



# City of Milwaukee

200 E. Wells Street  
Milwaukee, Wisconsin  
53202

## Meeting Minutes

### HOUSING TRUST FUND ADVISORY BOARD

**ALD. MICHAEL MURPHY, CHAIR**

*Bethany Sanchez, Vice Chair*

*Heather Dummer Combs, Cecelia Gore, Craig Kammholz, Chris Laurent, Vincent Lyles, Cathie Madden, Brian Peters, Ray Schmidt, Mike Soika, Michael Van Alstine*

**Staff Assistant, Terry MacDonald**

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**File Specialist, Joanna Polanco, E-mail: jpolan@milwaukee.gov**

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Tuesday, May 22, 2007

1:30 PM

Room 301-B, City Hall

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**Meeting convened: 1:41 P.M.**

**1. Roll call**

**Present** 7 - Soika, Kammholz, Van Alstine, Sanchez, Madden, Dummer Combs and Gore

**Excused** 3 - McGee, Murphy and Schmidt

*Also present: Brian Peters, Vincent Lyles, Chris Laurent, Tom Gartner-Assistant City Attorney, Emma Stamps-Legislative Reference Bureau, Jeff Osterman-Legislative Reference Bureau, Steve Mayhan-Community Block Grant Director and Garry Werra-DOA-Community Block Grants Admin.*

**2. Approval of the minutes of the May 2, 2007 meeting**

*Mr. Peters moved to amend page 5 by changing the 100% to "2% minimum required of HTF."*

*Ms. Sanchez said that at the bottom of page 2, she doesn't recall saying what the last sentence says. She said she will work with Ms. MacDonald to reword that last sentence.*

*Ms. Van Alstine moved approval of the minutes as amended, Mr. Soika seconded. There were no objections.*

**3. Discussion and approval of the Application Funding Process**

*Ms. Sanchez asked Mr. Kammholz, the chair of the Housing Trust Fund Technical Review Subcommittee (HTFABTRS) to explain what the subcommittee has brought to the Housing Trust Fund Advisory Board (HTFAB) for review and consideration.*

*Mr. Kammholz said that the HTFABTRS met on May 11, 2007 and its first discussion was on a review of the May 9, 2007 draft application. The subcommittee made some minor modifications to the draft application and it has submitted those recommendations to this committee for its review and approval (Exhibit 2). He then said that the subcommittee spent most of its time looking at how it could rank and score potential applicants. He said Mr. Soika developed an initial draft on how it could score various applications and he based it on the Federal Home Loan Bank of Chicago (FHLB) scoring process. He further said that the subcommittee reviewed the initial draft, made some modification and Mr. Werra and Mr. Soika then met and made some final follow up*

revisions.

Mr. Kammholz suggested that they start off by reviewing the draft evaluation scoring sheet and then move on to the reviewing and approving of the draft application, revised as of May 11, 2007.

Mr. Lyles asked if the housing trust fund dollars that they are being provided to organizations and non-profits are going to be strictly grants or loans, because page 3 of the draft application says loans?

Mr. Soika said the legislation is silent on whether the housing trust funds should be used as grants or loans. He further said that his recommendation would be that the housing trust funds dollars be used as grants only.

Ms. Dummer Combs said the recommendation they would get from the housing trust fund coalition, the advocacy group that works on this, would be grants.

Mr. Mahan explained that some of the development packets, regardless of how they offer the funding, will have to be considered a loan and it would go on the books as a loan.

Ms. Gore asked if they have a date identified for the first wave of applications.

Ald. Murphy arrived at 3:01 P.M.

Ms. Sanchez replied in the negative and asked for input from the members on suggestions for a time-line process.

Ms. Dummer Combs said that she would like to have the funds disburse or grants awarded before the next city budget is approved, which will be in November.

Ald. Murphy said that their goal would be to hopefully have several projects approved by the end of this year. He further said that it would be premature at this time to set a date.

Atty. Gartner said that the application process is wide open and this really will depend upon the type of applications they receive and on whether the awards are loans or grants. He said that if the forms that they need aren't standardized, they may need to have customized documentation for each project, such as negotiation on land use restriction agreement, analysis of the project, etc. He further said that if they receive 10 to 20 applicants and if the forms their going to use aren't standardized there would be no way that they could have the awards dispruse in that time frame.

Mr. Soika asked if they could set a target to have the RFP's out by the end of June and ask for the requests-for-proposals (RPF) responses back by the end of July and that would give the HTFABTRS the month of August to review and the HTFAB could be ready with recommendations by September.

Ald. Murphy replied that there may be problems with scheduling of meetings and staff availability.

#### 4. Discussion and approval of application evaluation scoring measure

Mr. Soika started off by explaining each of the items listed on the draft evaluation scoring sheet (Exhibit 1) that was created by the Housing Trust Fund Technical Review Subcommittee.

Ms. Gore asked, *what are the income target levels?*

Mr. Soika replied that the lower the level of income the higher the point value given. He further said that he doesn't know the income levels off the top of his head, but the income target is different for each kind of proposal (homeowners, renters and homeless).

Mr. Soika explained the formula used to calculate the income target.

Ms. Dummer Combs asked what if the organization doesn't know what kind of applicants they are going get, because they are in the process of developing the project at the time the application is submitted? She asked if it would be just what they are shooting for or what their goal is?

Mr. Soika replied that by past experience, the developer would know already what the income levels would be, because that is how they arrive at how much money they will need.

Mr. Laurent asked if there will be a land use restriction agreement placed on this?

Mr. Soika applied in the affirmative.

