

**GRANT ANALYSIS FORM
OPERATING & CAPITAL GRANT PROJECTS/PROGRAMS**

Department/Division: City Development

Contact Person & Phone No: Maria Prioletta x5903

Category of Request	
<input checked="" type="checkbox"/> New Grant	
<input type="checkbox"/> Grant Continuation	
<input type="checkbox"/> Change in Previously Approved Grant	
	Previous Council File No.

Project/Program Title: City of Milwaukee Housing Foreclosure Initiative Grant

Grantor Agency: Federal Home Loan Bank of Chicago through North Shore Bank

Grant Application Date: 06/28/13

Anticipated Award Date: 12/03/13

Please provide the following information:

1. Description of Grant Project/Program (Include Target Locations and Populations):

The City of Milwaukee Housing Foreclosure Initiative Grant is a competitive grant in the amount of \$266,250 received from the Federal Home Loan Bank of Chicago and is funded through its Affordable Housing Program. North Shore Bank sponsored the City of Milwaukee's ("City") application.

The City of Milwaukee Housing Foreclosure Initiative is part of an overall strategy to address the growing inventory of City-owned tax-foreclosed properties. The City currently owns over 1,300 residential tax-foreclosed properties, compared to less than 150 properties in its inventory five years ago. Approximately two-thirds of these properties are vacant, and they negatively impact the City's neighborhoods. The City is working to responsibly dispose of these properties for sustainable homeownership as well as responsible rental property ownership.

The grant will provide soft second mortgage financing of up to \$10,000 for rehabilitation costs to owner-occupant purchasers of City-owned tax-foreclosed homes. The financing is intended to serve as an incentive to encourage the purchase of foreclosed homes for owner-occupancy as well as to help address necessary rehabilitation costs. City technical staff will assist by preparing scopes of work for each property, assisting the homeowner in obtaining bids and monitoring construction. Homeowners also will receive counseling through the City's local homebuying counseling agencies and through the assistance and advocacy of the City's Homeownership Coordinator, who will be working in prequalifying applicants for homeownership and assisting them through the purchase process.

In order to qualify for the program, residents must have incomes of less than 60 percent of Area Median Income.

2. Relationship to Citywide Strategic Goals and Departmental Objectives:

This grant supports the City's Strong Neighborhoods Investment Plan by responsibly disposing of City-owned tax-foreclosed properties, returning properties to the tax rolls, increasing

homeownership and positively impacting City neighborhoods through the rehabilitation of vacant properties.

3. Need for Grant Funds and Impact on Other Departmental Operations (Applies only to Programs):

There will be no fiscal or operational impact on other City departments.

4. Results Measurement/Progress Report (Applies only to Programs):

The goal is to assist 25 families in the purchase of City-owned tax-foreclosed properties for sustainable homeownership. This will include marketing the program, qualifying applicants, providing technical assistance for rehabilitation projects, working with North Shore Bank and other lenders to provide matching financing for projects and providing homeownership counseling to participants to insure a successful transition to homeownership.

5. Grant Period, Timetable and Program Phase-out Plan:

Grant - from 2/15/2014 to 12/31/2014 (Grant can be extended through the end of 2016.)

6. Provide a List of Subgrantees:

N/A

7. If Possible, Complete Grant Budget Form and Attach to Back.