

City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes

JOINT COMMITTEE ON REDEVELOPMENT OF ABANDONED AND FORECLOSED HOMES

ALD. ROBERT BAUMAN, CHAIR Spencer Coggs, Preston Cole, Mario Higgins, Ald. Khalif Rainey, Antonio Perez, Maria Prioletta, and Ald. Russell Stamper, II.

Staff Assistant: Linda Elmer, 286-2231 Fax: 286-3456, lelmer@milwaukee.gov Legislative Liaison: Aaron Cadle, 286-8666, acadle@milwaukee.gov

Monday, May 6, 2019 10:00 AM City Hall, Room 301-B

Amended 5/3/19 -- The Title of Item #9 was changed.

1. Review and approval of the April 8th minutes.

Meeting convened unofficially at 10:02 A.M. Officially convened at 10:05 A.M. with the arrival of Tony Perez.

Individuals present: Ald. Robert Bauman, Maria Prioletta, Mario Higgins, Jim Klajbor for Spencer Coggs and Tony Perez, Ald. Russell Stamper (10:21 A.M.). Mr. Perez moved, seconded by Mr. Klajbor, for approval of the minutes. There were no objections.

2. Communication from the Department of City Development on Housing Infrastructure Preservation Fund Activities.

Mr. Yves LaPierre said that there are 3 projects in process - one on W. North Ave. and two on Sherman Blvd., which would leave \$250,000 in the fund. A citizen recommended creating a community garden on a city parking structure and Mr. LaPierre will shepherd that project through if it can be done.

3. Communication from the Department of City Development on the Lease-to-Own Program.

Ms. Rhonda Szalli said there are 2 properties in active rehab, one in contract bidding and four in the coaching stage. ACTS Housing just closed with one of their clients and has 8 active clients.

4. Communication from the Department of City Development relating to the Rehabilitation to Rent Program.

Ms. Amy Turim said that the 5 homes are in the program, are occupied and are paying rent.

5. Communication from the Department of City Development on the Strong Home Loan Program.

Mr. Nick Sinram, Budget Office, said about 40% of the funds are expended and all is going well; their office has no concerns.

- 6. Communication from the Mayor's Office, Department of City Development, and the City Attorney's Office relating to activities, revenue and expenditures of the Strong Neighborhoods Plan.
- 7. Communication from the Department of Neighborhood Services relating to the Compliance Loan Program.

Steph O'Connell said two additional loans have been completed.

8. Communication from the Department of Neighborhood Services relating to demolition and deconstruction.

Nothing new to report.

9. Communication from the City Attorney's Office regarding updates on neighborhood revitalization litigation.

Assistant City Attorney Heather Hough said that a report is in the file and there is nothing new to add to that report, except they entered into a stipulation for the Crosby case, which the judge is reviewing. The city did receive \$190,000 in payments. The stipulation requires monthly payment of \$33,000 until May 2020 when all delinquent taxes will be paid in full, and all DNS violations must be fixed by a specific date as well. Ald. Bauman is still concerned about the nuisance and quality of life issues and the properties have over 600 DNS orders. There are now about 10 orders on 3 buildings, so they are expediting work on these properties. The agreement also says that the 2019 taxes will not become delinquent.

10. Communication relating to city referalls, vetting and oversight of financial counseling services to which the city refers citizens.

Ald. Bauman said this came up as a result of a foreclosed property in which a citizen was referred to a nonprofit that was listed on the city's web site and this matter was discussed at the Judiciary and Legislation Committee (JL) when she appeared before them to get her property back. Ms. Amy Turim said the organization was Greenpath, which is a debt counseling agency that is generally the only agency currently addressing tax foreclosures, as most agencies work with homebuying initiatives. Greenpath served 1,300 individuals in 2018 and 75% of their clients were low-income. DCD has spoken with the individual from JL and Ms. Turim provided a summary of what happened. The individual was set up on a payment program, but she was too late for a payment plan. She got 2 voluntary wage deductions for payment, but the treasurer could only accept full payment. Ultimately Greenpath was unable to help her, but should have known they couldn't help her from the beginning. DCD has spoken with both Greenpath (which is a member organization of Take Root, Milwaukee) and the Treasurer's Office to prevent this in the future. Greenpath does have people in Milwaukee and the counseling is free.

Kristi Luzar, from Take Root Milwaukee, said that they have been partnering with the

city for nine years now. Take Root Milwaukee is a consortium of local lenders, community organizations, neighborhoods organizations, homebuying counseling agencies and realtors who work together to pomrote sustainable homeownership in Milwaukee. These partnerships were set up with the city to refer individuals to reputable firms as a result of numerous agencies being set up to scam individuals. All these agencies are HUD-certified, which means they do meet specific qualifications. Mr. Klajbor noted that one of the issues is that folks wait until the last minute to seek help; they should seek help when they get the first foreclosure notice. Nothing would have changed for this specific individual if she hadn't gone to Greenpath. The city is a member of Take Root and does provide literature on its services. The grant funding through HUD ended last year, so the scope of services has now changed for many of its members - Take Root is the fiscal agent for the consortium of agencies. Greenpath is based in Michigan and operates in many states and apparently has a database specific to each state. The Take Root workgroup meets quarterly and has city representatives. Greenpath's main focus is on credit and debt counseling, but also offers foreclosure prevention services. The City Attorney's Office and the Treasurer's Office will be invited to the Take Root quarterly meetings. The City of Milwaukee is the only city in the nation that offers a 10-month, interest-free payment plan for taxes. Ms. Luzar said they are also talking about how to get the word out about their services at the time tax bills go out. The Treasurer's Office does post mid-month every property that is permanently delinquent, so Ald. Bauman asked if it would be fruitful to directly contact these individuals. Ms. Prioletta suggested sending the mailing from the alderman's office or personalizing the envelopes for owner occupants who are delinquent. Ms. Prioletta suggested maybe sending it in the fall prior to the arrival of tax bills.

11. Public Comment

Mr. Paul Mozina would like the state laws changed to divert TIF dollars to rehabilitate residential homes. The city does extend its TIF for one year and use that money city-wide.

12. Set next meeting date.

Monday, June 17th at 10 a.m.

13. <u>181452</u>

Communication relating to the 2019 activities of the Joint Committee on the Redevelopment of Abandoned and Foreclosed Homes.

Sponsors: THE CHAIR

Meeting adjourned: 10:54 A.M.

Linda M. Elmer Staff Assistant

This meeting can be viewed in its entirety through the City's Legislative Research Center at http://milwaukee.legistar.com/calendar.