



MAYOR'S OFFICE

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Mayor

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July 2, 2015

RE: "Fifteen in '15" Blight Buster Initiative

Dear Members of the Common Council,

As you are well aware, West Allis, along with hundreds of other communities across the country, has fallen "victim" to an influx of nuisance and abandoned properties, leaving blighting and unsafe environments within our neighborhoods. In the past, the City addressed these severely blighted properties by requiring the property owner to repair or raze the building. If volunteer compliance does not succeed, the City would obtain a court-ordered raze/repair order and then contract with a demolition contractor to tear down the property. The City of West Allis would then place the demolition cost on to the property's tax bill as a special charge and Milwaukee County would reimburse the City for the demolition expense.

A recent state law change no longer requires counties to make municipalities "whole" at the end of the year for demolition expenses. Municipalities are now left finding other funding sources to pay for the demolition of blighted properties. This, coupled with the increase of blighted properties in the City, are the basis for the proposed "Fifteen in '15" Blight Buster Initiative.

I am proposing a "Fifteen in '15" Blight Buster Initiative and asking the Common Council to create a dedicated funding pool from various sources to address the demolition of dilapidated/abandoned/vacant "Zombie Properties" throughout the City. The Initiative will identify at least 15 properties that will be demolished or have concrete plans to be demolished by the end 2015. The funding source utilized on each specific property will be predicated upon the type of property and where it is located (i.e. eligible areas, any particular rules/requirements governing the funding source, etc.). The Common Council has already authorized the Community Development Authority (CDA) to spend some of these funds to support Zombie Property-related activities. The CDA also will consider utilizing \$100,000 of Beloit Road Senior Apts. Developer Fee funds at their next meeting to support Zombie Property-related activities.

The proposed funding sources are as follows (see attached **Exhibit 1** "**Zombie Property Funding Sources**"):

| 1. | Tax Increment Finance (TIF) Districts | \$100,000 |
|----|--|-----------|
| 2. | Reserve for Zombie Property Fund | \$100,000 |
| 3. | Community Development Block Grant (CDBG) funds | \$70,000 |
| 4. | Community & Economic Development Investment Fund | \$100,000 |
| 5. | Ren Fair III Interest | \$90,000 |
| 6. | Reserve for Public Access/Green/Rehab | \$100,000 |
| 7. | Beloit Road Senior Apts. Developer Fee | \$100,000 |
| 8. | General Contingency Fund | \$100,000 |
| | TOTAL | \$760,000 |

The "Fifteen in '15" Blight Buster Initiative is building off of the Common Council's recent support that authorized the CDA to manage Community Development Block Grant (CDBG), city Contingency Funds, and TID funds for demolition of various properties on BINS' Nuisance and Abandoned list.

The Building Inspections and Neighborhood Services (BINS) Department, in conjunction with the Police Department, developed a tentative list of properties that would be good candidates for demolition. Criterion for placement on list was based on: 1) level of disrepair; 2) blighting influence on the neighborhood; 3) police activity at the property; and, 4) location of the property. I am seeking input from the Common Council in selecting demolition properties based on BINS' criteria. A final list will be submitted after consulting with staff and the Common Council.

In order to enhance the efficiency of this "Fifteen in '15" Initiative, a Cooperation Agreement authorizing the CDA to manage these demolition projects and funds, is proposed (see attached Exhibit 2: "Cooperation Agreement.")

I feel this program will take an initial proactive step in tackling these blighting issues in our community. I look forward to working with the Common Council to enhance the aesthetics of our neighborhoods. Feel free to contact me with any further questions regarding this matter.

Sincerely,

Mayor Dan Devine

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Cc: Rebecca Grill, City Administrator

Scott Post, City Attorney

John F. Stibal, Director, Department of Development

Ed Lisinski, Director, Building Inspections and Neighborhood Services Department

Mark Wyss, City Comptroller/Director, Finance Department/Treasurer

Patrick Schloss, Manager, Community Development Division

Kristi Johnson, Supervisor, Community Development Division