Mr. Soika explained the "Income Target" points given by percentages.

Mr. Mahan said that in the resolution there is a percentage for each category and they would judge them based on the applicable category. He further said that the RFP would have to be categorized and this committee would have to vote on the dollar awards for each RFP, because the owner-occupieds could not stand up against a tax credit project.

Mr. Kammholz said that Mr. Mahan is right under that kind of scenario. He further said that what the subcommittee came up with was just a starting point and what they should do is take this back to the HTFABTRS for further review and modifications.

Mr. Soika replied that the thresholds are shown in the application on page eight. He said that all the projects that would be applying for funding would be competing against each other for those funds.

Ms. Gore asked if there are time limits?

Mr. Soika replied that there are time limits stated in the legislation.

Ms. Gore referred to the "Family Supporting Wages" and asked if the jobs are categorized or is there a minimum set.

Mr. Soika explained that the problem with just saying "Family Supporting Wage" is that the \$7 an hour bench mark is over a decade old. He said that they opted to deal with this issue by starting it at \$7 an hour.

Mr. Laurent said as a point of clarification, because he is having a difficult time with understanding the "Income Targets," he suggested that rather than putting the percentages below the income target they could put the percentages at the income target.

Ms. Dummer Combs said that would make it easier to understand.

*Mr. Soika continued explaining the recommendations on "Affordability Period" and "Use of area workers or emerging businesses."*

*Mr. Soika said that the legislation states area workers and the HTFABTRS translated that as EBE's and said that they may need to revisit this issue.*

*Ms. Dummer Combs asked if area workers could be defined as workers who are city residents.*

*Mr. Soika replied that there is another category for city resident workers already.*

*Ald. Murphy appeared at 2:05 P.M. and said that he met with Tamara Grisby about 2 weeks ago and asked her to take up the issue of the housing trust fund as it relates to the Finance Committee and she has agreed to do so. He further said that, at his request, Governor Doyle put in the State budget a provision that would allow only the City of Milwaukee to extend the life of a TIF to be used for the housing trust fund. The Senate's Finance Committee chose not to include it in the Budget. Ms. Christy is working to get it put back in the State budget.*

*Mr. Kammholz continued with the discussion on EBE and area workers and said the conversation at the HTFABTRS meeting was on would the 18% DBE requirement be on the total project cost or the total funding award.*

*Mr. Gartner appeared and said the city has a number of different approaches when dealing with EBE requirements, but typically for development projects that are funded using TID or other City source of funding would have a mandatory requirement of 18% of the city dollars. He said in other incidents they would use best-efforts on the total project cost, but there isn't a firm city policy on this. He suggested they talk to the Department of City Development for recommendations. He further said the problem is that as you look through the list of the different criteria that are used in scoring the applications, some of those criteria will increase the total project cost. One approach could be that all projects would have an 18% best-effort goal for EBE for the entire project. He further said that a separate issue is whether the resident preference program would also apply. That program gives credit for utilization of unemployed workers from within the cities Community Block Grant area. He said it would be easiest for applicants to understand and easiest to administer if the requirements were consistent with the City's requirements, which are 18% best-efforts for EBE and 21% resident preference and it could be limited to third party contractors.*

*Ms. Gore asked if there is a way to look at past projects and determine which strategies have the greatest outcome as it relates to the goal that they are trying to achieve and that would be the most effective.*

*Mr. Gartner replied that Mr. Chris Martin the Manager of the Emerging Business Enterprise Program might be able to help.*

*Mr. Soika said that given the comments on the EBE and area workers, he recommends that the wording be re-worded and that they asked Mr. Werra to create a spreadsheet on creating a range within that category.*

*Mr. Laurent said WHEDA has a requirement of 25% of the target goal. He than said that best effort would be the appropriate way to go.*

Mr. Gartner suggested that they ask Mr. Martin to put together an example of an EBE agreement that would consist of the City's standard form best-efforts EBE agreement and leave a blank for the name of the entity that is undertaking the project and a blank for the percentage and then make it available as part of the application package, so that everyone making an application could see what the agreement looks like and they would understand what would be required.

Mr. Soika said that there is a danger in that the applicant could say he will get 50% knowing that he couldn't, just so he could get the award points.

Atty. Gartner asked who would be responsible for all the administration and monitoring?

Mr. Mahan replied that it will be monitored and it will also be reviewed by the HTFABTRS. He further said that if an organization submits a proposal it will need to have a Memorandum of Understanding (MOU) agreement and a letter that it agrees to a certain % of EBE participation. He said all the leg work would have to be done and verified prior to the submission of the application. He further said there is joint certification between City, County and State. He further said for this reason having Mr. Laurant as part of the HTFABTRS would be a valued asset.

Mr. Kammholz explained that if an applicant comes in and they are not on our EBE certification list, but are on the County or State list, which includes WHEDA they would be considered O.K.

Ms. Sanchez asked if the applicants would have the understanding going in, based on what's in the application, that they would have to produce a MOU agreement prior to getting a final commitment.

Mr. Mahan replied that it would have to be stated in the application.

Ms. Sanchez asked if they should separate the EBE's and the resident preference program into two categories.

Ms. Dummer Combs replied that for the sake of moving forward in this process and because she is concerned about the larger time-line, they should pick one and go with it this year and then revisit this again next year.

Mr. Mahan replied that it seems that almost every line is subject to verification, and maybe that will be how they need to process the application. He then said the application needs to go before the HTFTRS for review before it come before the full HTFAB for the final review and approval. Mr. Mahan said that members on the HTFABTRS includes the Comptroller's Office, City Attorney's Office, EBE Program Office, Department of City Development and that it will covers all the categories that need verification.

