



**COUNTY OF MILWAUKEE  
INTER-OFFICE COMMUNICATION**

**DATE:** September 10, 2015  
**TO:** Theodore Lipscomb Sr., Chairman, County Board of Supervisors  
**FROM:** Scott B. Manske, Comptroller  
**SUBJECT:** Response to Request for Information – Land Sales Process

In response to your questions of August 28, 2015, I am attaching the current draft of the Administrative Procedures related to land sales. I worked with the DAS Director, Economic Development Director and Corporation Counsel in drafting this version of the procedure. It is my understanding that the procedure will be circulated by DAS for additional comments. It is also possible that the procedure may be revised when the Intergovernmental Cooperation Council (ICC) has made its appointments and their input is considered.

I have also addressed your specific questions below.

**Background**

This July, the legislature changed the authority for sales of non-park county-owned real estate. The new law requires that when the Executive proposes a sale of non-park land, either the County Comptroller or an individual appointed by the ICC must certify that the real estate sale is in the best interest of the County before the sale becomes final.

I have certified three tax foreclosure transactions and the Option to Purchase for the arena Park East parcels using the attached draft policy.

**The Process**

The process for land sales is initiated and completed by the Office of Economic Development(ED). When the Comptroller's certification is requested, the ED Office forwards information related to the sale to the Office of the Comptroller so that due diligence may be exercised in determining whether or not the sale is in the best interest of the County. Based on procedures developed by the ED Office, the information provided to the Office of the Comptroller should be similar to the information previously provided to the County Board of Supervisors.

The Comptroller's Office also checks to determine if the County has any outstanding financing commitments related to the property and if any restrictions related to the disposition of sale proceeds exist.

The elements analyzed for the various sales will vary depending upon whether the real estate disposition relates to a foreclosure/redemption, a parcel remnant or the sale of marketable property.

If the Comptroller determines the transaction is in the best interest of the County, a certification to that effect, with a notarized signature, is returned to the Economic Development Office.

Sometimes, the analysis of fair value will be straightforward, when property is professionally valued, appropriately listed and the county receives a specific amount of cash. Other times, when the compensation for the real estate is in the form of a community benefit, the analysis can be much more involved and time consuming.

#### **Determination of "best interests"**

Although the elements reviewed will vary depending on the category of the disposition, the Comptroller's Office will always ask for information about the economic value of the real estate and how that determination was made. That value will be compared to the sale price/benefit to be received in return. Numerous other factors may be taken into account as well, however, depending on the particular property involved, including such things as the buyer and the possible uses. In determining the best interests of the County, issues such as "landmark status" could also be considered, depending on the parcel.

The process by which the real estate was offered for sale will also be reviewed. The process also seeks to ensure that the real estate will be transferred appropriately to an eligible buyer.

The Comptroller's Office will request documentation to support all aspects of the process which may include documents such as an Offer to Purchase, a map showing the property, an appraisal, the listing documents, a tabulation of bids or RFP responses received, signed affidavits and other reports similar to those previously reviewed by the County Board.

#### **Public Involvement**

The procedure includes a process for a report of properties that are excess, and thus available for sale. This listing will include foreclosures, remnants, and marketable excess properties. Any property marketed will be in an open process available to anyone, and listed on websites. I have and will continue to discuss real estate transactions in a particular district with the elected Board Supervisor for that area prior to signing a certification.

#### **Certification of sales of real estate not previously declared surplus**

State statute requires that the Comptroller consider any non-park real estate sale transactions presented to him for certification by the County Executive.

The intended outcome of the process now under design is to facilitate due diligence in determining the best interest of the County, support efficient processing of real estate sales and provide for good record-keeping regarding real estate sales.



Scott B. Manske  
Comptroller

Attachment