



City of Milwaukee

200 E. Wells Street
Milwaukee, Wisconsin
53202

Meeting Minutes HOUSING TRUST FUND ADVISORY BOARD

ALD. MURPHY, CHAIR

Bethany Sanchez, Vice Chair

Ald. Robert Bauman, James Hiller, Craig Kammholz, Cathie Madden, Jim Mathy, Joanne Passaro, Brian Peters, and Michael Soika

Staff Assistant, Terry MacDonald

Phone: (414)-286-2233; Fax: (414) 286-3456, E-mail: tmacdo@milwaukee.gov

Thursday, October 8, 2009

11:00 AM

Room 301-B, City Hall

Meeting convened: 11:13 A.M.

1. Roll call

Present 9 - Soika, Kammholz, Bauman, Sanchez, Madden, Peters, Passaro, Mathy and Murphy

Excused 1 - Hiller

Also present: Steven Mahan, Director, Dept. of Admin., Community Development Grants Administration and Mario Higgins, Community Development Grants Administration and Tom Gartner, Assistant City Attorney

2. Approval of the July 9, 2009 meeting minutes

Ald. Bauman moved approval of the minutes. There were no objections.

Roll call taken at 11:33 A.M.

Mr. Kammholz leaves.

Present 8 - Soika, Bauman, Sanchez, Madden, Peters, Passaro, Mathy and Murphy

Excused 2 - Hiller and Kammholz

3. Status report and discussion on the housing trust fund award process

City Attorney Tom Gartner appeared on this matter.

Mr. Gartner handed out a letter and a spreadsheet that he put together that explains the status of each of the organizations that have received a housing trust fund award (Exhibit 1). He then gave an update on where each of the organizations are in the award process. He said he did not include in his handout the exact dollar amounts that have been disbursed as of today.

Ms. Madden said if the disbursement of monies takes place when each unit is complete, how does that match with the housing trust funds financing gap as far as last dollars into the project?

Mr. Gartner replied that the policy requirement that the housing trust fund dollars are to be the last dollars into a project is a problem, because it puts a burden on the awardee. He said that is an issue the Community Blocks Grant Admin. (CDGA) staff needs to resolve.

Ald. Murphy said the rationale on why this board had establish the policy that requires the housing trust fund dollars be the last dollars into the project is due to the risk that the dollars could be lost if a project would go under.

Ms. Sanchez asked if there is an official policy for the disbursement of HTF dollars?

Ald. Murphy replied in the affirmative.

Ms. Sanchez asked if the policy could be amended by being more flexible when determining the timeframe for disbursement of funds? She said that the timeframe for the disbursement of funds could then be determined on a case by case basis.

Ald. Murphy asked Mr. Mahan to give his advice on the timeframe for the disbursement of HTF dollars?

Mr. Mahan replied that he agrees that putting the money up front is risky. He said that to prorate the funds to be disbursed by units completed could work and that is something this board could consider doing.

Mr. Peters asked if the money could be disbursed early by requiring some kind of collateral? Would that reduce the risk?

Mr. Gartner replied that housing trust fund dollars are not the first mortgage lender for the project and the housing trust fund dollars are a very small portion of a project's total funding and if a developer would foreclose on a project the housing trust fund dollars would not be the first on the list to receive its funds back. He also said that the CDGA staff should be given some flexibility in its procedures on when the funds can be disbursed.

Ald. Murphy said that the applicants should be advised from the beginning that the housing trust fund monies will be the last funds in and there are no exceptions.

Mr. Soika said he would not be in favor of the housing trust fund dollars being the first in.

Mr. Soika referred to Mr. Gartner's handout and asked Mr. Gartner about his timeline

on finalizing the housing trust fund agreements?

Mr. Gartner replied that he has other work, other than housing trust fund award agreements, that requires his attention and he has to establish priorities. He also said that if an awardee contacts him and says that their project needs to proceed immediately he would focus on getting that project agreement completed.

Ald. Murphy replied that he hasn't heard from any of the awardees that their project is being held up because their agreement isn't completed.

Ald. Murphy said that he met with Mercy Housing representatives yesterday and they are not going to continue to pursue their request for early disbursement of their housing trust fund award. He said they are moving forward with their project.