Mr. Peters asked how long would that process take.

Mr. Mahan replied that it would take a week if timed properly.

Mr. Soika said what if they changed the "Use of area Workers or emerging businesses" to read as follows: "18% DBE or 21% residential preference program and then move down with the percentages as already shown on the draft evaluation sheet."

Ms. Sanchez said how about "and" instead of "or".

Atty. Gartner said the city has a rule and the members of the Common Council are very careful about monitoring EBE participation. He said that there are requirements for EBE participation in all city funded contracts, and to say "or" or even suggest as the score system does, that that someone could come in and say no they wouldn't use EBE's and just take the 0 points, would raise questions with the City regarding the funding. He further said the easiest way would be to monitor and mirror the city's normal approach to these types of city funded projects, rather than distinguish the housing trust fund program from any other city funded program or contract.

Mr. Soika said that the language in the legislation specifies area workers.

Ms. Sanchez said that she would recommend that at this time they take the evaluation scoring sheet back to the HTFABTRS for review. She also said that at the next HTFABTRS, it will request the appearance by Mr. Chris Martin, who can give advice on the city's EBE's program.

Ms. Sanchez than moved on to the "Family Support Wages" item on the draft evaluation sheet and said that she assumes that there will be different levels of wages being paid on the job for the different type of workers, such as roofers, painters, etc.

Mr. Soika replied that he doesn't know and that the initial intent was to go with the CBGA formula.

Ms. Sanchez asked if they go with the average wages paid.

Mr. Laurent said that some trades like drywaller are not paid by the hour, but by piece and said that they may want to look at a different way to get the wage rate.

Mr. Kammholz and Ms. Sanchez both said that this should also be taken back to the HTFABTRS for further review.

Mr. Kammholz asked CBGA if they could do a web search to find out how other communities have addressed the wage issue.

Mr. Soika continued on with "Experience", "Accessibility Improvements or Modifications", "Service Partners", "Neighborhood Diversity", "Green Building Principles", "Proposal Meets Community Needs" and explained how they came up with the points for each of those.

Mr. Lyles asked how would they know that the proposal meets community needs.

Mr. Soika replied that DCD has plans for every neighborhood.

Mr. Mahan replied that they have a representative from DCD on the HTFABTRS.

Mr. Mahan asked if the HTFABTRS, after review and scoring of the application, will need to submit a letter of some type with its written recommendations to the HTFAB?

Ms. Dummer Combs replied that if the HTFABTRS is going to rate the application, what is this committee's responsibilities.

Mr. Lyles replied that it is this committee's role to score the application and make the recommendation to the Council. He said that the Council is going to trust the HTFABTRS recommendation more than its going to trust the HTFAB because the members on the HTFABTRS are co-workers and peers and they know how the city

*works.*

*Mr. Mahan said that the recommendation made by the HTFABTRS would be draft recommendations and those would be referred to the HTFAB for final review and approval.*

*Mr. Kammholz said that they should work on a time-line as to what is going to happen when, such as when they are going to receive the applications, on the screening of the applications, on the rating of the applications and then on the submitting of the draft recommendation from this committee for review and final approval. He said they could start with setting an end date first and work back from there. He said that they should have the timeline process in place by the next HTFAB meeting.*

*Mr. Peters said that this committee should also be looking at what they are going to do with the remaining 15% that is to be used by this Board as discretionary funds.*

*Mr. Laurent suggested that they remove the negative points from the scoring sheet altogether.*

*Ms. Sanchez said that if any of the members have any other suggestions on the point system or for language that can be use for the RFP, they should send those to Ms. MacDonald and she will forward them to the all the members.*

**5. Next meeting date and time**

*The following meeting dates were set and all meeting will be held at 1:30 P.M.:*

*June 12, 2007  
July 10, 2007  
August 14, 2007  
September 11, 2007  
October 9, 2007  
November 13, 2007  
December 11, 2007*

