



City of Milwaukee

200 E. Wells Street
Milwaukee, Wisconsin
53202

Meeting Minutes - Final HOUSING TRUST FUND ADVISORY BOARD

ALD. MURPHY, CHAIR
Ms. Cathie Madden, Vice-Chair

Ald. Robert Bauman, James Hiller, Craig Kammholz, Kenneth Little, Jim Mathy, Joanne Passaro, Brian Peters, Kori Schneider Peragine, Michael Soika and Lanie Wasserman
Staff Assistant: Joanna Polanco, 286-2366, Fax: 286-3456, jpolan@milwaukee.gov
Legislative Liaison: Jeffrey Osterman, 286-2262, joster@milwaukee.gov

Thursday, September 9, 2010

11:00 AM

Room 301-A, City Hall

Meeting Call to Order at 11:15 a.m

1. Roll call

Present 7 - Kammholz, Madden, Peters, Passaro, Mathy, Schneider Peragine and Wasserman

Excused 4 - Soika, Little, Hiller and Bauman

Also present:

Steve Mahan, Dept. of Administration

Mario Higgins, Dept. of Administration

Tom Gartner, City Attorney's Office

Jeff Osterman, Legislative Reference Bureau

Chair, Ald. Murphy welcomed and introduced Ms. Lannie Wasserman as the new member appointed to the Housing Trust Fund Advisory Board.

Ms. Wasserman representing Wisconsin IFF. Company provides below market loans to the non profit organizations that serve low income or special needs population. IFF started in Chicago about 22 years ago. Ms. Wasserman is the Director of the Wisconsin IFF office here in Milwaukee. The company has spread in 5 states. In Milwaukee they have done about \$19 million dollars in lending to affordable housing projects, for example Veterans Manor on 35th and Wisconsin Ave, Lisbon Terrace, Villard Square and also community based residential facilities. Ms. Wasserman thanks the board and is excited to be part of the Housing Trust Fund Advisory Board for its involvement with housing.

2. Review and approval of the May 13, 2010 meeting minutes

Mr. Kammholz moved approval of the May 13, 2010 minutes. There were no objections.

3. Nominations and election of the Housing Trust Fund Board Vice-Chair

*Chair, Ald. Murphy nominated Mr. Mathy for the position of Vice-Chair.
Mr. Mathy declined the nomination.*

*Chair, Ald. Murphy nominated Ms. Cathy Madden to Vice Chair.
Ms. Madden accepted. There were no objections.*

4. Discussion relating to advantages and disadvantages of creating a 501 (c)(3)

Ald. Murphy asked Mr. Gartner what would be the best way to try to get additional funding sources into the Housing Trust Fund and distribute more to those who are in need? The Housing Trust fund is listed with AChoice where city employees can make a contribution to the Housing Trust Fund, something like United Way.

Mr. Gartner said that it is ultimately a policy decision for both the Housing Trust Fund Advisory Board and the Common Council. He said that there are a number of different mechanisms that could be use to create a new entity or for the City and Housing Trust Fund Advisory Board to work in cooperation with an existing entity, the focused should be not so much in a new entity, but in the individuals that would be involve in the process and the sources of funding that may be available. There are several options; the City has in the past, worked to create free standing 501(c)(3), an example would be the Milwaukee Economic Development Corporation staffed through the Department of City Development. Once a dependant 501(c)(3) is created there are two issues, what the government structure is and how that entity would relate with the government. If the case is that there would be some kind of cooperation agreement than, there is no need to create a new entity. The city can work with an existing entity. Mr. Gartner said that there are no firm rules as to what the organizational structure should be or to what extent there should be governmental involvement or input. If the basis to create this new entity is to separate that entity from governmental control, than some of the other models might not work as well. Two governmental agencies can get together and form an intergovernmental cooperation agreement to create some form of commission or a body to perform these types of functions. The issue becomes what is the level of governmental participation and what is the perception among the potential donors. At this point if there is really an interest in pursuing a 501(c)(3) structure, the biggest question is, should the Housing Trust Fund Advisory Board look for an existing 501(c)(3) would which could cooperate or would the policy maker pursue the creation of a new entity.

