

Common Council File 060071, Relative to Recommendations of the Milwaukee Affordable Housing Task Force

Zoning, Neighborhoods and Development Committee

September 19, 2006

Council Reviews

- ▶ April 12, 2005 – endorsed support for creating a housing trust fund using \$6.2 million state funding
 - ▶ \$1.2 million real estate transfer fees
 - ▶ \$5 million dedicated to creating Milwaukee Hsg Trust Fund
- ▶ October 18, 2005 – allocated \$25,000 to hire consultant to collaborate in creating a Hsg Trust Fund
- ▶ December 13, 2005 – created the Hsg Trust Fund Task Force

Council Reviews

- ▶ May 31, 2006 – extended due dates for reporting recommendations and dissolving the Task Force to July 31, 2006
- ▶ July 7, 2006 – held public hearing under the communication file by the Common Council's Zoning, Neighborhoods and Development Committee relative to the recommendations of the task force

What next?

The legislative process requires that implementation of ANY recommendation contained in the task forces final report requires endorsement and implementation by the Common Council via appropriate legislation, including ordinances, resolutions and budget amendments

ZNDC File 060071

Substitute resolution relating to the recommendations of the Milwaukee Housing Trust Fund Task Force for the operating and funding of a housing trust fund.

Pursuant to Common Council File Number 060069 adopted May 31, 2006, the Task Force shall be dissolved upon Common Council final action on this file.

Operational Criteria Subcommittee

- ✦ Role was to make recommendations on:
 - ✦ Which agency will be responsible for administration of the HTF?
 - ✦ Will there be a body to provide oversight of the administering agency, and what will its composition be?
 - ✦ Types of projects eligible for funding from the HTF
 - ✦ Amount of funding to be earmarked for each category

Operational Criteria Subcommittee

- And also to make recommendations on:
 - Period of affordability - how long shall housing units built or rehabilitated with HTF dollars be required to remain affordable?
 - Income limits - applicable to persons or households eligible to live in HFT financed units
 - Accessibility standards – applicable to housing
- The 6-member subcommittee convened 6 times

Operational Criteria Subcommittee

➤ And also to make recommendations on:

➤ Period of affordability - how long shall housing units built or rehabilitated with HTF dollars be required to remain affordable?

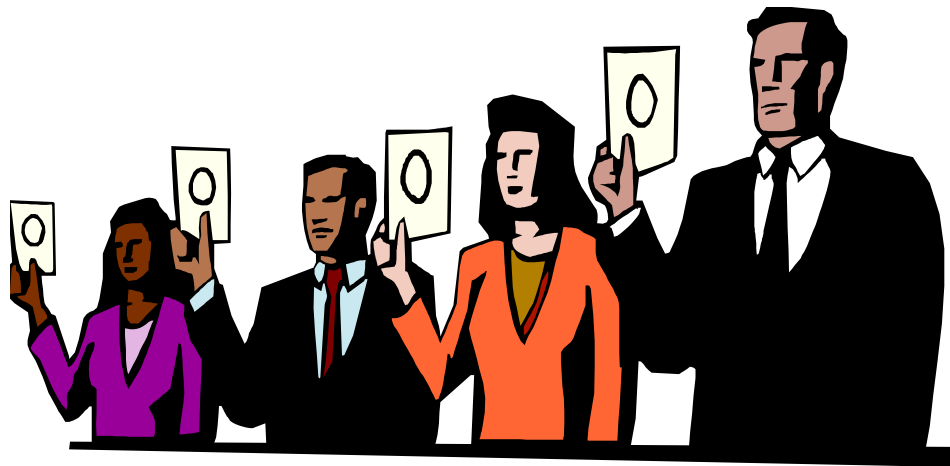
➤ Income limits - applicable to persons or households eligible to live in HFT financed units

