
FOR IMMEDIATE RELEASE



FOR INFORMATION CALL

November 14, 2017

Ald. Khalif J. Rainey
(414) 286-3764

Alderman Rainey requests a full audit after the City of Milwaukee was scammed

Alderman Khalif Rainey is calling for an audit of all city-owned properties sold to non-profit organizations after a local scam was uncovered.

The City of Milwaukee began offering foreclosed properties for \$1,000 in the hopes of selling the vacant homes to non-profits who could put the property to good use. However, the Department of City Development found that in some cases the non-profits were shams. In one sale, a fake organization made \$44,000 selling a property a week later.

Alderman Rainey is calling for a city audit from the beginning of the program's inception saying, "The taxpayers of this city deserve better, and we need to find out just how deep the damage goes. The audit should tell us the extent of the scam."

Alderman Rainey has sent a letter to the City Comptroller's Office. Please see attachments.



CITY OF MILWAUKEE

City Hall, 200 E. Wells Street, Milwaukee, WI 53202 • www.city.milwaukee.gov

November 13, 2017

Mr. Martin Matson
City Comptroller
City Hall, 4th Floor

Dear Mr. Matson,

I read with great distress this article in the Milwaukee Journal/Sentinel pertaining to the sale of City-owned properties to sham non-profit agencies.

<http://www.jsonline.com/story/news/investigations/2017/11/03/lax-city-regulations-allow-bogus-nonprofit-snag-city-properties-sham-nonprofit-group-took-advantage/800908001/>

The City's challenges in dealing with abandoned and foreclosed homes are no secret and scandalous behavior of this sort only makes matters worse while depleting our already limited resources. I would respectfully request that your office conduct a complete audit of the process by which the City sells these properties to non-profits as well as of the sales that have taken place under this program since its inception.

I look forward to hearing from you on this matter.

Should you have any questions of me, please do not hesitate to contact my office.

Sincerely,

Handwritten signature of Khalif J. Rainey in black ink.

Khalif J. Rainey,
7th District Alderman

Handwritten signature of Cavalier Johnson in black ink.

Cavalier Johnson,
2nd District Alderman

Handwritten signature of Nik Kovac in black ink.

Nik Kovac,
3rd District Alderman

Handwritten signature of James A. Bohl in black ink.

James A. Bohl,
5th District Alderman

Handwritten signature of Michael J. Murphy in black ink.

Michael J. Murphy,
10th District Alderman

Handwritten signature of Russell W. Stamper, II in black ink.

Russell W. Stamper, II,
15th District Alderman