**Meeting adjourned: 3:14 P.M.**

**Terry J. MacDonald  
Staff Assistant**

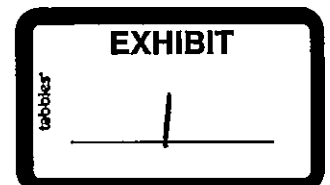
5/22/07

### HTF Rating Point System - Final Draft Recommendation

	Max 100 Pt Scale(a)	
	Point Range	Max Points
<b>Leveraged Dollars</b>		<b>15</b>
HTF dollars are less than 3% of total project cost	15	
HTF dollars account for 3 - 5% of total project cost	12	
HTF dollars account for 6 - 10% of total project cost	9	
HTF dollars account for 11 - 15% of total project cost	6	
HTF dollars are more than 15% of total project cost	3	
<b>Construction Financing</b>		<b>5</b>
Construction Loan is Firmly Committed	5	
Construction Loan is Conditionally Committed	2	
Construction Loan is not identified	0	
<b>Income Targets</b>		<b>15</b>
# of units with residents below 150% of income target	15	
# of units with residents below 130% of income target	12	
# of units with residents below 125% of income target	9	
# of units with residents below 115% of income target	6	
# of units with residents at income target	3	
# of units above income target	-10	
<b>Affordability Period</b>		<b>10</b>
Meets HTF Affordability Period (Required - Zero Points)	0	
Exceeds HTF Affordability Period by 25%	2	
Exceeds HTF Affordability Period by 50%	5	
Exceeds HTF Affordability Period by 75%	8	
Exceeds HTF Affordability Period by 100% or more	10	
<b>Use of area workers or emerging businesses</b>		<b>10</b>
Less Than 18% DBE	-10	
18% DBE	2	
24% DBE	4	
30% DBE	6	
36% DBE	8	
More than 36% DBE	10	
<b>Family Supporting Wages</b>		<b>5</b>
Contractor pays employees \$7.00 to \$8.00 per hour	1	
Contractor pays employees \$8.01 to \$9.00 per hour	2	
Contractor pays employees \$9.01 to \$10.00 per hour	3	
Contractor pays employees \$10.01 to \$11.00 per hour	4	
Contractor pays employees more than \$11.00 per hour	5	
<b>Experience</b>		<b>10</b>
Agency experience with same type/similar project	5	
Staff experience with same type/similar project	5	
<b>Accessibility Improvements or modifications</b>		<b>5</b>
Meets Minimum Standards	1	
Exceeds Minimum Standards	5	
<b>Service Partners (b)</b>		<b>5</b>
Provision of services on site w/out use of HTF \$	5	
<b>Neighborhood Diversity</b>		<b>5</b>
Project Increase neighborhood diversity in housing choices	5	
<b>Green Building Principles</b>		<b>5</b>
Project Utilizes Green building Principles	5	
<b>Coordination with Community Institutions</b>		<b>5</b>
Project is Coordinated with Community institutions	5	
<b>Community Integration</b>		<b>5</b>
Move persons from Institutions to community	5	
<b>Proposal Meets Community Needs (Subjective)</b>		<b>15</b>
TBD by Reviewer	0-15	
<b>Total Points</b>		<b>100</b>

NOTE: All proposals must receive at least fifty (50) points for further consideration

- (a) 100 point maximum applies to projects requiring on-site services such as Shelter + Care. Maximum points available for all other projects is 95.
- (b) Only applies to projects requiring on-site services such as Shelter + Care





150% of Target	130% of Target	125% of Target	115% of Target	At HTF Target
15 $\frac{B}{A}$	12 $\frac{B}{A}$	9 $\frac{B}{A}$	6 $\frac{B}{A}$	3 $\frac{B}{A}$

A = Total Units  
 B = Units meeting HTF Income Targets

Alternate Scoring Examples			
Max Pts	Formula	Calc	Total Pts
		25	
15		50	0.5
		7.5	
		25	
12		50	0.5
		6	
		25	
9		50	0.5
		4.5	
		25	
6		50	0.5
		3	
		25	
3		50	0.5
		1.5	

## HTF Rating Point System - Draft Recommendation

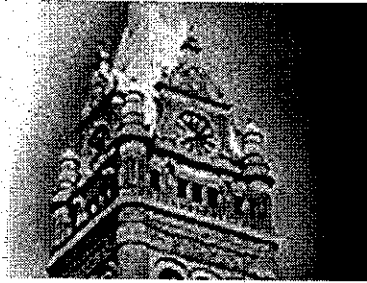
			<i>Alt 100 Pt Scale</i>	
	Point Range	Max Points	Point Range	Max Points
<b>Leveraged Dollars - 25 Points Available</b>		<b>25</b>		<b>15</b>
HTF \$ = < 3% of total project cost	25		15	
HTF \$ = 3-5% of total project cost	20		12	
HTF \$ = 6-10% of total project cost	15		9	
HTF \$ = 11 - 15% of total project cost	10		6	
HTF \$ = > 15% of total project cost	5		3	
<b>Construction Financing</b>		<b>10</b>		<b>5</b>
Construction Loan Firmly Committed	10		5	
Construction Loan Conditionally Committed	5		2	
Construction Loan Not Identified	0		0	
<b>Income Targets - 25 Points Available</b>		<b>25</b>		<b>15</b>
# of units with residents below 150% of Income target	25		15	
# of units with residents below 130% of income target	20		12	
# of units with residents below 125% of income target	15		9	
# of units with residents below 115% of income target	10		6	
# of units with residents at income target	5		3	
# of units above income target	-10		-10	
<b>Affordability Period</b>		<b>10</b>		<b>5</b>
Meets HTF Affordability Period (Required - No Points)	0		0	
Exceeds HTF Affordability Period by 25%	2		2	
Exceeds HTF Affordability Period by 50%	5		5	
Exceeds HTF Affordability Period by 75%	8		8	
Exceeds HTF Affordability Period by 100%	10		10	
<b>Use of area workers or emerging businesses</b>	<b>10</b>	<b>10</b>		<b>10</b>
Less Than 18% DBE	0		-10	
18% DBE	2		2	
24% DBE	4		4	
30% DBE	6		6	
36% DBE	8		8	
More than 36% DBE	10		10	
<b>Experience</b>		<b>10</b>		<b>10</b>
Agency experience with same type/similar project	5		5	
Staff experience with same type/similar project	5		5	
<b>Accessibility Improvements or modifications</b>		<b>5</b>		<b>5</b>
Meets Minimum Standards	5		1	
Exceeds Minimum Standards			5	
<b>Service Partners ***</b>		<b>10</b>		<b>5</b>
Provision of services on site w/out use of HTF \$	10		5	
<b>Neighborhood Diversity</b>		<b>10</b>		<b>5</b>
Project increase neighborhood diversity in housing choices	10		5	
<b>Green Building Principles</b>		<b>10</b>		<b>5</b>
Project Utilizes Green building Principles	10		5	
<b>Coordination with Community Institutions</b>		<b>10</b>		<b>5</b>
Project is Coordinated with Community Institutions	10		5	
<b>Community Integration</b>		<b>10</b>		<b>5</b>
Move persons from institutions to community	10		5	
<b>Family Supporting Wages</b>		<b>10</b>		<b>5</b>
Contractors pay family supporting wages	10		5	
<b>Proposal Meets Community Needs (Subjective)</b>		<b>15</b>		<b>15</b>
TBD by Reviewer	15		15	
<b>Total Points</b>		<b>145</b>		<b>100</b>

