



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, April 12, 2021

10:00 AM

City Hall, Room 301-B

Please join the meeting from your computer, tablet or smartphone. https://global.gotomeeting.com/join/246661861 You can also dial in using your phone. United States: +1 (872) 240-3212 Access Code: 246-661-861

> Meeting convened: 10:02 A.M. Members present: Ald. Robert Bauman, Jim Klajbor, Erica Roberts, Mario Higgins, Maria Prioletta, Ald. Russell Stamper, Tony Perez Member excused: Ald. Rainey

1. Review and approval of the October 12th meeting minutes.

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

2. Communication regarding the expenditures, outcomes and results of the Neighborhood Stabilization Program, Strong Neighborhoods Plan and miscellaneous housing programs with a view to developing city priorities to be funded under the American Rescue Plan Act of 2021.

> Ald. Bauman asked if the departments' expectations were to infuse more money into existing programs (and, if so, do we have contractors and staff to do so) or go in a substantially different direction. Ms. Prioletta said there might be an opportunity to use those funds for housing; the city is still waiting for federal guidance on the use of those funds. She noted that capacity on both the contracting and development side will need to be reviewed, as well as other housing models. Mr. Nick Sinram, Budget Office, said housing continues to be a priority for the mayor's office. Mr. Perez said the Housing Authority will be focusing on vouchers as part of its programs and it's also waiting to hear from the federal government. One idea that was discussed was to turn around public housing units faster in terms of rehabbing them, which would also create more jobs. The city was unsuccessful in its application as a Choice Neighborhood. At this time, the Housing Authority plans to expand its current programs.

Mr. Klajbor suggested a raze and replace program while Ald. Bauman supports stopping demolition totally and going solely to rehab of these properties. He noted a private citizen, Sherrie Tussler, renovated two houses that were slated for demolition for years. He would like the city to rehab these houses, rather than raze. Ms. Prioletta said DCD is looking at rehabbing the in-rem properties and getting them onto the market. *Mr.* Tom Mishefske, DNS, said there are more city-owned properties on the raze list than privately owned properties out of the total 372 properties. His concern is contractor capacity. Ald. Bauman sees this as an opportunity to stop demolitions, particularly in the light of the high demand for housing right now. Ald. Perez said that he is surprised how much houses are selling for in his district and he sees a lack of coordination among city departments and programs. The Dept. of City Development does have a program that will sell buildings on the demo list for \$500 each. Ald. Bauman noted that for any buildings on the raze list, it should be deconstructed rather than demolished.

3. Discussion regarding the development of the plan and budget for housing initiatives to be funded by the American Rescue Plan Act of 2021.

Mr. LaPierre noted that contractors for the program are not responding to bids and prices have really increased. His program really couldn't use increased funds for that reason.

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

Ms. Rhonda Szallai said they are currently working with 8 individuals and are closing on one this week. She noted that the cost of renovations has really increased and it's hard to do needed renovations for \$20,000. Rehab to Loan or Rent to Own programs could either be increased or revived.

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

Mr. Larry Kilmer said there are 80 applications in process for the Strong Neighborhoods program. They have seen higher numbers in past year, but see the program in high demand despite COVID. The city only took properties once last year, so fewer properties and have been in the program longer. The city is planning on more takings this year so those numbers will be going up. Mr. Kilmer said those individuals in this program don't have a lot of other options so he doesn't see increasing the loan forgiveness amount would make a difference nor increasing the income limits of individuals who can apply. Mr. Kilmer doesn't want the city to be the primary lender, but could support the private lending market in some manner. The city wouldn't want to supplant MGIC or WHEDA, but maybe there is a way to go further. One issue is contractor capacity and it's hard to get contractors to bid on the work.

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

7. 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.

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

Mr. Tom Mishefske said there is a need for this program but also faces a contractor and staff capacity issues if funds are increased.

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

Mr. Chris Kraco said the current deconstruction contractor finished project 6 of 10 projects. The dept. received 4 RPPs for its most recent proposal. Ald. Bauman would like the apartment building at 26th and Highland demolished.

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

Atty. Gregg Hagopian has no information. This will be on the next agenda.

11 Public Comment

There was none.

12. Set next meeting date.

10 a.m. May 10th 11:13 A.m.

201626 Communication relating to the 2021 activities of the Joint Committee on the Redevelopment of Abandoned and Foreclosed Homes.

<u>Sponsors:</u> THE CHAIR