

1 **FROM THE OFFICE OF GEORGE L. CHRISTENSON**
2 **MILWAUKEE COUNTY CLERK**

3
4 **County Ordinance No. 17-7**

5
6 **File No. 17-204**

7 **AN ORDINANCE**
8

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10 The Milwaukee County Board of Supervisors does ordain as follows:

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12 **Section 1. Chapter 6.03(4) of the Milwaukee County Ordinances is amended as**
13 **follows:**

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15 4) *Sale of tax foreclosure properties.* The division shall sell tax foreclosure properties via
16 offer to purchase.

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18 (a) The division shall list marketable tax foreclosure properties for sale on the
19 MLS (multiple listing service) at their appraised values.

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21 (i) If the division receives an offer to purchase a tax foreclosure property
22 within ninety (90) percent of its appraised value during the first one
23 hundred twenty (120) days of listing ("initial offer period"), it may sell the
24 property without further approval of the county board.

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26 (ii) If the division receives an offer to purchase a tax foreclosure property
27 within seventy-five (75) percent of its appraised value during the next one
28 hundred twenty (120) days of listing ("extended offer period"), it may sell
29 the property without further approval of the county board.

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31 (iii) If the extended offer period lapses without a sale, the division director may
32 authorize the sale of a tax foreclosure property without further approval of
33 the county board, provided that the purchase price is not less than twenty-
34 five (25) percent of the appraised value.

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36 (iv) As an alternative to subs. (i)—(iii) above, the division may at any time
37 request separate board approval of an offer to purchase.

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39 (iv) The division director, or his/her designee, shall have the authority to
40 negotiate additional terms with any potential buyer if doing so would be in
41 the best interests of the county, provided the additional terms do not
42 disregard the price directives in subs. (i)—(iii) above.
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(b) The division shall negotiate with adjacent property owners or the municipality in which the tax foreclosure resides for the disposition of unmarketable (remnant) tax foreclosure properties. For purposes of this section, unmarketable tax foreclosure properties are those properties which are unbuildable by nature of their size, location or subsurface composition. The division shall notify the county board of any agreements for the disposition of unmarketable tax foreclosure properties. Board members will have five (5) days to object to the sale or disposition in writing, at which point the transaction will require the approval of the full board. In absence of a timely objection, the agreement shall be deemed approved by the board per s. 59.17(2)(b)3, Wis. Stats.

~~(c) All Annual proceeds from these sales less costs incurred by the economic development division, the office of the treasurer, and the corporation counsel, as well as any outstanding delinquent taxes, special assessment, special charges and delinquent utility charges, as well as accrued interest and penalties (already booked as receivables) shall be credited to the economic development account, unless otherwise directed in the annual budget.~~

(c) The Milwaukee County Treasurer shall direct the distribution of proceeds from the sale of tax foreclosed properties per Wis. Stat. § 75.36(3).

(d) The Treasurer shall determine the net proceeds of the sale by subtracting the following costs and distribute the proceeds in the following order pursuant to Wis. Stat. § 75.36(3)(a):

(i) The Treasurer's office shall be paid \$300 for costs related to: foreclosures, record-keeping, legal, advertising, and title insurance.

(ii) Corporation Counsel shall be paid \$500 for associated legal costs.

(iii) The Economic Development Division shall be paid \$5,000 or 10 percent of the sale price, whichever is less, for costs enumerated in Wis. Stat § 75.36(3)(a)(1), (these costs include foreclosure, record-keeping, legal, advertising, and title insurance costs).

(iv) The Economic Development Division may be paid for other actual costs per Wis. Stat. § 75.36(3)(a)(1m), subject to the review of the Office of the Treasurer and the Office of the Comptroller (these actual costs include maintenance, board-up, clean-up, demolition, and all other costs reasonable and necessary to sell the property).

(v) Real estate agent or broker fees for selling the property per Wis. Stat. § 75.36(3)(a)(2) are paid and accounted for at the closing of the sale, and should not be separately deducted.

83 (vi) The Treasurer's Office shall be paid for unpaid general property taxes,
84 special assessments, special charges, and special taxes levied against
85 the property sold, previously paid to taxing jurisdictions by the Treasurer.
86 This includes any interest and penalties imposed per Wis. Stat. § 74.47.

87 (e) The remaining net proceeds shall be distributed to the former owner if the
88 property was a homestead per Wis. Stat. §75.36(4). If the former owner does
89 not collect the homestead proceeds, the proceeds shall be placed in
90 Milwaukee County's Appropriation for Contingencies Fund, unless the County
91 Board of Supervisors allocates these funds for a different purpose.

92 (f) If the property was not a homestead, the proceeds shall be placed in
93 Milwaukee County's Appropriation for Contingencies Fund, unless the County
94 Board of Supervisors allocates these funds for a different purpose.

95 ~~(d)~~ (g) The provisions of sections 32.96(7) and (8) of this Code are applicable to
96 tax foreclosure sales. Any land sale to an individual covered by 32.96(7)
97 shall require county board approval per s. 59.17(2)(b)3, Wis. Stats.

98 (5) *County board notification.* Upon signing an agreement for sale or disposition of a tax
99 foreclosure in accordance with sections (3) and (4) above, the division shall notify the
100 county board of the transaction. Board members will have five (5) days to object to the
101 sale or disposition in writing, at which point the transaction will require the approval of
102 the full board. In absence of a timely objection, the agreement shall be deemed
103 approved by the board per s. 59.17(2)(b)3, Wis. Stats.

104 **Section 2.** The provisions of this ordinance shall be effective upon passage and
105 publication.

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Adopted by the Milwaukee County Board of Supervisors
April 20, 2017