Ms. Sanchez asked how was the announcement of the housing trust fund Request for Proposal (RFP) made public?

Mr. Mahan replied that the housing trust fund RFP was noticed in the Community Journal (Northside), Community newspaper Spanish El Conquistador (Southside), Journal/Sentinel and on the City of Milwaukee, Community Dev. Grants Admin. Website. He said WHEDA was also notified.

Ms. Sanchez said the technical assistant training session is scheduled for Wed. Oct. 14th and the due date for the RFP is on Monday, Oct. 19, 2009 and she feels that the training session is being scheduled a bit too close to the due date of the RFP.

Mr. Mahan suggested that the due date for the RFP could be moved from Oct. 19th to Friday, Oct. 23rd.

Ald. Murphy said that for the next housing trust fund RFP the training session should be scheduled at least two weeks prior to the due date.

4. Discussion relating to the City of Milwaukee's active tax incremental districts

Ald. Murphy referred members to the spreadsheet provided by the Mr. Kammholz, Comptroller's Office, that shows a list of all the active Tax Incremental Districts (Exhibit 2).

Ald. Murphy said the City is seeking a change in state legislation that would authorize the use of one additional year of TID financing to assist in financing housing projects. He said, in addition, Ald. Bohl is also looking at requesting the use of TID financing for City street repair.

Ald. Murphy said he and Ald. Bauman have reviewed the City's 2010 budget and the TID funds are at a negative balance.

Mr. Soika said he met with Ms. Mary Brooks yesterday and she recommended that this board ask the Council to look at getting TID financing for housing for 2011.

Ald. Murphy replied that he will continue to work on the legislation and will bring it back again next year.

5. Discussion relating to the implementation of donation recommendations

Mr. Mahan said that this board should be aggressive in reaching out to United Way and convincing them into adding the housing trust fund to its list of donation recipients.

Mr. Peters asked if Mr. Mahan considered Community Shares?

Mr. Mahan replied that he is not familiar with Community Shares.

Ald. Murphy said this board should look at pursuing both United Way and Community Shares.

Ald. Murphy said the Mayor's 2010 proposed Budget allocates \$400,000 in additional funds to United Way.

Ms. Madden asked how would this board go about getting United Way to add the Housing trust fund to its list of programs to be funded?

Ald. Murphy replied that the next step would be to invite United Way to appear before this Board so that they can learn more about the housing trust fund. He said a petition needs to be submitted by City to the United Way.

Ald. Murphy said he and Mr. Mahan will work on putting together a plan and bring it back before this board for consideration.

6. Next meeting agenda

Next meeting date: November 12, 2009.

Discussion relating to the appointments of members to the HTFAB Technical Review Subcommittee and the Finance Review Subcommittee.

Meeting adjourned: 12:04 P.M.

Terry J. MacDonald
Staff Assistant

GRANT F. LANGLEY
City Attorney

RUDOLPH M. KONRAD
LINDA ULISS BURKE
VINCENT D. MOSCHELLA
Deputy City Attorneys



THOMAS O. GARTNER
BRUCE D. SCHRIMPF
SUSAN D. BICKERT
STUART S. MUKAMAL
THOMAS J. BEAMISH
MAURITA F. HOUEN
JOHN J. HEINEN
DAVID J. STANOSZ
SUSAN E. LAPPEN
JAN A. SMOKOWICZ
PATRICIA A. FRICKER
HEIDI WICK SPOERL
KURT A. BEHLING
GREGG C. HAGOPIAN
ELLEN H. TANGEN
MELANIE R. SWANK
JAY A. UNORA
DONALD L. SCHRIEFER
EDWARD M. EHRlich
LEONARD A. TOKUS
MIRIAM R. HORWITZ
MARYNELL REGAN
G. O'SULLIVAN-CROWLEY
KATHRYN Z. BLOCK
MEGAN T. CRUMP
ELOISA DE LEÓN
ADAM B. STEPHENS
KEVIN P. SULLIVAN
BETH CONRADSON CLEARY
THOMAS D. MILLER
HEIDI E. GALVÁN
JARELY M. RUIZ
ROBIN A. PEDERSON
DANIELLE M. BERGNER
Assistant City Attorneys

