



Department of Administration
Community Development Grants Administration

Tom Barrett
Mayor

Sharon Robinson
Director of Administration

Steven L. Mahan
Community Block Grant Director

January 7, 2010

Sherman Hill
Harambee Ombudsman Project, Inc.
335 West Wright Street
Milwaukee, Wisconsin 53212

RE: Housing Production

Dear Mr. Hill:

This correspondence is being provided due to CDGA's concerns about Harambee Ombudsman's capacity to carry out the Housing Production goals of Harambee Ombudsman Project, Inc. The production goal for Harambee's 2007 activity was to construct three new homes with funding in the amount of \$240,000, which has a remaining balance of \$181,100. In 2008 HOME funding in the amount of \$540,000, was transferred to Harambee from West End Development Corporation, at which time Harambee also hired a former staff person from WEDC to oversee Harambee's production program. Harambee did get three projects set-up in 2008, using 2007 funding, and seemed to have adequate staff to administer the program. In 2009 construction on the three projects commenced and significant progress was being made and 2009 funding was awarded in the amount of \$540,000.

Unfortunately, the staff that administered the program resigned from Harambee (in 2009) just before the three projects were completed. Additionally, Harambee decided to return the HOME funding received for two of the projects and subsequently sold those homes. The remaining HOME funded project, to date has not received final code compliance even though it only needed minor punch-list items to complete.

Harambee has since hired another person to administer the program, but CDGA remains unconvinced that the agency has the capacity or adequate staff to carry out the program activities with the amount of funding available at \$1,261,100.

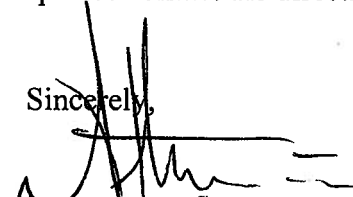
Therefore, CDGA is compelled to rescind funding in the amount of \$1,081,100, leaving the agency with \$180,000, which would be enough to complete the two replacement units that were previously cancelled. This will also give CDGA and Harambee time to evaluate the agency and its program without placing undo risk on time sensitive federal funds.

In conclusion, CDGA is aware that preliminary talks have gone on between Harambee and Urban Economic Development Association (UEDA, HUD certified Technical Assistance

Sherman Hill
January 7, 2010
Page 2 of 2

provider), for possible technical assistance. CDGA strongly encourages Harambee to submit a formal request to our office, for technical assistance at no charge to the agency.

If you have any further questions or concerns please contact me directly.

Sincerely,

Steven L. Mahan
Director

cc: Ald. Joe Davis, Chairman CED Committee
Robert Isabell, Board President
Claudia Orugbani, City Comptroller
Corporate File