



**Tom Barrett**  
Mayor, City of Milwaukee

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October 5, 2006

To the Honorable, the Common Council  
Room 201 City Hall  
200 East Wells Street  
Milwaukee, Wisconsin 53202

Honorable Members of the Common Council:

I am signing Common Council File 060071 [as amended] relating to the recommendations of the Milwaukee Housing Trust Fund Task Force.

I want to acknowledge Alderman Michael Murphy for his leadership on this issue. I would also like to thank the numerous advocates who have dedicated hours of personal time and resources to the advancement of a housing trust fund.

As you aware, my proposed 2007 budget contains specific items related to affordable housing. I believe that the \$250,000 for buying out Habitat mortgages and the dedication of "excess" TIF revenues for matching non-city dollars are well within the parameters of what the City can afford.

I stated in my budget speech that the financial and moral responsibility for addressing affordable housing needs must be a shared responsibility. I am encouraged by the County Executive's commitment to working with us on the issues related to the homeless. That is, however, only one piece of the affordable housing equation. We should all be interested in what actions the County Board will be taking.

I do have concerns about the impact the approved recommendations may have on future tax levies and general fund appropriations. As we work together during the crafting of the enabling legislation, I ask you to consider placing a hard cap on the revenue from the City's Potawatomi Gaming revenues as opposed to a percentage.

To the Honorable, the Common Council

Page 2

October 5, 2006

In addition, I am very concerned about the City letting \$5 million in general obligation bonds. I would much rather start with a smaller amount and allow for increases as projects succeed. I am also concerned about the recommended TID financing mechanism. I want to be sure that there are no adverse impacts to the levy.

I trust that we will fully vet these issues as the recommendations take shape into legislation and I look forward to working with you as the process continues.

Sincerely,



Tom Barrett