October 7, 2009

Alderman Michael J. Murphy
Tenth Aldermanic District
City Hall, Room 205

Re: Status of the Housing Trust Fund Award Process

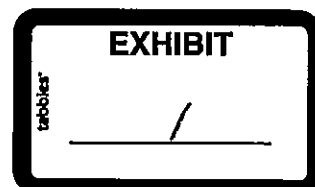
Dear Alderman Murphy:

In a September 22, 2009 letter I was asked to provide a detailed report relative to the status of projects which have received awards through the Housing Trust Fund Advisory Board. Attached for your consideration is a spreadsheet prepared by the City of Milwaukee CDGA which lists (i) the 15 Housing Trust Fund Grant awards approved to date; (ii) the amount of each award; (iii) the date of the Common Council Resolution approving the award; and (iv) the total number of housing units for each such award.

The three Grant Agreements which have been executed to date pertain to the Bishop's Creek Family Housing Project, the Heartland Housing/Guest House Project and the St. Catherine's Residence, Inc. Project.

Grant Agreements for each of the remaining projects, except the Mercy Housing Lakefront Project, have been drafted and are currently in varying stages of review. In addition, EBE Agreements have been drafted for all of those projects which will be subject to the City's EBE requirements and Regulatory Agreements have been prepared for recording in conjunction with those projects where such regulatory agreements are necessary in order to memorialize ongoing compliance with grant requirements.

Given the varying progress on the individual projects I am unable to provide an estimated time for the execution of each individual grant agreement and the related documentation. Working together with the CDBG, I will endeavor to meet the timetables of grantees required for closings and construction as they are scheduled for each project.



OFFICE OF THE CITY ATTORNEY

Alderman Michael J. Murphy
October 7, 2009
Page 2

I will be present during the course of the October 8, 2009 meeting of the Housing Trust Fund Advisory Board to address any specific questions from members of the Board with respect to the foregoing.

Very truly yours,



THOMAS O. GARNTER
Assistant City Attorney

TOG/ml:150700
Enclosure

c: Members of the HTF Advisory Board
Steven Mahan, Director CDGA
Mario Higgins, Housing Production Officer, CDGA
Terry J. MacDonald, Staff Assistant

1055-2007-1319

HOUSING TRUST FUND AWARDS BY ORGANIZATION

<u>Organization Name</u>	<u>Housing Trust Fund Award</u>	<u>Funding Category</u>	<u>Project Description</u>	<u>Number of Housing Units</u>	<u>Date Contract Executed</u>	<u>Contract Update</u>
<u>Approved by Common Council 02/10/09</u> <u>Resolution #081375</u>						
Bishop's Creek	250,000	Rental	Bishop's Creek Family Housing (4763 North 32nd Street)	55	5/20/2009	Last meeting 4/7/09
Dominican Center for Women, Inc.	147,000	Homeownership	Owner-Occupied rehabilitation	12		Has contract wants to meet to go over
Layton Blvd. West Neighbors	14,000	Homeownership	LBWN Turnkey Renovations	2		Agency has purchased first home. In talks w/city attorney about contract.
Milwaukee Christian Center	126,000	Homeownership	Neighborhood Improvement Project (multiple locations)	5		Contract sent on 9/15/09. Not returned to date
Milwaukee Community Service Corp.	33,750	Homeownership	Energy Improvement	2		Have not set-up any new projects and they don't have HOME funds until 2010
Milwaukee Habitat for Humanity	100,000	Homeownership	Rehab	10		Last contact 9/11/09 mp. Referred to City Attorney for contract
MLK Economic Dev. Corp.	100,000	Rental	King Drive Commons III (2735 MLK Dr.)	24		Met with on 10/6 to go over terms. Working on HOME and HTF together
Rebuilding Together Greater Milwaukee	75,000	Homeownership	Owner-Occupied rehabilitation	20		Met with on 6/17. Waiting on costs and project info to be submitted
United Community Center	75,000	Homelessness	AODA (6TH AND Scott Streets)	16		Letter sent on 6/30. No response to date.
	<u>920,750</u>			<u>146</u>		
<u>Approved by Common Council 09/16/08</u>						
LISC (File #080645)	10,000		Joint Study with Public Policy Forum "A Sustainable Approach to Creating and Administering Low-Income and Special Needs Housing in Milwaukee County"			
<u>Approved by Common Council 02/05/08</u>						
Heartland Housing/Guest House (CC 02/05/08 +\$125,000)	125,000	Rental	Rehabilitation of apartments	24	4/21/2008	Project completed
Mercy Housing Lakefront (CC 02/05/08 +\$750,000)	750,000	Homelessness	Permanent supportive living facility for homeless	89		Made calls no response...not sure if I have updated contact info.
Milwaukee Christian Center (CC 02/05/08 +\$68,000)	68,000	Homeownership	New Construction housing for homebuyers			Contract sent on 9/15/09. Not returned to date
St. Catherine's Residence, Inc. (CC 02/05/08 +\$264,000)	264,000	Rental	Construction of new rental for women	46	5/11/2008	Project completed
United Methodist Children's Services (CC 02/05/08 +\$200,000)	200,000	Rental	Expansion of UMCS headquarters to include low-income housing	24		Contract being drafted by City Attorney
	<u>1,407,000</u>			<u>183</u>		
Total Awards	2,337,750		Total Units	329		