➤ Accessibility standards – applicable to housing

➤ The 6-member subcommittee convened 6 times

Housing Trust Fund Task Force Operational Criteria Subcommittee

RECOMMENDATIONS



Recommendations

- ▶ #1 – choices for trust fund administrator (DOA- Community Development Grants Admin., NIDC administered by DCD, or private non-profit)
- ▶ #2 – create 13-member advisory board serving 2 year staggered terms

Recommendations

- ✦ #3 – allocating HTF dollars including stipulation that all projects financed by the HTF, trust fund dollars should be used to leverage and complement other sources of financing and to close funding gaps, but should not be viewed as the primary source of funds for the project
- ✦ #4 to #6 – affordability requirements (30 years plus review 15 years out for rental, 5 years with exception for owner occupied and 50 years for homeless housing)

Recommendations

- #7 to #8 – income eligibility (owner occupied, rental and homeless)
- #9 – requirements for agencies doing home buying counseling
- #10 – application scoring methodology
- #11 – accessibility standards
- #12 - visitability

Financing Models Subcommittee

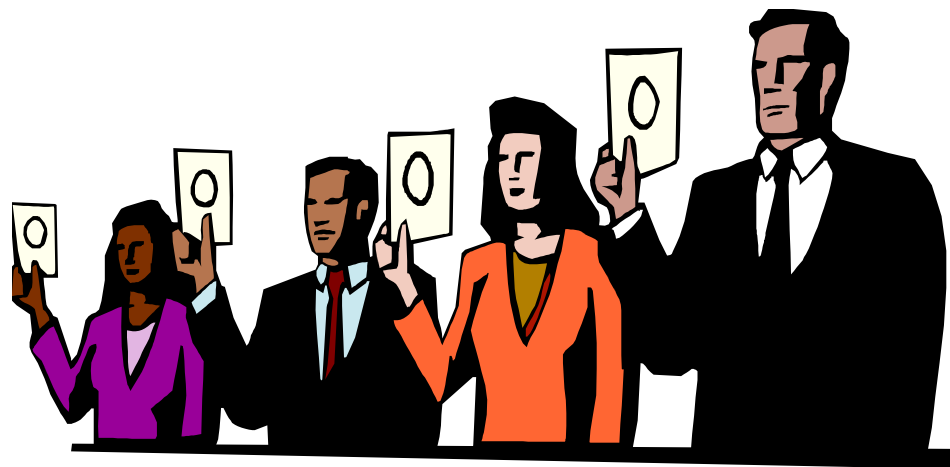
➤ Role:

Set a targeted annual amount of money to be available for the Trust Fund, as well as identifying and evaluating potential sources of revenue to support the Trust Fund.

➤ The 7-member subcommittee convened 4 times

Housing Trust Fund Task Force Financing Models Subcommittee

RECOMMENDATIONS



- #1 – funding not less than \$5 million annually
- #2 – using 1 time, city GO borrowing for start up costs
- #3 – allocate Potawatomi Bingo receipts that exceed \$3.38 million annually
- #4 – allocate TID post closing increments
- #5 – allocate sales proceeds from city owned property (net of RACM administrative fee)
- #6 – all new PILOT agreements
- #7 – seek various state legislations

Supportive State Legislations

- Use TID revenues outside the districts for HTF projects
- Linkage fees
- Fund state run housing trust fund
- Create 50% state tax credit
- Authorize cities and counties to levy taxes and fees, exempt from revenue caps and tax levy freezes, to support housing trust funds
- Create state funded housing trust fund to be funding using a real estate transfer fee

Supportive State Legislations

- 5% of R.E. transfer proceeds with no local contribution
- Increase R.E. transfer fee, statewide, from \$3 per \$1,000 of sale price to \$4 per \$1,000, with the increased revenues being dedicated to –
 - State housing trust fund (if one is created), or
 - Local housing trust funds (if no state housing trust fund is created)
- Eliminate the LLC exemption from the requirement to pay the R.E. transfer fee with the additional transfer fee revenues being dedicated same as above

Staff Contributions:

Legislative Reference Bureau

City Clerk

DCD

City Attorney

DOA - CDBG

Comptroller's Office

