



City of Milwaukee
Meeting Minutes

200 E. Wells Street
Milwaukee, Wisconsin
53202

MILWAUKEE HOUSING TRUST FUND
OPERATIONAL CRITERIA
SUBCOMMITTEE

BETHANY SANCHEZ, CHAIR

Tom Capp, Vice-Chair

Heather Dummer Combs, Rocky Marcoux, Tony Perez and Brian Peters

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Thursday, April 13, 2006

9:00 AM

Room 101, City Hall

Meeting convened: 9:07 A.M.

Members present: Bethany Sanchez, Tom Capp, Brian Peters, Una Van Duvall - designee of Mr. Marcoux and Heather Dummer Combs

Members excused: Bobbi Marsells - designee of Tony Perez

Ms. Sanchez advised that Mr. Tom Capp will Chair this meeting, due to her recent illness.

Also present: Marianne Walsh and Emma Stamps - Legislative Reference Bureau, Gary Werra - Community Block Grant Admin., Judy Allen - Dept. of City Development, Kori A. Schneider - Metro. Milwaukee Fair Housing Council

Ms. Allen submitted a memo to this subcommittee, in responses to the subcommittee's request for a summary on the benefits of the City utilizing a non-profit to oversee the program. (Exhibit 1)

1. Review and approval of the minutes of the March 30th meeting

Ms. Sanchez moved approval of the minutes. Ms. Van Duvall seconded. There were no objections.

2. Listing of eligible recipients

3. Funding allocation among eligible recipients

4. Listing of eligible recipients/funding allocation based upon varying trust fund amount

Items 2, 3, and 4 were discussed simultaneously.

Mr. Capp gave an overview on the discussion from the last meeting relative to eligible recipients and noted that this discussion was going to focus mostly around income targets. He further noted that a request was to be made to have Mr. Jesse Greenlee with the Wisconsin Housing and Economic Development Authority (WHEDA) appear and speak on this item. Ms. Sanchez advised that another part of the discussion was to be on what kinds of uses, beside the different income levels, such as how much would go for ownership, how much would go for rental, etc. Mr. Capp noted that the two are related

and it would give a framework for discussion.

Mr. Capp asked if there is any information from city departments on where the city is seeing the greatest need. Ms. Van Duvall advised that the income guidelines are an area that makes the most sense to look at. She noted that this tool (trust fund) could be used to work for those income targets that are just above the federal guidelines. Mr. Werra replied that the only way they could find a gap in service would be above 80% of the federal guidelines; however, there is enormous need for people whose income levels are below 50% of the federal guidelines. Mr. Capp explained that a 2-person household, such as a single mother and child, at 50% income level would be \$26,900, and a 2-person household, such as a married couple at 80% would be in the low \$40,000. Mr. Peters commented that block grant funds are meeting those needs and that there isn't a gap at that level. Ms. Dummer Combs replied that the market rate isn't serving those who are at the 50% level and there is a huge need for people who are making less than the 50%. Ms. Sanchez asked Mr. Werra if Community Development Block Grant (CDBG) funds are meeting the needs of the community. Mr. Werra replied that the biggest problem right now isn't the lack of dollars or CDBG activities, but a lack of service providers. Ms. Sanchez asked that if the availability of service providers were addressed, does he think there would be enough dollars to go around to meet the needs. Mr. Werra replied no.

Mr. Capp commented that this subcommittee as a group is still working on the big picture and that one of the issues they discussed at the first meeting was the fundamental use of the trust fund here in Milwaukee and whether it should be used as a supplement and leverage to other monies. He then asked the subcommittee if they see this housing trust fund as supplementing other program efforts or creating new programs to accomplish affordable housing. Ms. Sanchez replied that she sees that all the things they are proposing including the capacity building are things that are already going on and the housing fund could be used as a supplement. She further noted that she believes rentals have the biggest need and that the trust fund could address a lot of different needs in the community.

