



Strong Neighborhoods Litigation Summary

Updated: September 8, 2017

City of Milwaukee v. Elijah M. Rashaed

Court: Milwaukee County Circuit Court

Case No: 17-CV-6823

City Counsel: ACA Kail Decker

Judge: Hon. Stephanie Rothstein

Issue(s): Public nuisance landlord violates ATCP laws and fails to maintain property conditions; also uses LLCs to insulate himself from consequences of his actions.

Summary of Case: The city sued Elijah Mohammad Rashaed and 18 of his entities that own property in Milwaukee seeking an injunction that prohibits him from managing properties, collecting rent, and acquiring or conveying property. The city seeks to get a receiver appointed to manage the properties and then sell them to pay for the cost of the receivership and satisfy all liens.

Case Status: Motion for temporary injunction is set for September 14 at 10:00 a.m.

City of Milwaukee v. Gregory Jones

Court: Milwaukee County Circuit Court

Case No: 17-CV-6871

City Counsel: ACA Heather Hecimovich Hough

Judge: Hon. Timothy Witkowiak

Issue(s): City files bawdy house nuisance litigation under Wis. Stat. 823.09 for prostitution related activity occurring at the property.

Summary of Case: Since 2016, property owner-occupant allows prostitution activity to occur at the property.

Case Status: Motion pending.

In re City Wide Investments, LLC bankruptcy

Court: U.S. Bankruptcy Court
Case No. 17-22900
City Counsel: Kevin Sullivan
Judge: Hon. Susan V. Kelley

Issue(s): City Wide Investments, LLC filed bankruptcy to get back property located at 8940 N. Michele St. Property was part of an In Rem tax lien foreclosure proceeding brought by the City of Milwaukee and has since been sold to a 3rd party. Accordingly, the debtor's complaint seeks a money judgment for the value of the property less the outstanding taxes.

In re James Miicke bankruptcy

Court: U.S. Bankruptcy Court
Case No. 17-23177
City Counsel: Hannah Jahn
Judge: Hon. Susan V. Kelley

Issue(s): The debtor's proposed Chapter 13 plan provides for payment of only a small portion of outstanding municipal court judgments as an unsecured claim. The City has objected to this plan, asserting that the debtor can afford, and should be required, to pay much more, if not all, of the outstanding judgment amounts.

City of Milwaukee v. Richard A. Williams and Jacqueline Kiefer

Court: Milwaukee County Circuit Court
Case No: 17-CV-5472
City Counsel: ACA Heather Hecimovich Hough
Judge: Hon. Rebecca Dallet

Issue(s): City files bawdy house nuisance litigation under Wis. Stat. 823.09 for prostitution related activity occurring at the property.

Summary of Case: Since 2012, property owner-occupant allows prostitution activity to occur at the property.

Case Status: TRO rescheduled for October 12, 2017.

Linda Flores vs. City of Milwaukee

Court: Milwaukee County Circuit Court
Case No: 17-CV-4556
City Counsel: ACA Kail Decker
Judge: Hon. Claire Fiorenza

Issue(s): A property owner sought order to prohibit the City from razing a building that was deemed to be dilapidated.

Summary of Case: The owner wishes to repair the property and the City is working with her to give her a reasonable opportunity to do so.

Case Status: Hearing set for September 22, 2017 at 10:00 a.m.

City of Milwaukee v. Hampton Avenue Group LLC

Court: Milwaukee County Circuit Court

Case No: 17-CV-004388

City Counsel: Nicholas DeSiato

Opposing Counsel: Unknown (recently filed)

Judge: Judge John DiMotto

Issue(s): Sale and manufacture of K2 at convenience store

Summary of Case: After a nine month investigation with federal, state and local authorities regarding the sale of K2 (i.e. synthetic cannabinoids), DEA and MPD executed a search warrant on the convenience store Food Town Mini Mart on May 23, 2017. The search warrant resulted in the seizure of over 1,800 packets of K2, drug paraphernalia and equipment used to manufacture K2. In addition, the Department of Revenue seized over 4,000 boxes of illegal tobacco. On May 26, 2017, the CAO filed drug house litigation to close and seize the property.

