

MOTION BY ALD. DAVIS

RELATING TO FILE NO. 041537

VERSION: 2

TITLE: A substitute ordinance relating to the establishment, operation and funding of a Milwaukee housing trust fund.

ITEM NUMBER: 1

COMMITTEE: Finance and Personnel

MOTION

I move to replace Substitute 2 with a new "Proposed Substitute." The proposed substitute removes "surplus Potawatomi Bingo Casino revenues" from the list of sources for financing the housing trust fund.

..LRB06538-1

DRAFTER: TWM/mbh

DATE: 11/13/2006

..Number

041537

..Version

PROPOSED SUBSTITUTE

..Reference

060071

..Sponsor

ALD. DAVIS

..Title

A substitute ordinance relating to the establishment, operation and funding of a Milwaukee housing trust fund.

..Sections

316 cr

..Analysis

This ordinance codifies the recommendations contained in the Milwaukee housing trust fund task force's final report dated June, 2006, relating to the establishment, operation and funding of a housing trust fund as endorsed, with certain modifications, by common council resolution file number 060071, adopted on September 26, 2006.

..Body

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Chapter 316 of the code is created to read:

CHAPTER 316 HOUSING TRUST FUND

- | | |
|--------------|--|
| 316-1 | Establishment; Purpose |
| 316-3 | Administration |
| 316-5 | Housing Trust Fund Advisory Board |
| 316-7 | Financing the Housing Trust Fund |

316-1. Establishment; Purpose. There is established a housing trust fund to support developers and governmental entities in the acquisition, construction, rehabilitation and modification of affordable and accessible housing for low-income households, and to finance support services that assist low-income households in obtaining and maintaining affordable housing.

316-3. Administration. The housing trust fund shall be administered by the community development block grants administration division of the department of administration. The community development grants administration division, guided by the recommendations of the Milwaukee

housing trust fund task force approved by the common council in resolution file number 060071, shall:

1. Administer the housing trust fund.
2. Develop and implement appropriate rules, procedures, guidelines and regulations for the proper operation of the housing trust fund, including the necessary internal controls over the fund.
3. Review requests for funding from the housing trust fund and make funding recommendations to the housing trust advisory board.
4. Establish criteria and procedures for reviewing requests for funding from the housing trust fund, and for allocating funds from the housing trust fund.
5. Prepare and submit an annual report to the mayor and common council concerning the administration and activities of the housing trust fund.

316-5. Housing Trust Fund Advisory Board. 1. CREATED. a. There is created a housing trust fund advisory board consisting of the following 13 members who shall serve staggered 2-year terms:

- a-1. 2 common council members appointed by the common council president.
- a-2. 2 members appointed by the mayor.
- a-3. The city comptroller or designee.
- a-4. A non-profit developer, appointed by the common council president.
- a-5. A for-profit developer, appointed by the common council president.
- a-6. A representative of Continuum of Care, appointed by the agency.
- a-7. A representative of a financial institution, appointed by the common council president.
- a-8. A representative of the Local Initiatives Support Corporation, appointed by the agency.
- a-9. A representative of the Metropolitan Milwaukee Fair Housing Council, appointed by the agency.
- a-10. A representative of Independence First, appointed by the agency.
- a-11. A representative of the Interfaith Conference of Greater Milwaukee, appointed by the agency.
- b. The mayor shall designate the committee chair and vice-chair.

2. DUTIES. Guided by the recommendations of the Milwaukee housing trust fund task force approved by the common council in resolution file number 060071, the housing trust fund advisory board shall:

- a. Evaluate requests for funding from the housing trust fund after the requests have been submitted to and reviewed by the community block grants administration division.
- b. Make recommendations to the common council concerning the allocation of housing trust funds based on the recommendations of the community development block grants administration division.
- c. Identify sources of financing the housing trust fund that may be utilized for consideration by the common council.

d. Adopt rules, guidelines and criteria to assist the board in carrying out its responsibilities.

3. STAFFING. The community development grants administration division shall provide staff support to the board.

316-7. Financing the Housing Trust Fund.

1. SOURCES. a. It is anticipated that the housing trust fund is to be funded by sources identified in common council resolution file number 060071, such as start-up funding using general obligation bonds, post-closure tax incremental district revenues, excess payments in lieu of taxes and other funding sources that may be identified by the common council and the housing trust advisory board.

b. The housing trust fund shall be initially capitalized for a maximum of \$5 million in general obligation proceeds, with the resulting annual debt service being amortized by post-closure tax incremental district revenues, excess payments in lieu of taxes, and secondarily by the property tax levy. Bonds shall be issued as bond-funded projects are approved by the common council. These bonds shall be issued such that bond-sale proceeds will be used for a purpose for which the city will be exempt from the requirement to hold a referendum on the bond sale, as provided in state law. This bond sale shall be considered a one-time commitment intended to provide start-up funding for the housing trust fund.

2. DEPOSITS AND EXPENDITURES. The city comptroller shall establish the necessary accounts for the deposit and expenditure of housing trust funds.

Part 2. For purposes of staggering the terms of the members of the housing trust fund advisory board, members shall be initially appointed under s. 316-7 as follows:

a. One-year terms for members appointed under s. 316-5-a-2, 6, 8, 9, 10 and 11.

b. 2-year terms for members appointed under s. 316-5-a-1, 3, 4, 5, and 7.

..LRB
APPROVED AS TO FORM

Bary Zalber
Legislative Reference Bureau
Date: 11/13/2006

..Attorney
IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney
Date: _____

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Requestor

..Drafter
LRB06505-10
TWM:mbh
11/13/2006