



Legislation Details (With Text)

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Title: Substitute resolution accepting a contribution to the City of Milwaukee from Ocwen Financial Corporation.

Sponsors: ALD. MURPHY, ALD. BAUMAN

Indexes: GIFTS

Attachments: 1. Ocwen Letter Agreement Final, 2. Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/29/2016	0	COMMON COUNCIL	ASSIGNED TO		
3/30/2016	1	CITY CLERK	DRAFT SUBMITTED		
4/4/2016	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/4/2016	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/7/2016	1	FINANCE & PERSONNEL COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	4:0
4/15/2016	1	COMMON COUNCIL	ADOPTED	Pass	14:0
4/26/2016	1	MAYOR	SIGNED		

151762
SUBSTITUTE 1

ALD. MURPHY AND BAUMAN

Substitute resolution accepting a contribution to the City of Milwaukee from Ocwen Financial Corporation. This resolution authorizes acceptance of a \$225,000 contribution to the City of Milwaukee from Ocwen Financial Corporation to provide support to the City’s STRONG Homes Loan Program.

Whereas, The City of Milwaukee, along with other cities in the United States, is still experiencing impacts of the nation’s mortgage foreclosure crisis, including considerable public expense and negative effects on the City’s tax base; and

Whereas, The City of Milwaukee has been engaged in collaborative, effective, and innovative outcome-oriented solutions to problems generated by mortgage foreclosure, which include vacancy, blight, tax delinquency and foreclosure; and

Whereas, The City of Milwaukee continues to see a demand for home repair and stabilization resources from owners who owe more in mortgaged debt than the market values of their properties; and

Whereas, The Mayor and the Common Council have enacted programs, such as Milwaukee’s STRONG Homes Loan Program, to prevent blight and tax delinquency and to assist homeowners who are current on their mortgages, but unable to access equity or unsecured credit to repair and maintain major components of

their homes; and

Whereas, Ocwen Financial Corporation is a mortgage loan servicing company, based in West Palm Beach, Florida, which sends monthly billing statements, receives payments, and handles other administrative work for institutions that own mortgage loans primarily secured by mortgages on single-family residences; and

Whereas, Ocwen Financial Corporation has 1.6 million customers nationwide, with approximately 4,100 customers located in the City of Milwaukee (80% of whom are current on their mortgages, and approximately 150 of whom are in or eligible for foreclosure); and

Whereas, Ocwen Financial Corporation, Mayor Barrett, and Common Council President Michael Murphy have collaborated to develop new ways to minimize harmful effects that foreclosures can have on residents and neighborhoods, and

Whereas, The collaboration has resulted in a partnership between Ocwen Financial Corporation and the City of Milwaukee, which includes a proposal for Ocwen Financial Corporation to:

1. Provide financial assistance through mortgage modifications to Ocwen Financial Corporation's Milwaukee customers over the next 3 years (2016, 2017 and 2018), involving principal and payment reduction.
2. Contribute \$225,000 (\$75,000 per year) to Ocwen Financial Corporation's Milwaukee customers over the next 3 years (2016, 2017 and 2018) to support the City's STRONG Homes Loan Program.
3. Provide 3 face-to-face customer outreach events in Milwaukee per year for the next 3 years (2016, 2017 and 2018) to help Ocwen customers struggling with mortgage payments.
4. Contribute to qualified non-profits, during 2016, 2017 and 2018, as many Ocwen-managed "Real-Estate Owned" (REO) properties in the city as feasible, along with cash donations of up to \$10,000 per parcel with a limit of \$75,000 for the next 3 years, to support renovation costs.
5. Contribute \$200,000 over the next 3 years (2016, 2017 and 2018) to support other local foreclosure mitigation efforts for various Milwaukee-based non-profit community groups, to work with eligible participants and to reduce city blight.

; and

Whereas, The partnership is reflected in the proposed letter agreement that is part of this file, which constitutes the documentation of Ocwen Financial Corporation's contribution under s. 304-24-7-b of the Code of Ordinances; and

Whereas, The Common Council is appreciative of Ocwen Financial Corporation's efforts to assist the City and its homeowners in continued work on foreclosure mitigation, and wishes to accept Ocwen's contribution and proposal; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that Ocwen Financial Corporation's \$225,000 contribution is accepted pursuant to s. 304-24 of the Code of Ordinances, with the annual amount of \$75,000 per year to be deposited into a revenue account to be established by the Comptroller and used by the Department of City Development for the STRONG Homes Loan Program, with the intent that all amounts deposited be used for that Program and carried over as need be; and, be it

Further Resolved, That the proper City officials are directed to enter into the letter agreement with Ocwen in the form and substance that is part of this file, or in form and substance materially similar thereto, and also authorized to take such further actions as may be necessary or required to effectuate the letter agreement and

intent of this resolution.

Mario Higgins: La-Wanda G. Fletcher
LRB163376-2
March 30, 2016