



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,
Staff Assistant, Linda Elmer, (414)-286-2232
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Monday, January 25, 2010

9:00 AM

Room 301-B, City Hall

Meeting convened: 9:13 A.M.

Present 6 - Hines Jr., Prioletta, Davis, Bauman, Chernof and Perez

1. Review and approval of the minutes of the December 17, 2009 meeting.

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

2. Update from the Department of City Development, Community Block Grant Administration and the Dept. of Neighborhood Services related to the city's plan for dispersal of Neighborhood Stabilization Program Funds.

Art Dahlberg, Commissioner of Neighborhood Services, compiled a list of partners for the city to work with related to deconstruction, which is just considered a different form of razing, and all the bonding and insurance requirements are the same. Mr. Dahlberg noted that the code requirements can be amended by the Council, if it so chooses. Steve Mahan, Community Block Grants Administration, noted that prevailing wage requirements can be waived if training requirements are met. A number of the proposed partners for deconstruction projects are already certified by the federal government as trainers. The Dept. of Neighborhood Services has completed 17 demolitions with 13 pending using Neighborhood Stabilization Program money, but no deconstructions as of yet. This money must be contracted by September 17 and Mr. Mahan, Mr. Dahlberg, the Legislative Reference Bureau and the City Attorney's Office will work on an ordinance to be drafted in consultation with a member of this task force. A title-only file will be introduced at the special Council meeting on Wednesday.

Elaine Miller, Dept. of City Development, said that the city has about 10 private properties lined up for rehabilitation among the foreclosed properties using Housing Infrastructure Preservation funds and the enabling legislation to spend these funds will be introduced at the next Council meeting. These properties will be marketed and sold by the city, with the sales funds returning to the pool for use to rehab additional properties.

Ms. Prioletta said that the city acquired two properties for the land bank in December

and now has four with another under contract and four offers pending. There is also one property that is available through Fannie Mae with a first-look option (meaning the city can view the property prior to its being on the public market). The first-look option allows the city to have the option of keeping key properties out of private hands, and, if purchased by the city, the city retains control over who the new owner will be. The city is starting to get some property donations to the land bank which has funds to purchase approximately 28-30 properties. The properties will actively be marketed to homeowners. The Dept. of City Development does not want to own any properties for the long term, so the plan is always to market these properties in a variety of manners. The Dept. is tracking the foreclosures as they come up in an attempt to keep specific properties out of the hands of speculators.

With the Neighborhood Stabilization Program (NSP) 2 dollars, the city was only one of 15 cities that was funded and received \$25 million to be spent over a 36-month term. The funding categories are very similar to NSP 1, except for \$1.5 million being set aside as a leverage loan fund because the lending market is still so tight. It is anticipated that the city will actually begin receiving the funds in September. The Wisconsin Housing and Economic Development Agency's loan program, which was designed to leverage loan funds never got off the ground and those funds were reallocated, so the \$1.5 million will function in that manner for the city. Habitat for Humanity Milwaukee received \$6 million and its targeted area is contained within the NSP 2 area. Part of these funds will be used by the Dept. of City Development to hire temporary staff to administer these funds, either as contractors or limited-term staff.

Ms. Prioletta also provided a list of multi-unit buildings which have already gone through sheriff's sales. Ald. Davis would like to use some of the NSP 2 funds and multi-unit buildings to provide housing for youth who have aged out of foster care. He is aware of social service agencies who are willing and administratively able to provide this service.

There is also more information available to city employees than is available to the general public on the city intranet which allows for searching of foreclosed properties.

3. Set next meeting date and agenda.

March 1 at 9 a.m.

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