NOTE: All proposals must receive at least 25 points for further consideration

\*\*\* Only applies to projects requiring on-site services such as Shelter + Care

5/22/07

REVISED 5/11/07



# **CITY OF MILWAUKEE HOUSING TRUST FUND**

**APPLICATION FOR FUNDING  
FY2007**

**DRAFT FOR DISCUSSION PURPOSES ONLY**

tabbler	<b>EXHIBIT</b>
	<u>2</u>



# CITY OF MILWAUKEE HOUSING TRUST FUND

## DRAFT APPLICATION FOR FUNDING FY2007 DRAFT

### BACKGROUND:

The City of Milwaukee Housing Trust Fund was created by the Common Council on September 9, 2006 for the purpose of improving housing conditions for low-income persons in the City and to provide support for non-profit and for-profit developers and governmental entities in the acquisition, construction, rehabilitation and accessibility modification of affordable housing for low-income households in Milwaukee. The Housing Trust Fund was also created to fund ~~services~~ that assist low-income households in obtaining and maintaining affordable housing.

Comment [GMW1]: (e.g. home purchase counseling) (this language removed per HTF Board directive on 05/02/07) The word "supportive" removed per Tech Committee 05/11/07.

A diverse 13-member advisory board, serving staggered, 2-year terms, provides oversight of the Housing Trust Fund, as well as final funding recommendations to the City of Milwaukee Common Council. The Community Development Grants Administration (CDGA) Division of the City's Department of Administration administers the Housing Trust Fund.

The Housing Trust Fund Board is responsible for evaluating requests for funding from the Housing Trust Fund after those requests have been submitted to and reviewed by CDGA. In making funding-allocation decisions, the Board will also consider a report on Milwaukee's housing needs that is prepared annually by ~~the~~ Department of City Development.

Comment [GMW2]: -the Community Development Grants Administration Division and (this language removed because CDGA does not prepare the document described, it is done by DCD)

### FUNDING GUIDELINES

- A minimum of 25% of Housing Trust Fund dollars must be used to develop housing and provide services for people who are homeless.
- A minimum of 35% must be used to develop or rehabilitate rental housing.
- A minimum of 25% must be used to create and maintain home ownership opportunities.
- The remainder of the Fund (15% or less) is available for "flexible" use to respond to any other housing needs identified by the advisory board, subject to the requirements of the Housing Trust Fund.
- In any of these categories, Housing Trust Fund dollars may be used to fund accessibility or visitability improvements or modifications. However, at least 2% of available Housing Trust Fund dollars or \$100,000, whichever is less, must be used to fund accessibility improvements or modifications in any of the 3 funding categories (homeless, rental and home ownership) annually.

**HOUSING TRUST FUND ACTIVITIES MUST OCCUR IN  
THE CITY OF MILWAUKEE**

Comment [GMW3]: Added for clarification

**REQUESTS FOR PROJECTS OR ACTIVITIES OUTSIDE OF THE CITY OF  
MILWAUKEE WILL BE REJECTED**

Comment [GMW4]: Added per CDGA recommendation



# CITY OF MILWAUKEE HOUSING TRUST FUND

## DRAFT APPLICATION FOR FUNDING FY2007 DRAFT

Trust Fund dollars must always be used to leverage and complement other sources of financing and to close funding gaps. **Housing Trust Funds may not be used as the primary source of funds for any project.**

### ELIGIBLE APPLICANTS

1. A nonprofit organization organized under Chapter 181 of the Wisconsin Statutes, qualified as a Section 501(c)(3) organization, at the time of grant application submission.
2. A for-profit organization organized and licensed to do business in the State of Wisconsin at the time of grant application submission.

Individuals may not apply for direct assistance from the Housing Trust Fund.

### AFFORDABILITY REQUIREMENTS

1. Rental Housing: Rental Housing funded with Housing Trust Fund dollars shall remain affordable for a minimum of 30 years, with a review of the affordability requirement at 15 years. The advisory board shall have discretion to remove a particular housing development from the Housing Trust Fund program at the time of the 15-year review.
2. Owner-Occupied Housing and Homeownership: Housing Trust Fund dollars used for the acquisition, new construction or rehabilitation of an owner-occupied dwelling, will be forgiven if the owner lives in the home for at least 5 years. The requirement to live in the home for at least 5 years will be enforced through a deed restriction or other comparable security instrument approved by the Board. If the owner sells the home before the end of the 5-year period, the owner will be required to reimburse the Housing Trust Fund the entire loan amount unless the property is sold to another income-eligible household.

Housing Trust Fund dollars are available for home-buying counseling. Homebuyer counseling agencies must demonstrate that they serve low- and moderate-income clients. In addition, any organization that receives Housing Trust Fund money for this purpose must demonstrate that it has the ability to assist disabled individuals (e.g., the location is accessible and the organization offers translation services, materials in Braille, etc.).

3. Housing and Services for the Homeless: All Housing developed for the Homeless must remain as homeless housing for a minimum of 50 years.