Case Status: Court ordered temporary closure. Evidentiary hearing conducted on August 30, 2017 and briefing ordered.

City of Milwaukee v. Kenneth D. Churchill, III

Court: Milwaukee County Circuit Court

Case No. 17-CV-1135

City Counsel: Heather Hecimovich Hough

Opposing Counsel: Terry Teper, Bryan Ward

Judge: Rebecca Dallet

Issue(s): Since 2011, Churchill's 12 City property holdings have received 11 drug house designations and Churchill has failed to abate the drug, nuisance and prostitution activity at his property holdings. In addition, Churchill has numerous outstanding code violations that have not been corrected and have been open since 2015. The City also alleges that Mr. Churchill has direct involvement with the drug activity occurring at his rental properties.

Summary of Case: The City sued Churchill under Wis. Stat. § 823.02, alleging that Churchill's mismanagement of his properties constitutes a public nuisance; under Wis. Stat. § 823.09 alleging that the properties are Bawdy House nuisance, § 823.113 alleging that the properties are a drug house nuisance, and also that the properties are a nuisance per se due to the number of outstanding code violations and municipal citations attached to the properties.

Case Status: Temporary injunction granted and receivership ordered on March 22, 2017 (order filed April 3, 2017). Scheduling order issued, trial set for January 28, 2018.

In re. Paul M. Bachowski bankruptcy

Court: United States Bankruptcy Court Eastern District of Wisconsin

Case No: 16-30646-beh; Ch. 13

City Counsel: Kevin P. Sullivan

Opposing Counsel: Todd C. Esser

Judge: Beth E. Hanan

Issue(s): The City has sought relief from automatic stay with respect to the 16 parcels Debtor proposes to sell ("Relief Stay") and has objected to confirmation of his plan with respect to Debtor's remaining 17 parcels ("Objection").

Summary of Case: Debtor has been in bankruptcy since October, 2016.

Case Status: The Relief Stay Motion has been denied subject to debtor providing City with additional information relative to debtor's curing code violations on his properties.

City of Milwaukee v. 2904 W Wisconsin LLC

Court: Milwaukee County Circuit Court

Case No: 16-CV-1802

City Counsel: Kail Decker and Joseph Johnson (Kohn)

Opposing Counsel Firm: Heller Law Offices, LLC

Opposing Counsel: Michael G. Heller

Judge: Rebecca F. Dallet

Issue(s): There is a judgment against an LLC that remains unsatisfied.

Summary of Case: The City's collections firm, Kohn Law Firm, obtained a judgment for \$36,465.32 on July 26, 2016, for delinquent taxes against the owner of the property located at 2904 West Wisconsin Avenue. ACA Decker filed a notice of appearance in the matter post-judgment and will be conducting a supplemental examination of the owner's member or agent to inquire about the assets of the LLC owner.

Case Status: Pending execution of motion.

City of Milwaukee v. Mohammad Choudry, et al.

Court: Milwaukee County Circuit Court

Case No: 16-CV-8057

City Counsel: Kail Decker

Opposing Counsel: Frank Gimbel, Russell Karnes

Judge: William Sosnay

Issue(s): Since 2009, Mohammad Choudry has amassed a portfolio of neglected rental properties. He frequently failed to record sheriff's deeds, regularly did not pay real estate

taxes, and hid behind LLCs that incurred significant forfeiture debt. His tenants lived in poor conditions, the city rarely collected debts upon him, and his cash-only business made it difficult to garnish to pay those debts.

Summary of Case: The City sued Mr. Choudry and several related LLCs under causes of action including: debt collection, public nuisance, racketeering, and fraudulent transfers. In addition, the City sought to pierce the corporate veil of the LLCs and hold Choudry personally liable.

Case Status: Temporary injunction granted and receivership ordered on Nov. 3, 2016.