Mr. Capp asked if they think that the information that they were going to request from WHEDA is still pertinent to the discussion and should it still be requested. He reiterated what was to be requested from WHEDA at the last meeting. Ms. Van Duvall replied that they should still request that information. Ms. Sanchez advised that she would contact Mr. Jesse Greenlee with WHEDA to make that request. Mr. Capp advised Ms. Sanchez that if she finds that Mr. Greenlee doesn't have the information they are looking for, she should let the subcommittee know and they could request the information from other people at WHEDA. Mr. Capp asked if the City has a database that could supply the requested information. Ms. Van Duvall replied that the Housing Authority has some of the information, but not everything that the Subcommittee is looking for.

Mr. Capp noted that at the last meeting he was requested to contact property management companies and other groups who are in the tax credit business and get their perspectives on what is missing. His contacts stated that there are two sides that are being left out; the mixed income, because every one wants to live in a nice area; and the folks who are very challenged to buy decent housing within the City who aren't in the 80%-100% income range, but who can't afford to rent in the downtown area.

Ms. Dummer Combs noted her vision for the housing trust fund is that once this is up and running, it has the funding sources and an administrative body or advisory committee. The advisory committee would annually review the amount of funding they have to

disburse and look at what the needs of the community are at that time and they may need to shift the need from year to year so that they can focus more of the application on a certain project.

Mr. Capp suggested an ideal that could be considered and maybe a little different take on the direction they have been going would be to take x amount of money and spend it in a way that would leverage the most in other funds that are already coming into the City. He further noted that this group could also recommend some sort of statement that the future administering board should try to address, such as their direction or goal is to try and take some measure on how funds can be used as leverage for units, etc. and they could quantify that statement before it is taken to the Common Council for approval. Mr. Werra replied that given the small amount of dollars that they have to work with they would have to focus on a leveraged approach. Ms. Dummer Combs replied that most cities use their funding as a leveraging tool. Ms. Sanchez noted her concerns with leveraging, on where it would leave rehab projects, especially on existing units, if most of the leveraging would go for new units. Ms. Allen advised that they do have rehab program that have a 50% match at this time. Mr. Capp noted that he disagrees with the concerns and explained that the leverage of monies could get projects over their humps. Ms. Dummer Combs asked if the Subcommittee is talking about leveraging additional public dollars as well as private dollars. Members of the subcommittee replied yes. Mr. Peters asked Mr. Capp how would they make sure they aren't giving the money to projects that wouldn't happen without the help. Mr. Capp replied that all development projects that have public funding are a matter of public record and the government staff can see all the numbers and know what funding is needed.

Mr. Capp suggested that each committee member bring to a future meeting a tangible example of the project types they work with, funding sources they are aware of and how some additional funding could get those projects done that aren't being done now, and also be prepared to talk about what would be the biggest bang for the buck as far as number of units. Mr. Capp believes that this would be a good selling point to the Common Council. Ms. Sanchez noted that in order to compare each others' examples, they might want some sort of standard development performa to make sure they all are calculating the same way. Mr. Capp replied that they could use the following example: The information from the City was that they are using these various funding sources and certain projects are falling below the line of breaking even and they would make the argument that x number of units could be produced if funding is added.

5. Discussion related to Visitability and Universal Design

Mr. Peters noted that at the last meeting he mentioned that he wanted to have a discussion on Visitability and Universal Design. Mr. Peters explained that he would like to encourage and/or require that all new rental projects, rehabs and construction of new homes prohibit steps going into the house and visitable paths for persons in wheelchair and that they would be required to follow universal design protocols. He also recommended that money for shelters and single room occupancies be required to follow 504, fair housing and universal design. Ms. Dummer Combs asked Mr. Peters to explain what a 504 is. Mr. Peters explained that 504 is federal funded housing and basically requires that 5% of all of the units be accessible, etc. Mr. Peters further noted that none of the shelters are proactive. Ms. Sanchez asked if he is referring to only all new construction. Mr. Peters replied no; it would be all new construction and some rehab. Mr. Capp advised that he supports this direction fully and he would like to see a bigger discussion on it and suggested that Independence First and other groups that have resources take the time to have a full discussion on education on accessibility and how

those groups deal with universal design. He noted that they should come up with a specific recommendation on universal design. Ms. Van Duvall advised that there isn't any opposition to finding a way to work universal design into some of the practices and/or guiding principle of this subcommittee. She further advised that they might also want to include green design as part of the discussion on visitability and universal design. She further noted that they may want to narrow down the discussion to how the operational activities will work and then talk about criteria that will help them decide whether the project will be a go or not. Mr. Capp advised that once this subcommittee deals with items 2, 3 & 4, it will discuss visitability, universal design and green design.

