City of Milwaukee

Department of City Development

Housing Authority
Redevelopment Authority
City Plan Commission
Historic Preservation Commission

Julie A. Penman
Commissioner

Michal A. Dawson
Deputy Commissioner

November 5, 2003

Mr. Grant Langley
City Attorney
City of Milwaukee
200 E. Wells, Room 800
Milwaukee, WI 53202

Dear Mr. Langley:

The Department of City Development is recommending the following ten tax delinquent brownfields for foreclosure:

1. 5725 W. Burleigh St.
2. 4522 W. Lisbon Ave.
3. 4530 W. Lisbon Ave.
4. 4227 N. Teutonia Ave.- in bankruptcy
5. 3326 W. Capitol Dr.
6. 946-952 N. 27th St.
7. 1010 E. Layton Blvd.
8. 7132 W. Bradley Rd.
9. 3009 N. Humboldt Blvd.
10. 102 N. Water St.

We have chosen these sites because of good location, development interest, and/or excellent prospects for grant reimbursement. For each property we have attempted to follow the "Internal Protocol/Questionnaire for Community Improvement In Rem Actions" that was developed by the City Attorney's Office so that tax delinquent properties can be considered for foreclosure. Because the City Attorney's Office believes each tax delinquent brownfield property must be taken to the Council for a 3/4s vote before initiating foreclosure, we'd like to ask for your prompt assistance in taking these properties to the Council due to time sensitivity of potential development deals and associated grant applications.

In 2000, a City interdepartmental group developed a 7-point Action Plan for Redeveloping Tax Delinquent Brownfields. One of the recommendations in the Action Plan called for the City to "Test and Foreclose on Selected Tax Delinquent Brownfields." It specifically called for DCD to identify the 20-30 tax delinquent properties with the highest development potential and lowest environmental risk and pursue foreclosure actions on them. The above list is DCD's effort to follow that recommendation.

There are currently 268 tax delinquent brownfield properties with over $12 million in back taxes. It is unlikely that many of these properties will be cleaned-up and redeveloped without City intervention. Each faces mounting back taxes, uncertain environmental conditions, and other public safety issues. Many have dilapidated structures and liens against them. Gaining ownership of this select group of sites will allow the City to qualify for a number of brownfield grant opportunities. It will also give us the ability to seek developers for these sites.

809 North Broadway, Milwaukee, Wisconsin, Phone (414) 286-5900
Mailing Address: P.O. Box 324, Milwaukee, WI, 53201-0324
Internet Address: www.mkedcd.org Business Information: www.milwaukeebiz.com
T.D.D. Numbers: Rent Assistance 286-2921 and Community Services 286-3504

As you are aware, the Land Recycling Law (1994) and the 1997-1999 State budget created incentives for municipalities to foreclose on tax delinquent brownfields by allowing for a "municipal liability exemption" as further described in the WI DNR attachment entitled "Liability Protection for Local Governmental Units and Economic Development Corporations." In most cases, we believe that the City will be able to immediately clean up the tax delinquent brownfields we've recommended. If, however, we find environmental conditions are worse than we can immediately address, this "municipal liability exemption" allows us to secure the site (by fencing it) and wait until we are able to attract grant funding or a development deal to the property.

WI DNR and US EPA fully support the City's effort to consider these properties for foreclosure and would be pleased to discuss any concerns that the City Attorney's Office or any Alderpersons have about how "municipal liability exemption" would protect the City.

Thank you for your assistance in this important effort. If you have any questions about these properties please contact Benjamin Timm (x5756) or Beverly Craig (x5642).

Sincerely,

Julie A. Penman

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Commissioner

Attachment

Cc: Gregg Hagopian
Ald. Michael Murphy
Ald. Michael D'Amato
Ald. Fredrick Gordon
Ald. Willie Hines
Ald. Marvin Pratt
Lucy Krajna
Ald. Donald Richards
Ald. Terry Witkowski
Greg Shelko
Dave Misky
Mike Wisniewski
Benjamin Timm
Matt Haessly