City of Milwaukee Municipal Court v. Will J. Sherard

Court: Milwaukee County Circuit Court

Case No: 16-CV-6628

City Counsel: Patrick Leigl

Opposing Counsel: Robert Meyeroff

Judge: Glenn Yamahiro

Issue(s): Did the municipal court abuse its discretion when it ordered Will Sherard to pay his municipal forfeitures in full?

Summary of Case: Judge Yamahiro denied Sherard's motion to set aside the municipal order and upheld the order to pay the forfeitures within 60 days. He subsequently denied the motion to stay the order pending the appeal.

Case Status: Will Sherard paid \$39,728 to his attorney's trust account on May 23, 2017. The circuit court order has been appealed to the court of appeals; briefing pending.

ORP Real Estate Holdings LLC v. City of Milwaukee

Court: Milwaukee County Circuit Court

Case No. 15-CV-10358

City Counsel: Kail Decker

Opposing Counsel: Mark Peterson and Rock Pledl

Judge: Clare Fiorenza

Issues(s): Temporary and permanent injunction against raze order issued for 2801 W. Wisconsin Avenue for the purposes of providing a residential care center for male juveniles with disabilities. ORP initiated a suit in circuit court contesting the raze; and also in federal court for federal fair housing and disabilities claims.

Summary of Case: Upon stipulation in circuit court, ORP agreed to stipulate to dismissal without prejudice of the federal court case.

Stipulation in circuit court stays the raze until a decision on special use is made at BOZA. Next status conference scheduled for October, 2017.

City of Milwaukee v. M & R Properties Investment, LLC, et al.

Court: Milwaukee County Circuit Court
Case No: 15-CV-7228
City Counsel: Kail Decker
Opposing Counsel: David Halbrooks
Judge: Rebecca Dallet

Issue(s): Property at 2710 W. Juneau Avenue was dilapidated and uninhabitable. The City served a raze order against the property and the owner did not comply.

Summary of Case: City sued the owner of 2710 W. Juneau Avenue to force it to raze the building. The owner stipulated to razing the building by a certain date. It failed to do so by that date. The city sought a finding of contempt and sanctions which was denied. Just prior to another scheduled contempt hearing, the owner conveyed the property to a third party who was not financially capable of completing the project. The city filed a motion under Ch. 242 to declare the conveyance to be a fraudulent transfer and the owner agreed to void the conveyance. The City razed this building in March 2017 at its cost due to the extended period of time it would take to compel the owner.

Case Status: The case is now a collections action by Kohn Law Firm.

City of Milwaukee v. ELRA 2121, LLC, et al.

Court: Milwaukee County Circuit Court
Case No: 15-CV-3720
City Counsel: Kail Decker
Opposing Counsel: David Halbrooks
Judge: William Sosnay

Issue(s): Property at 2405 W. National Avenue was dilapidated and uninhabitable. The City served a raze order against the property and the owner did not comply.

Summary of Case: City sued the owner of 2405 W. National Avenue to force it to raze the building. The owner expressed an interest in fixing the property instead and posted \$20,000 as a bond to assure its completion. Through a stipulation with the City, the owner was provided with an opportunity to repair the building. Although the owner has repaired a portion of the building, it remains unfinished. A third-party project manager was overseeing the project until recently.

Case Status: City filed a motion for a finding of contempt and sanctions against the owner for failing to comply with the court's order. Hearing scheduled for September 11, 2017.

City of Milwaukee: Notice of Intent to File Application for Appointment of a Receiver

Court: None, published only (March 30, 2017)
Case No.: N/A
City Counsel: Heather Hecimovich Hough

Opposing Counsel: Victor M. Arellano
Judge: N/A

Issue(s): Since 2011, DNS has issued at least 138 orders identifying at least 854 code violations at Miguel Saldivar's property holdings. To date, 44 orders to correct 458 code violations remain unabated.

Summary of Case: The City published the Notice of Intent to File Application for Receivership on March 30, 2017, with the intent of filing a nuisance action for receivership in circuit court after the expiration of 60 days (as required by statute).

Case Status: Saldivar through counsel and the City entered into an abatement agreement on May 23, 2017 whereby Saldivar will be provided additional time before the filing of the action if he addresses all code violations in accordance with the entered agreement.

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