# CITY OF MILWAUKEE HOUSING TRUST FUND

## DRAFT APPLICATION FOR FUNDING FY2007 DRAFT

### INCOME ELIGIBILITY

1. Owner-Occupied Housing: Financial assistance from the Housing Trust Fund for the acquisition, new construction or rehabilitation of owner-occupied housing is limited to households with incomes at or below 100% of the County Median Income, where "income" is calculated using the Census Bureau Long Form method.

The maximum income for homeowners seeking financial assistance for rehabilitation projects is limited to 65% of County Median Income (currently \$43,680) for substantial work (e.g., work valued at more than \$5,000) and 100% of County Median Income for more modest projects (e.g., work valued at \$5,000 or less). Income limits are based on the CMI and ...subject to change annually.

2. Rental Housing and Housing for the Homeless: Financial assistance from the Housing Trust Fund for rental housing and projects for the homeless (acquisition, new construction or rehabilitation) is limited to projects that serve households/individuals at or below 50% of the County Median Income (currently \$33,600).

### APPLICATION SCORING

The advisory board will give weighted consideration to applications that will:

- Leverage other funds (private and/or public).
- Serve the lowest-income segment of the population.
- Extend the term of affordability beyond the minimum required by the Housing Trust Fund.
- Use workers from the neighborhood and/or give priority to emerging business enterprise contractors.
- Encourage more neighborhood diversity and increase housing choices within the neighborhood.
- Use green building principles.
- Coordinate with and enhance the work of other entities in the neighborhood, such as employers, business improvement districts, schools, job training agencies or social service agencies.
- Facilitate the movement of persons from institutions into the community.
- Use contractors who pay family-supporting wages.



# CITY OF MILWAUKEE HOUSING TRUST FUND

## DRAFT APPLICATION FOR FUNDING FY2007 DRAFT

### OTHER REQUIREMENTS

The following accessibility standards apply to all new construction or substantial rehabilitation of housing supported by Housing Trust Fund dollars:

- Section 504 of the Rehabilitation Act of 1973.
- Fair Housing Act as amended.
- Americans with Disabilities Act (with respect to marketing-office and common areas).
- Wisconsin Open Housing Act.
- Architectural Barriers Act.
- The design principles of any one of the following:
  1. Aging in place
  2. Universal design
  3. Any other accessible and/or adaptable design criteria approved by the Housing Trust Fund Advisory Board.
- For new housing units in one- to three-unit structures, each ground-floor unit shall be constructed to the following "visitability" standards:
  1. One zero-step entrance to the dwelling unit that will permit a visitor using a wheelchair to enter the main-level floor of the dwelling unit through a doorway entrance that has a minimum 32" clear passage opening.
  2. Usable path of travel throughout the interior main-level floor of the dwelling unit that is no narrower than 36" at any point except for interior doorway openings with a minimum 32" clear passage opening.
  3. Powder room (half bath) on the main-level floor that has:
    - i. A doorway entrance with a minimum 32" clear passage opening;
    - ii. Sufficient space to close the entrance door while the room is occupied;
    - iii. A minimum 30" by 48" floor space clearance; 4) reinforced walls for future installation of grab bars to provide access to the toilet if necessary.
- Any of these standards (except standards imposed by federal or state law) may be waived or reduced by the Housing Trust Fund's advisory board, upon consultation with appropriate City staff, if project site conditions are unsuitable, but any such waiver does not exempt the project from all other applicable requirements regarding accessibility and visitability.



**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

**INSTRUCTIONS FOR COMPLETING THE APPLICATION**

Submission of an application does not guarantee funding. For all projects financed by the Housing Trust Fund, Trust Fund dollars must be used to leverage and complement other sources of financing and to close funding gaps. *Housing Trust fund dollars may not be used as the sole source of funding.*

Completed applications and required attachments must be received at the Community Development Grants Administration office *no later than (TIME) on (DATE)*. No extensions will be granted. Submit the original and fifteen (15) copies to:

Mr. Steven L. Mahan, Director  
Community Development Grants Administration  
200 East Wells Street, Room 606  
Milwaukee, Wisconsin 53202

**Comment [GMW6]:** Increased to allow a copy for each Board member (13) and 3 CDGA staff (Steve, Hettie, Garry)

Questions may be directed to the office of Community Development Grants Administration at (414) 286-3647. Your application will begin when your complete application has been received, including all items indicated below:

- A fully completed application. If a question does not apply, indicate this on the application.
- Applicants should include audited financial statements for three years, if in existence for less than three years, all statements received to date (balance sheets, cash flow statements, and profit and loss statements). For special limited purpose corporations, the supporting organization's statements.
- Tax returns for three years (Individual 1040, Corporate 1120 and Partnership 1065).
- Project or Business plan
- Site photos showing front and rear of building (if applicable). If vacant land, pictures from the north, south, east and west.
- Market analysis for projects containing twelve or more residential units.
- Resumes and qualifications of the development team.
- Project cost analysis including acquisition, construction, rehabilitation, renovation and other applicable costs,
- Source of funding. Provide copies of any financial commitments obtained for acquisition, construction and permanent loans.
- A ~~minimum~~ 5-year projected pro-forma
- An affordability analysis indicating the income level household that can afford the proposed housing at current interest rates or rent levels.
- Post rehabilitation or new construction appraisal
- Reserved for additional requirements
- Reserved for additional requirements

**Comment [C7]:** Revised per tech comm. 05/11/07

**Comment [C8]:** Revised per tech comm. 05/11/07





# CITY OF MILWAUKEE HOUSING TRUST FUND

## DRAFT APPLICATION FOR FUNDING FY2007 DRAFT

### NOTICES

The City of Milwaukee reserves the right to reject any or all proposals. Contract awards based on submitted proposals shall further be subject to actual availability of sufficient Housing Trust Funds. Should the availability of Housing Trust Funds be reduced, the City of Milwaukee Common Council can modify and reduce the award. In the event of such a modification or reduction, the recipient shall be notified in advance of the pending Common Council meeting where such action shall take place.

