

..Number

091517

..Version

PROPOSED SUBSTITUTE A

..Reference

030680

..Sponsor

ALD. BAUMAN

..Title

Substitute resolution related to procedures for initiating in rem proceedings.

..Analysis

This resolution directs that the internal protocol for initiating the use of in rem foreclosure actions be modified to assure that proceedings are initiated at the earliest time for those tax delinquent residential properties that are found to be vacant or to be abandoned by the owner or owners or by persons having control of the property.

..Body

Whereas, The City Treasurer generally refers delinquent-property taxes to the City's outside collection attorney for action using the in personam remedy; and

Whereas, In those situations where the in personam remedy is not effective and/or where the City is willing to own the delinquent parcels, the City Treasurer will bring regular in rem property tax foreclosure actions against those delinquent parcels under s. 75.521 Wis. Stats.; and

Whereas, There are circumstances where - either as a part of the City Treasurer's regular filings or on a separate basis - it is in the City's best interest to bring in rem actions to advance community preservation and improvement objectives; and

Whereas, Examples of such circumstances include, but are not limited to, instances where:

a) the City has approved agreements for conveyances of the delinquent parcels to third-party developers under s. 75.106, Wis. Stats., (a brownfield-redevelopment tool); or

b) the City wishes to acquire the property for blight elimination or other development reasons; or

c) the property is a nuisance or is otherwise a blighting influence, and City ownership and control of the parcel will mitigate or ameliorate the nuisance or blight.

; and

Whereas, An "Internal Protocol For Community-Improvement-In-Rem-Foreclosure" ("Protocol") was developed and implemented following adoption of Resolution File 030680 which provides for in rem foreclosure proceedings involving brownfield redevelopment properties, blighted properties and nuisance properties; and

Whereas, The recent economic downturn and distress in the residential property market have resulted in an increase in the number of vacant properties and properties that, though occupied, have been effectively abandoned by owners; and

Whereas, Vacant and abandoned properties contribute to neighborhood blight, depress neighborhood property values, foster arson, drug, gang and other criminal activity, and are likely to deteriorate if left vacant or abandoned over time; and

Whereas, The Protocol does not expressly provide for in rem or expedited in rem foreclosure procedures for vacant or abandoned residential properties that are tax delinquent; and

Whereas, It is in the interest of the public and the City to redevelop and return vacant and abandoned properties to occupancy and especially occupancy by owners at the earliest possible time; and

Whereas, Acquisition by the City of vacant and abandoned tax delinquent properties in an expedited process will assist in preventing deterioration of the properties and of the neighborhood: and

Whereas, Funds awarded to the City by the federal government for a Neighborhood Stabilization Program (NSP) include amounts that may be available to cover administrative costs associated with an expedited process for in rem foreclosure; and

Whereas, The Common Council wishes to promote efficient interdepartmental coordination and to encourage actions that are in the best interests of the City; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Protocol and procedures adopted as a result of the Resolution in File # 030680, is modified to provide that residential properties determined to be vacant or abandoned be placed in in rem foreclosure filings at the earliest lawful time following tax delinquency; and, be it

Further Resolved, That the City Treasurer, the Department of Neighborhood Services, the Department of City Development, and the City Attorney coordinate efforts to identify tax delinquent properties, to identify vacant residential properties or properties that, though occupied, have been effectively abandoned by the owner or owners, or the agent of the owner or owners, responsible for maintaining the property, and to bring in rem foreclosure actions on tax delinquent and vacant or abandoned residential properties at the earliest possible time; and, be it

Further Resolved, That factors which may be considered as evidence of abandonment include, but are not limited to, inability to locate the owner of record, tax delinquency of more than one year, physical evidence that the property is not occupied, and evidence that the property is subject to mortgage foreclosure proceedings that have not resulted in a sheriff's or other transfer of ownership.

..Drafter

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RLW
4/9/2010