



# MEMORANDUM

**TO:** Mayor Dan Devine and Members of the Common Council

**FROM:** John Stibal, Director, Department of Development and Ted Atkinson, Director, Building Inspections and Neighborhood Services Department

**DATE:** June 26, 2014

**RE:** Building Inspections and Neighborhood Services' Nuisance and Abandoned Dwelling (NAD) To-Be-Demolished List

The Building Inspections and Neighborhood Services (BINS) Department has assembled a list of court-ordered, raze/repair-ordered properties throughout the City. The current list includes nine (9) residential properties and three (3) commercial properties (see attached). The Common Council directed the BINS Department and the Development Department to bring together funding sources for the court-ordered demolition/repair of these structures. Of the nine (9) residential properties, three (3) are Milwaukee County-owned through foreclosure (recent foreclosures), and the Development Department is negotiating acquisition of the properties for federally-funded low-moderate-income single-family housing projects. That reduces the residential raze/repair-ordered list to six (6) residential properties.

The Community Development Authority will purchase three (3) of the nine (9) residential properties with either Neighborhood Stabilization Program (NSP) or HOME funds and will demolish the homes and build new single-family homes to sell to income-eligible families. In December 2013, the Common Council approved a \$100,000 Slum & Blight Removal CDBG activity, which will cover the demolition expenses of three (3) more of the nine (9) residential properties. One residential property's court order was for repair of a garage, which has been completed and was able to be charged to the property owner. That leaves two (2) remaining residential raze orders (one a garage and one a rear abandoned structure) that need demolition funding. Staff is not recommending the use of federal funds since these two (2) properties are occupied—staff is recommending funding from the City's general fund.

The three (3) commercial properties that are court-ordered to be demolished, are within a ½ mile radius of Tax Increment Finance District #7 (Summit Place TID). The State allows for expenditures within ½ mile of a TIF District boundary, including demolition of blighted properties. Staff recommends an amendment to TID #7 to increase expenditure authority to cover the demolition costs of these three (3) commercial properties. A potential buyer is interested in purchasing and rehabbing 7030 W. National Ave. (former Expert Auto). ***IF*** this property is purchased privately by the interested buyer, it could reduce the TID expenditure by roughly \$288,000 because demolition on the City's part would no longer be necessary.

Attached is a financial summary of the six (6) residential and three (3) commercial raze/repair-ordered properties for your review. Please let me know if you have any questions or comments.

**Cc:** Mike Lewis, Director of Public Works/City Engineer  
Patrick Schloss, Manager, Community Development Division