All materials submitted shall become public records retained by the City of Milwaukee, with the following exceptions: late and/or incomplete applications or requests for funding for projects that are not a part of this solicitation, will be returned to the applicant without further review, and materials not requested as part of the application packet will be discarded.

If Applicant makes a false statement or misrepresentation in this Application to obtain Housing Trust Funds and funds are awarded, the funds and contract will be in default and the City may declare all of any part of the funds paid out immediately due and repayable to the City and the contract voided.

### FUNDING DECISION

The actual decision to award funds is considered first by the City of Milwaukee Housing Trust Fund Advisory Board and forwarded to the Common Council for final review and approval. Funding recommendations by CDGA staff are advisory to the Housing Trust Fund Board. Applicants that are not recommended for funding, will be notified by mail.

In addition, the Housing Trust Fund Board may designate an agency to act as a subrecipient in any manner it deems appropriate to carry out an eligible activity, per the Housing Trust Fund regulations.



**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

Organization Name: \_\_\_\_\_

Organization Address: \_\_\_\_\_ City \_\_\_\_\_ Zip \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

E-Mail: \_\_\_\_\_ FEIN \_\_\_\_\_

Indicate the amount requested in the appropriate category below. *Please submit a separate application for each category being requested.*

Activity	2007 Funds Available	Amount Requested
<b>Homelessness</b>	<b>\$625,000</b>	
- Rehabilitation of Existing Facility		\$
- New Construction of Facility		\$
- Provide Supportive Services		\$
<b>Rental Housing</b>	<b>\$875,000</b>	
- Rehabilitation of Existing Structure		
- New Construction		\$
<b>Home Ownership</b>	<b>\$625,000</b>	
- Rehabilitation of Existing Structure(s)		
- New Construction		\$
- Owner-Occupied Rehabilitation		\$
- Homebuyer Counseling Services		\$
- Post-Purchase Counseling Services		\$
<b>Other Needs as Identified</b>	<b>\$375,000</b>	<b>\$</b>
<b>TOTAL</b>	<b>\$2,500,000</b>	<b>\$</b>
Indicate the percentage and amount of HTF funds requested that will be used to fund accessibility improvements or modifications. →		

**Comment [GMW9]:** "Create Housing for the Homeless" [this language removed per HTF Board directive on 05/02/07]

**Comment [GMW10]:** Added per HTF Board directive on 05/02/07

**Comment [GMW11]:** Added per CDGA recommendation

**Proposals must be authorized and signed by the Chief Executive Officer ~~AND~~ an official of the Board of Directors.**

Signature: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_  
Title: \_\_\_\_\_

Signature: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_  
Title: \_\_\_\_\_



CITY OF MILWAUKEE  
HOUSING TRUST FUND

DRAFT APPLICATION FOR FUNDING FY2007 DRAFT

**PART I: PROJECT DESCRIPTION**

1. **Describe the Project:** Briefly identify the project location and the specific activity to be completed.

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a. **If project involves construction or rehabilitation, please attach photos of the site and sketches or drawings of the proposed project.**

- Photos and/or sketches are attached
- Project does not involve construction or rehabilitation

b. **If the project involves the provision of ~~services~~, briefly describe the specific services to be provided.**

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Project does not involve the provision of supportive services

2. **Households/Clients Served:** Briefly describe the specific population to be served, including target income level and special needs populations, as applicable.

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3. **Indicate the unduplicated number of units/household to be served**

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Comment [GMW12]: "for the homeless" (this language removed per HTP Board directive on 05/02/07)



**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

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Reviewer's Comments:

Score:



**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

**PART II: PROJECT TIMELINE**

Comment [GMW13]: Added for consistent with HTF Board directive on 05/02/07

1. Complete a timeline for the project, indicating critical events, such as construction start/finish dates, lease up/sales, etc.

MONTH	EVENT(S)

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Reviewer's Comments:	Score:



**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

**PART III: PROJECT SITE CONTROL, ZONING, & ENVIRONMENTAL ISSUES**

1. Site Control is in the form of:

- Deed
- Purchase Agreement
- Option (Expiration Date \_\_\_\_\_)
- Other \_\_\_\_\_

a. Please Attach Written Documentation of Site Control

2. Site is currently zoned: \_\_\_\_\_

a. Please Attach Written Verification of Zoning Designation

3. Is the zoning appropriate for your project?

Yes       No

If no, is rezoning currently in process and when is it anticipated that this issue will be resolved?

Date \_\_\_\_\_

4. Describe what, if any, Environmental Assessment activities have been conducted.

\_\_\_\_\_  
\_\_\_\_\_

a. Please attach a copy of any environmental findings/reports received.

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Reviewer's Comments:	Score:



**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

**PART IV: PROJECT FINANCING**

**1. Please Attach the Following Items**

- Sources and Uses of all funds
- Development Budget
- Project 5-Year Pro-Forma
- Cash Flow Statement

**2. Please describe the specific use of Housing Trust Fund dollars (i.e.:**

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**3. Has the project secured a firm commitment from a construction lender?**

Yes       No

**4. Has the project received a conditional commitment from a construction lender?**

Yes       No

**5. Provide the following information and attach written verification of any commitments received. If you do not have any commitments, provide the name of the lender you are working with.**

Lender Name \_\_\_\_\_ Phone number \_\_\_\_\_

Contact Person \_\_\_\_\_

Address \_\_\_\_\_

Commitment Amount \$ \_\_\_\_\_ Rate/Term \_\_\_\_\_



**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

6. Identify the project total amount of other funds (private and/or public) that would be leveraged by the Housing Trust Fund dollars?

