



# 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, June 22, 2009

10:00 AM

Room 301-A, City Hall

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*Meeting convened: 10:10 A.M.*

*Also present: Art Dahlberg and Tom Mishefske - Dept. of Neighborhood Services*  
*Alex Runner - aide to Ald. Hines*  
*Steve Mahan - Community Block Grant Association*

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

### 1. Review and approval of the minutes of the June 1, 2009 meeting

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

*Roll call taken at 11:08 A.M.*

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

**Excused** 1 - Hines Jr.

### 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 provided members with information on house sales since the last meeting. The Dept. of City Development has been doing a lot of marketing with private groups related to foreclosed city properties. There are 28 active applications - one has closed and several others are anticipated to be closed within the next few weeks. City staff does the estimated scope of work that's needed and also includes exterior improvements so the building becomes an asset to the neighborhood. An energy inspector also goes along in case the potential owner is eligible for any energy funds. The Dept. of City Development also requires that individuals complete one project before being funded for a second project (although they can apply for the loans; they just will not be granted). There are upcoming homeownership fairs, so more applications should be coming in and marketing will continue. There are still no*

*applicants for the buy-in-your-neighborhood program, so the guidelines may be reconfigured. The Dept. of City Development is working with neighborhood groups to try to get applicants for the buy-in-your-neighborhood program.*

*Ald. Hines hasn't gotten much feedback on these programs from his constituents; Ald. Davis's constituents are concerned about investors buying these properties, as well as these properties being used for community based residential facilities. Ald. Bauman's constituents are concerned that individuals will come with cash and not maintain the properties or turn them into rooming houses, group homes, or community based residential facilities. Ald. Bauman has a number of larger properties that are beyond the financial reach of most individual homeowners.*

*Ms. Prioletta noted that the city is creating its NSP2 application, with a July 17th deadline for submission to the U.S. Dept. of Housing and Urban Development (HUD). This process is a competitive one and HUD is requiring that measurable impacts be included. They also want the most at-risk census tracts (as defined by HUD) targeted and to provide proof that the money used made a substantial improvement in that area. The Housing Authority has made a significant investment in Westlawn and the Dept. will mention that investment as part of its application for improvement in the area around Westlawn. On the north side, the Dept. is focusing on census tracts that, on a scale of 1-20 (as defined by HUD), are "20s", while on the South Side, census tracts that are slightly better, at "18" and "19" are also included or there would have been no developments on the south side. If the city concentrates on a smaller area, it could make a bigger difference, but that results in a smaller area of improvement. HUD does not want applications amended once they are submitted, as this is a competitive, national round. Non-profits can apply for these funds, as well as government agencies. The City of Chicago received more funds than the City of Milwaukee, so they are able to target 6 specific neighborhoods rather than going for a greater area as they can use the funds they've already seen for the greater area. Mr. Mahan supported applying for a smaller, needier area so that the city can be in a better position to compete with non-profit groups that have smaller areas that they serve. The City is applying for approximately \$20 to \$25 million. This amount is about 2.5 times of the NSP 1 allocation that the city received. HUD is encouraging agencies to ask for what they need, but to have the capacity to administer it. Some larger non-profits, such as Habitat for Humanity, are applying for funds.*

*President Hines encouraged the Dept. to focus solely on the worst areas, even if the south side is not included, to give the city the greatest chance to receive these funds, rather than diluting the application to include the south side and reduce the city's chance of receiving any funds. Ald. Davis is concerned more with the outcome, but he's also concerned that if the south side is eliminated, it will divide the Council. He trusts the dept. to target the areas with greatest needs. Mr. Perez is also concerned that the city may not get these funds if solely the worst areas aren't targeted. Ms. Prioletta is concerned that HUD is interested in protecting its investment and that funds are going into areas where other financial developments are occurring. She also noted that this is also the first time where the city has funds for multiple programs simultaneously, such as for rental rehabilitation, home ownership and demolition, so that provides a unique opportunity. Ald. Bauman noted that it might be better to put money into neighborhoods that are shaky, but that can be stabilized, rather than neighborhoods which only have 2-3 houses still standing on one block. The Dept. is also concerned that prevailing wage requirements might apply to these NSP2 funds.*

*The Committee supported Alternative B, which includes areas on the south side for*

*funds.*

*Ms. Prioletta and Mr. Dahlberg also updated members on the rent rehabilitation program; the demolition program, which currently has 17 properties slated for demolition; the land bank program, which now has limited liability corporation status; and one approved grant for the homebuyer assistance program.*

**3. Set next meeting date and agenda**

*July 13th at 10 A.M.*

*Meeting adjourned: 11:13 A.M.  
Linda M. Elmer  
Staff Assistant*