HOUSING TRUST FUND AWARDS BY ORGANIZATION

<u>Organization Name</u>	<u>Housing Trust Fund Award</u>	<u>Funding Category</u>	<u>Project Description</u>	<u>Number of Housing Units</u>	<u>Date Contract Executed</u>	<u>Contract Update</u>
Unallocated Amount	562,250					
2009 Budget Allocation	<u>400,000</u>					
Available to allocate	962,250					
Housing Trust Funds Total	<u><u>3,300,000</u></u>					

**City of Milwaukee
Active Tax Incremental Districts**

<u>TID #</u>	<u>Project Name</u>	<u>Max Life</u>	<u>Est. Close Out</u>	<u>Remaining Years</u>	<u>Funding Years</u>	<u>Potential Funding</u>
<u>G.O. Financed</u>						
23	City Hall Square	2021	2010	11	1	588,510
44	Lindsey Heights	2028	2010	18	1	1,121,028
56	Erie/Jefferson	2031	2010	21	1	2,851,400
34	Third Ward Riverwalk	2024	2011	13	1	1,804,791
40	West North Avenue	2027	2011	16	1	480,969
42	MidTowne Center	2027	2011	16	1	1,790,874
47	875 East Wisconsin Ave	2028	2011	17	1	1,432,493
28	Mid-Town New Housing	2022	2013	9	1	282,372
30	Westtown I / library Hill	2023	2013	10	1	690,762
18	New Covenant Housing	2019	2014	5	1	60,557
22	Beer Line B	2020	2014	6	1	3,540,535
27	Clarke Square	2022	2014	8	1	201,199
20	Florida Yards	2020	2017	3	1	309,901
17	Curry/Pierce	2018	2018	0	0	-
37	Grand Avenue Redevelopment	2026	2018	8	1	1,449,257
54	Stadium Business Park	2031	2018	13	1	407,711
15	27th & North Ave	2018	2020	-2	0	-
59	Bronzeville	2032	2020	12	1	370,216
46	New Arcade	2028	2022	6	1	788,827
41	Manpower	2027	2024	3	1	2,690,694
35	27th Street & Wisconsin Avenue	2025	2025	0	0	-
51	Granville Station	2030	2025	5	1	365,865
58	20th Street & Walnut	2032	2028	4	1	-
48	Park East III	2029	2029	0	0	-
53	Menomonee Valley	2030	2030	0	0	-
60	Amtrak	2032	2030	2	1	52,616
<u>Developer Financed</u>						
44	Lindsey Heights	2028	2010	18	1	725,115
55	Holt Plaza	2031	2011	20	1	429,135
39	Hilton Hotel	2027	2015	12	1	749,769
49	Cathedral Place	2029	2017	12	1	1,369,779
50	Solar Paints	2029	2017	12	1	72,752
52	Sigma-Aldrich Corp.	2026	2020	6	1	379,825
38	Grange Avenue	2027	2027	0	0	-
57	Menomonee Valley East/Harley	2032	2032	0	0	-

