City Department Scuttles Plan Requested by Another City Department to Fast-Track In-Rem Foreclosures

Treasurer’s plan to spend $81,655 to use tax enforcement powers to improve neighborhoods is rebuffed by Department of Employee Relations

Milwaukee’s efforts to use its tax enforcement powers to lessen blight in city neighborhoods by fast-tracking foreclosures of some property tax delinquent properties have been thwarted by the Department of Employee Relations (DER), according to Alderman Robert J. Bauman.

Earlier this year, the Department of City Development asked the city’s Special Joint Committee on the Redevelopment of Abandoned and Foreclosed Homes to authorize a plan that would fast track the in-rem foreclosure process in the case of properties that were tax delinquent and had become public nuisances or had been abandoned by banks. The committee agreed, and on April 13 the Common Council approved legislation directing the Treasurer’s Office to go forward with a fast-tracking plan for tax delinquent properties.

However, an August 13 letter from City Treasurer Wayne F. Whittow to committee members states that a request to use the Department of Employee Relations’ Auxiliary Resource Program to cover the $81,655 in additional staffing has been denied, and therefore the fast-tracking of in-rem foreclosures in 2010 would not be possible.

“This is a very strange case of two city departments (DER and DCD) under the control of the Mayor that can’t seem to agree on a pretty clear-cut strategy to mitigate the devastating impact of the residential foreclosure crisis,” said Alderman Bauman, who serves as co-chair of the Special Joint Committee on the Redevelopment of Abandoned and Foreclosed Homes.

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City Dept.’s Plan Scuttled by City Dept./ADD ONE

“This is a tangible plan that DCD asked for, yet DER can’t find $81,000 to make it work. It’s mind-boggling to me that it’s being shut down before it even has a chance to be implemented,” he said.

The city is dotted with hundreds of vacant homes that are tax delinquent. Alderman Bauman said that many of these homes pose a substantial risk of becoming nuisance properties, of being set on fire, and of being targeted for criminal activity. “As a city we should be finding ways to get these homes in foreclosure quickly so they’re not abandoned, and so they don’t become a serious threat to neighborhoods,” he said.

“I fear that DER’s ‘no’ to the City Treasurer’s request will end up costing the city tens of thousands more in terms of police costs, nuisance abatement costs, fire department costs and reduced property values than the $81,655 the DER can’t seem to find,” the alderman said.

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