Funding Source	Amount Leveraged
	\$
	\$
	\$
	\$
	\$
	\$
	\$
<b>TOTAL FUNDS LEVERAGED</b>	<b>\$</b>

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Reviewer's Comments:	Score:





**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

**PART V: CAPACITY AND EXPERTISE**

1. Has your agency previously undertaken this type of project before?

\_\_\_ Yes      \_\_\_ No

a. If yes, identify the three most recent projects completed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Identify the staff responsible to complete the project and indicate any experience specifically related to this project

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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Score:



**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

**PART VI: ~~FURTHERANCE~~ OF HOUSING TRUST FUND GOALS**

Comment [GMW14]: The act of furthering, advancing, or helping forward

1. Describe the accessibility improvements or modifications that will be included as a part of this project:

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2. Explain how this project serves the lowest-income segment of the population:

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3. Does the project affordability period exceed the minimum period required by the Housing Trust Fund (please refer to page 3)?

Yes       No

Affordability Period Required by HTF: \_\_\_\_\_ (years)

Affordability Period Proposed for Project: \_\_\_\_\_ (years)



**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

3. Will this project utilize workers from the neighborhood and/or give priority to emerging business enterprise contractors?

\_\_\_ Yes      \_\_\_ No

a. If yes, please describe:

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4. Does this project encourage neighborhood diversity and increase housing choices within the neighborhood?

\_\_\_ Yes      \_\_\_ No

a. If yes, please describe:

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5. Will this project utilize green building principles?

\_\_\_ Yes      \_\_\_ No

a. If yes, please describe:

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CITY OF MILWAUKEE  
HOUSING TRUST FUND

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

6. Will this project coordinate with and enhance the work of other entities in the neighborhood, such as employers, business improvement districts, schools, job training agencies or social service agencies?

\_\_\_ Yes \_\_\_ No

a. If yes, please describe:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Will this project facilitate the movement of persons from institutions into the community?

\_\_\_ Yes \_\_\_ No

a. If yes, please describe:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Will the project use contractors who pay family-supporting wages (family supporting wages are defined as \$7.00 per hours)?

\_\_\_ Yes \_\_\_ No

a. If yes, please describe:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Comment [GMW15]: How does HTF Board define a "living wage"? Will payroll registers be required as part of monitoring?



**CITY OF MILWAUKEE**  
**HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

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Reviewer's Comments:

Score:



**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

**PROPOSAL CHECKLIST - YEAR 2007**

Completed applications and all required attachments must be physically received and time-stamped (postmark not acceptable) at the Community Development Grants Administration office no later than ~~(TIME)~~ on ~~(DATE)~~. No extensions will be granted.

Submit the original and ~~5~~ (15) copies to:

Mr. Steven L. Mahan, Director  
Community Development Grants Administration  
200 East Wells Street, Room 606  
Milwaukee, Wisconsin 53202

Comment [GMW16]: Increased to allow a copy for each Board member (13) and 3 CDGA staff (Steve, Heide, Garry).

Faxed or electronic applications will not be accepted. All proposals received after the closing date noted above will be returned to the applicant without review.

**PLEASE BE CERTAIN TO**

- Complete and submit *1 original and 15 unbound copies* of all documents:
- Attach all required supporting documentation as requested in the application.
- If you are applying for more than one activity, you must submit a separate application with all required documentation.
- Follow the prescribed format for Application preparation closely. Present information in the order indicated.
- If you replicate this application, it must be consistent in all aspects with the original Housing Trust Fund Application
- Do not submit materials other than those specifically requested. Letters of Support and Appendices submitted under separate cover will be discarded.

**If your Application is funded, some additional documentation will be required prior to executing a contract between the City of Milwaukee and your organization.**



**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**DRAFT APPLICATION FOR FUNDING FY2007 DRAFT**

**ADDITIONAL ITEMS THAT NEED TO BE INCORPORATED  
INTO THE APPLICATION...**

Upon award of funds term sheet will be drafted and that HTF \$ will be disbursed after all other sources of funds have been disbursed.

**ATTACHMENT # 1**

**City of Milwaukee Housing Trust Fund  
Income Limits – 2007**

Income Level	Household Size							
	1	2	3	4	5	6	7	8
30% (ELI)	14,100	16,150	18,150	20,150	21,750	23,400	25,000	26,600
50% (VLI)	23,500	26,900	30,250	33,600	36,300	39,000	41,650	44,350
80% (LI)	37,650	43,000	48,400	53,750	58,050	62,350	66,650	70,950

Note: Income Limits are based on the HUD Section 8 Limits and are subject to change annually.

**ATTACHMENT # 2**



**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

***DRAFT APPLICATION FOR FUNDING FY2007 DRAFT***

**City of Milwaukee Housing Trust Fund  
Rent Limits - 2007**

	Number of Bedrooms						
	Efficiency	1	2	3	4	5	6
Base Rent (If Rent Includes Utilities)	510	608	726	873	942	1075	1176
Adjusted Rent (If Tenant Pays Utilities)	0	0	0	0	0	0	0

Note: 1. Rent Limits are based on the HUD Low HOME Rent Limits and are subject to change annually.  
2. Utility allowances determined by HACM and are subject to change annually

Comment [GMW17]: Requested from HACM 05/03/07