Infrastructure Preservation Fund

- 18 homes slated for exterior renovations in 2011 at a cost of \$900,000
- Renovations focused on roofs, siding, porches, masonry, foundations
- Repairs are by DCD hired Contractors and overseen by DCD's owner's representative.
- Six homes on standby for repairs in 2011 if funds available
- Anticipate 10 homes each requiring an average of \$50,000 in repairs in 2012



125 E. Lloyd Street

Cost reduction strategies

- ▶ Replace private home inspectors with DNS inspectors (implemented)
- ▶ Shift some maintenance costs to tenants
 - grass cutting
- ▶ Adjustment to municipal charges
- ▶ Reduce inventory
 - Demolition
 - Property sales

Inventory reduction strategies


- ▶ Demolition
 - 160 properties to be demolished in 2011
 - Anticipate 1 / 3 of new in rems will require demolition
 - NSP supplies most demo funding

Inventory reduction strategies

- ▶ Increase property sales
 - Speed inventory to market
 - DNS inspection agreement
 - Sales to investors
 - Tax credit projects
 - NSP rent rehab projects
 - Mom-and-pop
 - Sales to owner-occupants
 - Dollar house program
 - NSP partnership
 - Rent to own model
 - Ongoing marketing efforts

City of Milwaukee Property Listing

Property Address: 2457 North 14th Street

Price of Home "As-Is"	\$ 6,800.00	
Estimated Renovation Cost	\$ 17,650.00	
Tenant Status	Vacant	
Bids for this property are due	Any time	
Property is Being sold	As-Is, Homeownership Required	

Property Type: Single Family			
General Description		Rooms/Other	
Dwelling Units	1	Bedrooms	3
Year Built	1890	Baths	1
Building Sq. Ft.	1,132	Stories	1
Lot Sq. Ft.	4,290	Garage	None
Zoning	RT4	Historic	No

In rem cooperative efforts



5084 N. 20th St.

- ▶ Flood repair video
 - MMSD
 - Office of Homeland Security
 - Health Dept.
- ▶ ME2 training
 - Energy retrofit job training
- ▶ Take Root Milwaukee promotion activities