Mr. Peters replied that he would be willing to work on a short presentation on what the requirements and the laws are relating to housing. Ms. Van Duvall advised that she will take care of a green design presentation. Ms. Allen advised that the Housing Authority Dept. has policies and procedures already in place for businesses and development projects. Ms. Van Duvall noted that she would forward a copy of the guidelines to the members. Mr. Capp noted that at a meeting subsequent to the projects they could discuss principles of green design, accessibility and visitability and fit those into the recommendations as requirements or preferences.

6. Creation of recommendations for submittal to the Task Force

Mr. Peters recommended that each member should put together a list of guidelines for items 2, 3 and 4 above, and bring it to the committee for review and discussion at the next meeting.

Ms. Walsh advised that Ald. Murphy would be open to extending the length of the task force, because of the large amount of work that still needs to be done.

Mr. Peters advised that they could check with the funding committee to see if they have considered or would consider a possible time extension.

Ms. Dummer Combs feels that they should press hard to get the recommendations done by the Task Force and to the Council on time. Ms. Sanchez concurred with Ms. Dummer Combs' comment and noted that if they have to have an extension, hopefully it would not be a very long one. Ms. Van Duvall suggested that Ms. Sanchez meet with Alderman Murphy, the Chair of the Task Force, to give him an update on where this subcommittee is at and let him decide. Ms. Walsh suggested that a file be introduced as a title only to use in case an extension is needed.

7. Set meeting date and agenda for the next meeting

Next meeting date May 4, 2006 at 9:00 A.M.

Mr. Capp reiterated that they would still request information from WHEDA, in order to get a sense of what has been put in place with their programs in the City over the past three years.

Mr. Capp advised that the each member is to prepare and submit their guidelines recommendations to Ms. Elmer by April 27, 2006 for distribution to all members.

Ms. Dummer Combs reiterated that each member is to prepare an example of their work field to be heard at the next meeting.

Mr. Capp noted that Mr. Peters and Ms. Van Duvall's presentation on visitability; universal

design and green design will be heard at the meeting following the May 4, 2006 meeting.

Ms. Sanchez asked the members to take a look at the way San Diego's trust fund allocates their monies and how they figure out who the recipient will be and how they monitor them.

Ms. Sanchez also asked if someone could find out what the TIF guiding principles are and submit the appropriate language to the members for review. Ms. Van Duvall replied that she would supply that language to the members. Ms. Walsh advised the subcommittee that Jim Scherer recently gave a presentation to the Zoning, Neighborhoods and Development Committee (File #051504 on 3/23/06) on TIF guidelines.

Meeting Adjourned: 10:39 A.M.

*Terry J. MacDonald
Staff Assistant*



Department of City Development

Housing Authority
Redevelopment Authority
City Plan Commission
Historic Preservation Commission
NIDC

Rocky Marcoux
Commissioner

Martha L. Brown
Deputy Commissioner

MEMO TO: Milwaukee Housing Trust Fund Operational Criteria Subcommittee

FROM: Judy Allen *JAA*

DATE: April 13, 2006

In response to your request, following is my summary of the benefits of the City utilizing a non-profit to oversee certain program:

The City's non-profit, Neighborhood Improvement Development Corporation (NIDC), is a 501-C-3 non-profit corporation. A nine member professional board comprised of representatives from the Common Council, Mayor's Office, banking, business, community, legal and real estate areas oversee it. This insures broad bases of interests are covered. Board positions rotate every three years, which provides consistency in governance.

Established by the City, NIDC's mission is to promote reinvestment in the city and to preserve Milwaukee's housing stock.

Benefits to using a non-profit:

Minimized exposure to the City on pilot or risky projects.

Flexibility.

Greater opportunities for federal, foundation, grant dollars.

Enhanced professional advice and service to the city.

No staff.

It is important to reiterate, the non-profit does not have staff. The housing programs are operated under a Cooperation Agreement between the City's Department of City Development and NIDC to provide support or operate the programs.

I hope you find this information useful.

