



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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Monday, February 16, 2009

10:00 AM

Room 301-G, City Hall

Meeting convened: 10:05 A.M.

Also present:

Alex Runner, present for Ald. Hines

Steve Mahan - Community Block Grant Administration

Tom Mishefske - Dept. of Neighborhood Services

Suzanne Dennik - Dept. of City Development

Richard Withers - Legislative Reference Bureau

Present 5 - Prioletta, Davis, Bauman, Chernof and Perez

Excused 1 - Hines Jr.

1. Review and approval of the minutes of the January 26, 2009 meeting

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

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

Ms. Prioletta answered some specific members' questions from the last meeting and then moved into what the Dept. of City Development is currently doing. The Department is creating a list of individuals who contact them related to various programs. All of the loans are currently reviewed by an internal review committee, which meets on a weekly basis. They also have a second-look committee that reviews all rejected applications. The Department is supporting targeting the dollars, which are currently at \$9.2 million, to leverage other funds and use these dollars to enhance existing neighborhood initiatives.

The Department will issue a request for proposals for targeted neighborhoods and will then choose a developer and project.

Ald. Bauman is concerned about the high quality of structures that are on the demolition list and Ald. Hines is concerned that the greatest number of proposed demolitions are in his district. Ald. Bauman is willing to look at each property proposed for demolition. Ald. Bauman would also like to begin with city-owned properties and make those properties available for home ownership, rather than waiting for developers to choose the projects they wish to develop. Mr. Chernoff suggested looking at the neighborhood groups and then selecting the city-owned properties within their authority for redevelopment by the city using these funds. Ms.

Prioletta noted that most non-profit groups are unable to rehab and sell properties, but they can assist in marketing properties and acting as liaisons with the city. Ms. Prioletta was concerned that the city might redevelop an individual property and then be unable to sell it. She feels that other programs exist that already have buyers lined up, such as Habitat for Humanity, and then the redevelopment occurs.

The Dept. of City Development is willing to come to neighborhood meetings and speak on available foreclosed properties. The Dept. will also have MLS listings on its site in a few weeks; approximately 60% of foreclosed properties are on the MLS listings. The Dept. will be meeting on Friday with the National Community Stabilization Trust, which has contacts with national and international banks. Ald. Davis supported having a \$25 fee added each month to the mortgages to create a stabilization fund to be used for repairs on members' properties. Ald. Davis wants to ensure that individuals who purchase these homes have money for repairs 3-4 years down the road for which code violations are written by the city. Mr. Mahan thought that might be a project for another source of funds, due to the fact that these funds must be spent by a time-specific deadline.

Ald. Bauman would like to have Council members made aware of what applications are coming in to the Department. The date to start accepting proposals by the city is March 16th. Proposals will be reviewed on a first-come, first-serve basis rather than reviewing projects in groups. Mr. Mahan noted that they've had a number of phone calls from people who are willing to move on projects, particularly for the Buy In Your Neighborhood project. He also noted, however, that there are a number of neighborhoods that have a number of foreclosures in them. Ms. Prioletta is also concerned if projects are not approved quickly, that the property will rapidly deteriorate physically.

Ald. Davis supports having these funds used to support City residents, rather than suburban developers. The Dept. is committed to supporting those individuals who have worked in Milwaukee. Mr. Chernoff cautioned having non-profits and other individuals who don't really know what they're doing getting involved as those situations often go awry. Ald. Davis would like the city to be in a position of handing this money in an efficient and expedient manner, so that it would be a good candidate for any additional funds that might become available. Mr. Mishefske noted that opening the field to the public you're exponentially opening the field of available money, but if the projects are kept to city-owned properties, there is no opportunity to access private funds.

Ald. Davis and Ald. Bauman both supported boarding up properties using Lexan, which is a hard, clear, plastic, rather than green-board board-ups, which detract from the value of the property and the surrounding neighborhood. Mr. Mahan supported looking at using Lexan on any properties that the city rehabs and is holding awaiting a sale.

The suggestions of the Committee were:

- 1. The Dept. will notify the local council members of applications received for their districts so concerns can be expressed by council members related to the individuals and the projects.*
- 2. The Dept. will support local developers and possibly prioritize city-owned properties.*

Ald. Bauman encouraged the Dept. to go over the in-rem list to see if these properties can be developed and sold.

3. Set next meeting date and agenda

Feb. 23rd at 11:00 A.M.

Meeting adjourned: 11:31 A.M.

Linda M. Elmer, Staff Assistant