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APR 20 2010

CITY OF WEST ALLIS
CLERK/TREASURER

April 5th, 2010

Dear Alderperson Sengstock,

This is to recap last Thursday April 1st, 2010 discussion regarding our request of your motioning for a reconsideration of special assessment for minor street repair to 117th Street.

The residents had recently prepared a petition which contains legitimate legal arguments that support a valid request of a motion for reconsideration of the assessment. While procuring petition signatures, an article from the Milwaukee Journal dated March 25th, 2010 was brought to our attention. The article appeared on the front page of the Local Section B front page titled "School districts' money seized." The article alleges that the School District has lost \$1,552,092 dollars in risky investments. This would place them in a weakened financial position to fulfill their obligation of \$70,000.00 for their portion of the special assessment of the 117th street road repair, and would make it a bad time for the District to be presented with a bill for the repair.

To rectify all of these problems for all of the parties concerned in this road repair matter the following is being presented. The municipal needs to update the classification of South 117th Street which reflects its present use and which would make the road eligible for Federal funds under the American Recovery and Reinvestment Act known as "ARRA". This grant money is available to the City and would save both the property owners adjoining South 117th Street, the school district, and all of the citizens of the city, substantial expense for the project and significant tax dollars. It is now up to the city officials to proactively pursue this funding.

In the best interest for all, it is up to the city officials to put the matter of the road repair on hold until a necessary study is made to reclassify the road making it eligible qualifying for Federal grant money.

Sincerely,

Concerned Residents of Ermenc Park Estates

Enclosed: Copy of J/S 3/25/10 article
Petition

CC AHS.
ENS / PW

CITY OF WEST ALLIS - PETITION

WE, THE UNDERSIGNED, VOTERS AND OWNERS OF ERMENC PARK ESTATES LOTS AND LANDOWNERS ADJACENT TO ERMENC PARK ESTATES HEREBY PETITION THE CITY OF WEST ALLIS AS FOLLOWS:

I. Set aside the 2010 assessment for minor road repairs to South 117th Street.

There is no need to make the minor road repairs at this time because the street has not outlived its “useful life”. The current condition of the road is such that this project could be delayed without significantly harming the road which continues to be drivable. Further, Grant money is potentially available to the City which would save both the property owners adjoining South 117th Street AND ALL OF THE CITIZENS OF THE CITY, substantial expense for this project and significant tax dollars. Many of the residents of the Ermenc Park Estates and adjoining owners have owned their homes for a number of years going back to the time that children lived in their homes. As such, these residents have now reached retirement age and have limited resources that are further diminished based on current economic conditions. Both the undersigned Petitioners and all of the taxpayers in the City would benefit by delaying this project both as respects incurring the expenses today rather than in the future and, more importantly, to provide an opportunity for obtaining Grant funds that may well be available for reconstruction of South 117th Street.

South 117th Street is currently classified as a “local” street. In reality its present use is beyond that of a “local” street and actually that of a “collector” street. If South 117th Street is reclassified as a “collector” street, it would qualify for federal/state Grants thereby reducing the cost to both the residents and the rest of the City’s taxpayers. This should be further investigated in order to protect the interests of all City taxpayers.

II. End Permitted Use of Nathan Hale High School grounds which is contrary to Ordinances.

The Nathan Hale school grounds are subject to the standards set forth in the City’s Zoning Code for the Zoning District in which the school is located and further subject to the Site Plan and Use Approvals provided to the School District when the School District initially occupied its lands. Some of those restrictions may have been modified since the time the School District initially occupied its lands.

It is believed that changes have been made to the location of the driveways serving the school particularly those on the north adjoining Lincoln Avenue. Such changes in the driveway have been made without changes to the approved Site Plan and as such are not authorized and not legal. These unauthorized changes are to be returned to the original approved legal uses.

Further, on an annual basis, parking and occupancy of portions of the school grounds have been used accessory to the activities at the Wisconsin State Fair. Such uses are essentially agricultural in nature and as such have a negative impact on not only the immediately adjoining neighbors but also on the entire neighborhood. As such the uses are not appropriate and violate the Zoning Code. Further, the Site Plan as initially approved for the School District and as amended has no reference to such uses and for such additional reasons such uses are illegal and prohibited by the West Allis Zoning Code as relates to uses on the subject site.