Ald. Murphy said that from the political aspect of things, it would probably not be a likely scenario for the CC to give up control until those two questions are asked in terms of the governance and in terms of the finance. It would be very unlikely. Simple because these are property tax dollars and the city will not give up to the private group to distribute without oversight.

Ms. Passaro asked if the main driver of this exploration is the diversification of revenue.

Ald. Murphy said yes.

Ms. Passaro asked would there be a way to structured some tax dollars separate, then bring together with other dollars for particular projects.

Ald. Murphy said that there could number of scenarios that would do that. So the two

big questions ended up going back to the same thing, finding additional financing scenarios whether it would be a foundation on a regular schedule where they are funding it or a large grant and coming up with the appropriate governance structure. It still within the Finance Committee's prerogative of looking at that.

Ms. Madden asked in terms of the financing levels is there a specific amount the Common Council would be looking for to be able to launch this 501(c)(3)

Ald. Murphy said that it would be a policy question, but he thinks it would have to be something that would match the City's contribution (\$400,000/yr).

Ms. Madden asked if the existing entity is a Community Development Financial Institution (CDFI), can they become the city's 501(c)(3).

Mr. Gartner said that he is not sure what their tax as; he said that they may not be 501(c)(3).

Ms. Wasserman said that this topic would be something to look into.

Ald. Murphy said that the subcommittee can follow up on this topic. however, the funding source have to be identified.

Ms. Wasserman asked if anyone has thought of a foundation to support something like this.

Mr. Kammholz said that yes, there was some interest there, but there was reservations.

5. Review and approval of the recommendations submitted by the Technical Review Subcommittee on the revisions to the application form and scoring sheet

Mr. Mahan said that these were very technical as far as changes made and also information that the department did not use in the review. There was a lot of subjective terminology. The reviews are not ready for distribution. Common council has not looked at the final revision

Ald. Murphy said that this topic needs to be brought back to the next meeting of the Housing Trust Fund Advisory Board. Also, there was a question in creating a second application for consideration of smaller projects. Is that part of that technical review?

Ald. Murphy asked if there is a need to change anything in the ordinance as it relates to the new application.

Ms. Madden said that in prior discussion about the timing of the technical review to coincide with the WHEDDA tax credit being allocated is there any more discussion about that?

Mr. Kammholz said that he anticipates the use of the time tables used for last year.

Ald. Murphy asked how much dollars we have to allocate.

Mr. Higgins said that it should be \$750,000

Mr. Kammholz said that historically the city has awarded \$1.1 - 1.4 Million

Ald. Murphy asked how much has been awarded this year.

Mr. Higgins said that about \$940,000

Ms. Wasserman asked how much money each project received.

Ald. Murphy said that it have been a big range. Also he asked what is the expectation for time lien of the next round of applications.

Mr. Higgins said probably late October.

Mr. Kammholz said that this housing trust fund has been in effect since 2007. When the \$2.5 million dollars in capital funds, bonds proceeds were borrowed for the 2.5 million, but \$900,000 of those dollars have yet to be allocated onto projects. This is not a problem because they can always be change to a later year. If those projects awarded in 2007 never come to fruition, there would probably be a need to have a contingent borrowing file to keep the remaining \$900,000 alive. Also, Mr. Kammholz said that if money lapses there may need to be a clean up resolution for money awarded in a given year that, was not used by the end of such year.

Ald. Murphy asked for an update on the projects.

Mr. Higgins said that most of the projects were under contract. This information will be provided at the next HTFAB meeting.

6. Discussion relating to the process and timeline for next round of Housing Trust Fund awards

This item will probably be discussed in the next HTFAB meeting.

