



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, Mario Higgins, Ald. Khalif Rainey, Antonio
Perez, Maria Prioletta, Ald. Russell Stamper, II, and Erica
Roberts**

Staff Assistant: Linda Elmer, 286-2231

Fax: 286-3456, lelmer@milwaukee.gov

**Legislative Liaison: Aaron Cadle, 286-8666,
acadle@milwaukee.gov**

Monday, October 12, 2020

10:00 AM

City Hall, Room 303

To participate or view virtually: <https://global.gotomeeting.com/join/512596493>

To dial in using your phone: (571) 317-3122

Access Code: 512-596-493

1. Review and approval of the July 13th meeting minutes.

Meeting convened: 10:06 A.M.

*Members present: Tom Mishefske for Erica Roberts, Maria Prioletta, Mario Higgins,
Antony Perez, Robert Bauman and Jim Klabor.*

Members excused: Ald. Stamper and Ald. Rainey

*Jim Klabor moved, seconded by Antonio Perez, for approval of the minutes. There
were no objections.*

**2. Discussion relating to the mayor's proposed 2021 budget relating to housing and housing
initiatives.**

*Mr. Dennis Yaccarino, Budget and Management Division, said the major part of the
program is the \$6.4 million provided in the DCD capital funding and the remaining
funding is typical of previous years. The \$2.9 million is to fund the down payment
program and the land trust program. The other million dollars is the Housing Trust
Fund program. Ald. Bauman had some questions about the 2 new programs: the down
payment assistance program and the co op housing program in terms of when they
would be implemented. The Dept. of City Development believes the down payment
program will be ready around the first of the year; the land co op program will probably
be operating more mid-year. In the future, the budget office will include carryover in
the spreadsheet in its reports to this body.*

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

*Mr. Yves LaPierre said no appropriation is recommended for the 2021 budget. The
department worked on 59 properties with 46 of them sold and 10 are currently for sale.
2922 N. Hubbard St. will be marketed with a \$25,000 forgivable loan and the loan will
be tied to repairs of the front cottage and owner occupancy of that cottage. The rear
cottage can be used for rental income. There is \$190,000 in carry over so that should*

be adequate, per Mr. LaPierre and there are no properties in the foreclosure list that would need this money. Ald. Bauman commended Sherry Tussler for rehabbing a property across the street from her home with a \$25,000 loan after the city took no action for a number of years. This amount is more than the cost of demolition - she spent \$115,000 to renovate the house and sold for \$130,000 to a owner occupant.

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

Ms. Rhonda Szalli said the program closed on 72 properties since 2014 and there are 2 properties in the rehab process. One tenant is going through financial counseling and 2 are interested in purchasing. For 2021, Ald. Bauman asked how much money specifically is set aside for Lease to Own. There is a single bucket of money with the in rem property and funds will be used as needed.

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

Mr. Larry Kilmer, Dept. of City Development, went through the report in the file. Since March, some of the training programs have been moved online and they have resumed inspections by the rehab specialists at the front end and also during construction.

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.

Ald. Bauman noted that in September \$635,000 worth of property was sold and he asked where those proceeds go. Ald. Bauman wanted to know who would have the breakdown of how much money the city gets (which goes to the delinquent tax fund), the Redevelopment Authority and the property owner. Ms. Turim said the average sale price is \$11,000 over the past 5 years and if you take out the \$1 sales, the average sale price is \$13,000. Per Ms. Turim, there typically aren't large amounts of money left over from the sale and a number of properties are sold for the minimum amount of \$2,500.

7. Communication from the Department of Neighborhood Services relating to the Compliance Loan Program.

The department went through the numbers contained in the report in the file. \$800,000 was requested for 2021. Mr. Mishefske said that there typically is no carryover in the compliance loan program, but one inspector salary does get paid out of those funds

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

Mr. Mishefske said the contractor, White Glove, has provided insurance documentation and signed the contract, so, last week, he was approved to proceed and he has 3 applications pending. Ald. Bauman has a memo that was sent to the Finance and Personnel Committee that provides only reasons NOT to do deconstruction rather than any reasons to do it. The department, per Ald. Bauman, has been fighting this program for 10 years despite the policy statement created by the Council when the ordinance was originally created. There is \$981,000 remaining of the

\$1.2 million originally funded and the department hopes to see the benefits once White Glove begins operation. Ald. Bauman thinks the memo isn't factual in stating that it will add a cost to the taxpayers - the materials will be donated to a nonprofit and can be a savings to the private property owner, although it may be a cost to taxpayers. \$2.2 million was requested in the 2021 budget and the project is general carry over of \$300,000 for a total of \$3.4 million. Ald. Bauman would like the addresses of the 3 proposed deconstructions.

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

City Attorney Heather Hough said the last formal report was in May and COVID has prevented this office from being a community presence to learn of nuisances. The Northridge raze order has been appealed. There is an attorney assigned to opioid matters and federal legislation and the city will also be defending four officers who seized a reptile portfolio in 2010.

10. Public Comment

No public comment.

11. Set next meeting date.

*The next meeting date will be set by the Chair.
Meeting adjourned; 10:49 A.M.
Linda M. Elmer
Staff Assistant*

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Communication relating to the 2020 activities of the Joint Committee on the Redevelopment of Abandoned and Foreclosed Homes.

Sponsors: THE CHAIR