



## Legislation Text

---

**File #: 971457, Version: 2**

---

971457  
SUBSTITUTE 2  
960824  
ALD. PRATT

Substitute resolution approving the administrative and program budgets for the 1998 Greenline Program and modifying the contract for the administration of the American Family Settlement funds to permit the disbursement of loan repayments and interest earnings to the Class Committee.

- Analysis -

This substitute resolution authorizes the Department of City Development to continue operating the Greenline Program using proceeds from the settlement of the lawsuit brought by the NAACP against the American Family Mutual Insurance Company. The purpose of this Program is to provide financial assistance to existing and prospective homeowners in the affected target area prescribed in the American Family litigation. This resolution also amends the original agreement to permit the disbursement of loan repayments and interest earnings to the Class Committee.

Whereas, Common Council File No. 950697, adopted November 28, 1995, authorized the Department of City Development ("DCD") to enter into a contract with the Class Committee from the American Family litigation concerning the City of Milwaukee's administration and management of various community-based relief programs (a.k.a. the Greenline Program) that involve making loans and grants using American Family Settlement funds to promote homeownership, maintenance and improvement in a specific area of the City of Milwaukee which was the subject of the American Family litigation alleging discriminatory redlining practices with respect to the offering of insurance services; and

Whereas, Common Council File No. 960824, adopted September 24, 1996, authorized the Commissioner of DCD to agree to certain changes, including future changes, in the Greenline Program if the changes are also agreed to by the Class Committee and the U.S. Department of Justice and left all other provisions and directives of Common Council File No. 950697 in full force and effect; and

Whereas, Common Council File No. 950697 requires that the administrative and program budgets for the Greenline Program be subject to annual review and approval of the Common Council and that requirement remains in full force and effect; and

Whereas, DCD has prepared the administrative and program budgets for the 1998 Greenline Program and hereby submits the budgets to the Common Council for approval; and

Whereas, The Class Committee has indicated a desire to modify the original agreement which was adopted by Common Council File No. 950697 as it pertains to "revolving funds" or revenue which is generated as a result of the Program; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee that the administrative and program budgets for the 1998 Greenline Program are approved; and, be it

Further Resolved, That the City Comptroller is authorized to:

1. Encumber in the parent accounts of the 1998 Capital - Grant and Aid Projects, the following amounts for the program titled Greenline Program:

Account No. 15-010-0100 Account - Grantor Share Amount - \$753,152

Account No. 15-010-0101 Account - In-Kind City Share Amount - \$28,173

Account No. 15-010-0102 Account - Out-of-Pocket City Share Amount - \$-0-

2. Create a Special Revenue Fund - Grant and Aid Projects and the necessary expenditures and revenue accounts; appropriate to these accounts the amount required under the grant agreement and transfer the corresponding offsetting estimated revenue.

3. Establish the necessary grant performance submeasures; and, be it

Further Resolved, That these funds are appropriated to the Department of City Development which is authorized to:

1. Expend from the amount appropriated, sums for specified purposes as indicated in the grant budget and incur costs consistent with the award date.

2. Enter into subcontracts and leases as detailed in the grant budget; and, be it

Further Resolved, That DCD is authorized to modify budgets during the program year without Common Council approval as prescribed in Common Council File No. 960824; and, be it

Further Resolved, That the original agreement approved by Common Council File No. 950697 and as amended by the letter agreement dated August 21, 1996 may be further amended in the manner outlined in the attached letter from William Lynch to Leo Ries dated February 24, 1998 (the "Lynch letter"); and, be it

Further Resolved, That the Commissioner of DCD is authorized to execute the Lynch letter on behalf of the City of Milwaukee in order to effectuate the amendment of the contract contemplated thereby providing, however, that the Class Committee's legal counsel and the Department of Justice execute the Lynch letter as well so that it is agreed to by the Class Committee, the Department of Justice, and the City of Milwaukee.

DCD:LJR:amb  
03/3/98