7. Status report on awarded projects

Individuals present from the different agencies that have been awarded by the the Housing Trust Fund that wanted to tell the board how these monies have help their agencies:

*Lynne J. Oehlke, President/Executive Director - St. Catherine
Sara Kiersek, Executive Director - The Dominican Center for Women
Charlotte John -Gomez, Executive Director - Layton Blvd West Neighbors
Teig Whaley-Smith, UMCS Housing Plan - Washington Park Dept.*

Ald. Murphy requested the representatives of the agencies present to submit in writing to his office how the award monies has helped their agency.

Meeting adjourned at 12:05 noon

**Joanna Polanco
Staff Assistant**

UMCS Housing Plan

A project of United Methodist Children's Services

*Deig Whaley-Smi,
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414-265-5803*

United Methodist Children's Services current facility, located at 3940 W. Lisbon Avenue, houses UMCS's administrative offices, a licensed day care, and 16 transitional living units for women with children. Adjacent to the existing facility is Washington Park Apartments which was completed in 2009. Washington Park Apartments includes 24 three-bedroom units which are moderately priced permanent housing, and each unit includes a washer and dryer, dishwasher and all kitchen appliances. Washington Park Apartments also includes 10,000 square feet of community-serving space, including the relocation of the Family Resources Center, which is the most heavily utilized emergency food pantry in Milwaukee County, serving over 40,000 people in 2009, and provides several other resources to area residents. Residents of Washington Park Apartments have access to the Family Resource Center, the UMCS Daycare, and other supportive services offered by UMCS. Among its many environmentally-friendly elements, the Washington Park Apartments includes a solar hot water system that will also help mitigate families' utility costs.



UMCS Existing Facility



UMCS Family Townhomes

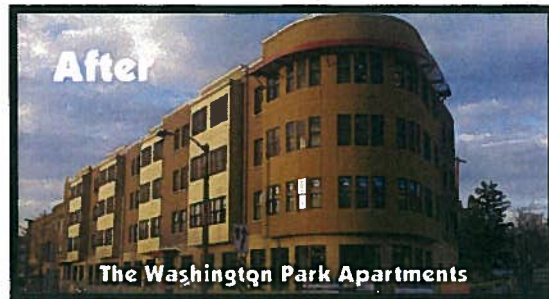
Also a part of the UMCS campus is the UMCS Family Townhomes, a six unit development completed in 2008. The townhomes are spacious three bedroom units with detached garages, basements, and quality materials built to last.

In 2010 UMCS intends to expand on the success of the UMCS Family Townhomes by constructing an additional 14 townhome units, together with a 10 unit apartment building along Lisbon Avenue, ("UMCS Phase III"). These new sites will utilize vacant City-owned land as well as bank-owned properties acquired through foreclosure to improve the neighborhood and eliminate blight.

50%	Percentage of Construction Dollars spent with Emerging Business Enterprises
54%	Percentage of Construction Hours worked by City of Milwaukee Residents
14%	Percentage of Construction Hours worked by Residents of Project's Zip Codes or adjacent

Washington Park Apartments Workforce Development Achievements

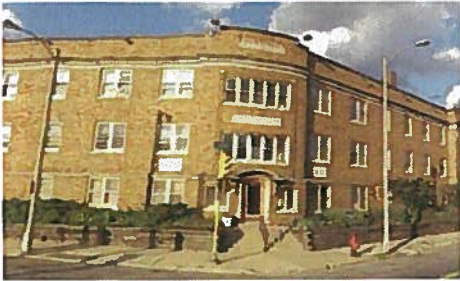
With UMCS' existing transitional units, the independent townhome units, and the additional family apartment units—UMCS will be able to provide a continuum of housing options for families to sustain independence, and contribute to the revitalization of Washington Park.



The Washington Park Apartments

UMCS Housing Plan

A project of United Methodist Children's Services



UMCS Transitional Living Program



Washington Park Apartments



UMCS Family Townhomes