DATE	PRINTED NAME	SIGNATURE	ADDRESS
3/24/10	Nancy Lynch	Nancy Lynch	11705 W. Lincoln Ave
3/24/10	Eileen Jezo	Eileen Jezo	1170 W. Hayes Ave
3/24/10	Rita Dufek	Rita Dufek	2657 S. 118th
3/24/10	CHUCK DUFEK	Chuck Dufek	2657 S. 118th
3/28/10	NANCY R. BRYCE	Nancy R. Bryce	11712 W. Cleveland Ave
3/28/10	Michael & ELISA HARRIS	Michael Harris	2585 S 117TH ST.
3/28/11	NICOLAS COATES	Nicolas Coates	2533 S. 117th St
3/28	MARY Kalashin	Mary Kalashin	2580 S. 118th
3/28	GREG EICHE	Greg T. Eicher	2683 S. 118th ST.
3/28	Rita Dufek	Rita Dufek	2657
4/18	JOHN KORICIT	John N. Koricit	2509 S. 107th ST
4/8	DEBORAH KORICIT	Deborah Koricit	2509 S. 117th ST
4/18	Lisa Harris	Lisa Harris	2585 S 117th
4/18	KARL ANDERSON	Karl Anderson	2607 S 118th ST
4/18	Caryl Ehler	Caryl Ehler	2607 S 118 ST
4/18	Janice Brisk	Janice Brisk	2434 S 118 ST
4/18	WILLIAM L. BRISK	William L. Brisk	2434 S 118 ST
4-18	REGINA SNYDER	Regina Snyder	2411 S. 118th
4-19-10	LARRY RIDDER	Larry Ridder	2656 S. 118th ST.
4-19-10	DORIS RIDDER	Doris A. Ridder	2656 S. 118th ST.
4-19-10	JAMES JANZA	James Janza	2630 S. 118th ST
4-19-10	Georgia Janza	Georgia Janza	2630 S. 118th St
4-19/10	Patricia Murphy	Patricia Murphy	2355 S 118th St
4-20-10	Smart McKinley	I.B. KAKULIS	2601 S 118th St.

School districts' money seized

5 borrowed millions for risky investments

By AMY HETZNER

ahetzner@journal Sentinel.com

A European bank that lent money to five Wisconsin school districts that made risky investments has seized \$5.6 million from district-controlled trusts to try to compel district officials to repay the debt.

DEPFA Bank took the action earlier this week after a year of fruitless efforts to work out a restructuring of \$165 million worth of loans to the districts'

trusts that have been in technical default for more than two years.

"We are taking the steps that we can take, and we are very much interested in restructuring the loan,"

DEPFA Bank spokesman Walter All-

wipher said Wednesday.

Officials with the school districts — Kenosha, Kimberly, Waukesha, West Allis-West Milwaukee and Whitefish Bay — used the borrowed money plus other existing or borrowed assets to purchase \$200 million worth of complex investment vehicles called collateralized debt obligations.

The districts had planned to use quarterly interest payments from the investments to help fund non-pension retirement payments, with the expectation that the full amount of the investment would be returned to them after seven years and used to pay off their debts to DEPFA.

But the investments began to lose most of their value amid the global financial crisis in 2008 and now are believed to be nearly worthless. The five school districts have sued Stifel, Nicolaus Co., Inc. and Royal Bank of Canada in Milwaukee County Circuit Court, claiming the two investment banks misled them about the nature of the districts' investments.

C.J. Krawczyk, one of the lawyers representing the districts, said

\$2,441,826

from Waukesha

\$1,552,092

from West Allis-West Milwaukee

\$891,615

from Whitefish Bay

\$632,757

from Kenosha

\$134,233

from Kimberly

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TRUSTS

Bank

seizes

money

DEPFA's action would have little effect on the schools' operating budgets. The money held in the trusts was likely leftover payments from the investments that had been used to pay DEPFA's interest payments, although it also could include some of the equity the districts originally contributed to the trust funds, he said.

"Frankly, we've been expecting them to take this action for some time," Krawczyk said.

Earlier this month, the districts were sent letters notifying them that DEPFA was demanding they pay the full amount of the principal and interest due on each of their loans.

That notice cleared the way for the bank to seize the trust fund assets earlier this week.

The amounts taken from each district's trust were:

- Kenosha: \$632,757.61
- Kimberly: \$134,233.10
- Waukeshia: \$2,441,826.27
- West Allis-West Milwaukee: \$1,552,092.65
- Whitefish Bay: \$891,615.31

"This is the means that we have, and we mean to protect our rights as best we can," Allwipher said.

Krawczyk said the bank took the action after securing its quarterly payment earlier this month. With no funds left in the trusts, he said he was unsure how the districts would make their interest payments to DEPFA in the future. "I can't speculate on how the districts will respond," he said.

Also on Wednesday, the state Assembly held a hearing to consider a bill that would omit school districts from a list of governmental entities that could be sold unregistered securities. Although this is an issue in the districts' lawsuit, Krawczyk said it might not be considered anything more than "instructive" by the judge in the ongoing lawsuit, given that such a statute was not in place when the districts were sold the investments.