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FOR INFORMATION CALL

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Ald. Willie Hines
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Under proposal, existing tenants could become owners of city-owned properties

News conference set for 3 p.m. TODAY at City Hall

Existing qualified tenants in city-owned, tax-foreclosed homes could become the new owners of those homes under legislation proposed by **Alderman Willie L. Hines, Jr.**

The resolution sponsored by Alderman Hines -- Common Council file #111511 (**attached**) -- directs the Department of City Development (DCD) to create a plan to promote conveyance of residential properties to qualified existing tenants who occupy housing acquired by the city as the result of tax foreclosure. The measure will be considered by the Common Council's **Zoning, Neighborhoods and Development Committee** at 1:30 p.m. today in room 301-B of City Hall (200 E. Wells St.), and a **news conference** on the file -- **hosted by Alderman Hines** -- will be held at **3 p.m. today** in the first floor rotunda at City Hall.

Mr. **Shawn Bridges**, a resident who recently purchased the city owned, tax-foreclosed home he has lived in for years, will also be at today's news conference. Representatives from Allied Churches Teaching Self-Empowerment (ACTS), who worked with Mr. Bridges to rehab and purchase the property (ACTS is one of the community based organizations that DCD partners with to create home ownership opportunities), will be in attendance. **Alderman Willie C. Wade** and representatives from DCD, the Office of Environmental Sustainability, and other agencies will also participate.

The DCD "rent-to-own" plan for existing tenants of city-owned, tax-foreclosed homes will address several details, including alternatives for expansion of current efforts, availability and development of resources, tenant qualifications and requirements, and will also include a proposed budget. The resolution specifies that the plan be reported to the Common Council not later than May 1, 2012.

-More-

Renters to Owners/ADD ONE

Alderman Hines, who also serves as Common Council president, said one of the “sad realities of the Great Recession” has been the inability of many owners of city residential properties to meet financial obligations, including property taxes, resulting in the city’s foreclosure acquisition of hundreds of residential properties for failure of the owners to pay taxes. “My proposed legislation is designed to use tax-foreclosed properties to create home ownership opportunities, developing new owners who are committed to keeping up their homes, to paying property taxes, and to keeping their neighborhoods strong and safe,” he said.

The City Treasurer reports that nearly 500 properties were acquired by the city in 2011, and that the Office of City Treasurer plans to pursue in rem foreclosure against more than 1,300 tax delinquent parcels in 2012.

Approximately one-third of tax-foreclosed residential properties are occupied by tenants at the time they become city property. According to DCD, unless they are problem tenants, or unless the property is in such bad shape that it is not safe for human habitation or requires extensive repairs to make it habitable, the tenants continue to reside at the property per usual until the city sells it or when they move on their own. Sometimes a sale happens within a few months, and sometimes a house may be on the market for up to several years before it sells. Until the property is sold, and as long as the tenant pays rent and does not violate the terms of the lease, the tenant continues to occupy the property.

Alderman Hines said it is anticipated that city energy efficiency and conservation block grant funds will be used to help new owners in the program make improvements to their homes.

If recommended for approval by the Zoning, Neighborhoods and Development Committee today, the measure will go to the full Council for approval on March 20, 2012.