



# 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, July 10, 2007

1:30 PM

Room 301-B, City Hall

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**Meeting convened: 1:43 P.M.**

**Present** 10 - Murphy, Soika, Kammholz, Van Alstine, Madden, Peters, Dummer Combs, Gore, Laurent and VACANT

**Excused** 3 - Sanchez, Schmidt and Lyles

**1. Roll call**

*Also present: Tom Gartner-Assistant City Attorney, Emma Stamps-Legislative Reference Bureau, Jeff Osterman-Legislative Reference Bureau and Steve Mahan-Community Block Grant Director*

**2. Approval of the minutes of the June 12, 2007 meeting**

*Mr. Van Alstine moved approval of the minutes, Ms. Dummer Combs seconded. There were no objections.*

**3. Discussion on the policies and procedures of the Housing Trust Fund**

*Mr. Mahan gave an overview of the changes made to the application and scoring sheet that were approved at the June 12, 2007 Housing Trust Fund Advisory Board (HTFAB) meeting.*

*Atty. Gartner referred to his memo (Exhibit 1) that was handed out and said this board may want to reconsider the timing between the receipt of applications and submission of the applications to the Council for approval. He said that he contemplated that the term sheet would be negotiated before the approval of the award so that both the board and the Council would know the terms of the grant or loan when acting to approve them. He said that according to the time line that was approved by the HTFAB at the July 10, 2007 meeting, the award is being approved before the term sheet negotiation takes place.*

*Mr. Soika asked if the term sheet can be completed within the time frame that has been presented.*

*Atty. Gartner replied that he couldn't answer that right now. He said that if they could prepare a standard term sheet that would apply to all applications it could be done within the time frame presented, but if they have to negotiate a separate term sheet and other documentation for each application the answer would be no.*

*Mr. Soika asked if it would be possible to get an approval by the Council contingent upon the success of the negotiation of the term sheet?*

*Atty. Gartner replied that it would be more desirable to have specific terms at the time of the approval of the application. He said until they receive the first round of proposals it is difficult to know what kind and how much documentation will be needed and how much time will be needed.*

*Ald. Murphy explained that the details of the term-sheet are spelled out before the committee formally votes on the application, because it wants to know what it is voting for. He said if they didn't have the specifics of the term-sheet at the time a vote is taken on the application a big responsibility would then be delegated to the City Attorney, the Department of City Development and the Comptroller. He further said that they could end up at a later time with terms that weren't agreed upon.*

*Atty. Gartner said that having a prepared and approved term-sheet would make it much easier to prepare the other documentation needed, such as the contract.*

*Mr. Kammholz asked if there will a development agreement or cooperation agreement prepared after the final term sheet is recommended for approval by the Council.*

*Atty. Gartner referred to his memo and said that it lists the minimum documentation that will be needed. He said it would be nice to have one standard grant agreement. He said he would like to have the actual proposal summarized and attached to the application. He said they would also need some kind of agreement to handle the disbursement of funds and a regulatory agreement.*

*Ald. Murphy asked Atty. Gartner if he could prepare a general one-page boiler plate of what a term sheet would require.*

*Atty. Gartner replied in the affirmative. Atty. Gartner said he could prepare a standard term sheet that could be attached to the RFP.*

#### **4. Other business**

*Ald. Murphy said that the state legislation on the Housing Trust Fund did not make it to the Finance Committee. He said the governor is still pushing for the real estate transfer fee, but the assembly wants to reduce it to one dollar.*

*Ald. Murphy said he had sponsored legislation (File Number 070327) that recently passed the Common Council and explained that it directs the city to lobby the Southeastern Wisconsin Regional Planning Commission (SEWRPC) to undertake a study on housing.*

*Ald. Murphy said he met with Mayor Barrett this morning to discuss the Housing Trust Fund and in addition they discussed the work that the city and county had been doing on the study of housing for the mentally ill. He said the report is still in draft right now, but will be released soon. He said that the Housing Trust Fund is noted in the study for funding of housing for the disabled. He advised that he invited Ms. Martha Brown who is the City's appointed person to that study to appear at the next Housing Trust Fund Advisory Board meeting to discuss the study.*

*Mr. Mahan asked how the SEWRPC housing study would affect the city of Milwaukee's Smart Growth Plan.*

*Ald. Murphy said the last housing study was done in the 1970's and the reason that he wanted a housing study to be done is to determine where the needs are that need to be met and that there has been very little effort to promote affordable housing in the suburban communities.*

*Ald. Murphy said that the state of Wisconsin passed legislation a number of years ago called Smart Growth Planning. He explained that the legislation requires each county to prepare a development management plan. He said the problem with that plan is that there is no enforcement and the state provided very little money towards the plan.*

**Meeting adjourned: 2:12 P.M.**

**Terry J. MacDonald**  
Staff Assistant


CITY OF  
**MILWAUKEE**

**Office of the City Attorney**

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## MEMORANDUM

TO: Housing Trust Fund Advisory Board

FROM: Thomas O. Gartner, Assistant City Attorney 

DATE: July 10, 2007

RE: Insert to Application for Funding and Program Documentation

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Attached to this Memorandum is a brief insert for inclusion at the beginning of the "Funding Decision" paragraph on page 7 of the Housing Trust Fund Application for Funding.

The Term Sheet, which should be negotiated with each successful Applicant, will address the specific terms and conditions upon which Housing Trust Fund assistance will be made available. The documentation for such funding should include, at a minimum, the following:

1. Grant Funding

- 1) Grant Agreement
- 2) Disbursing Agreement
- 3) Regulatory Agreement
- 4) (Mortgage)

2. Loan

- 1) Loan Agreement
- 2) Note
- 3) Mortgage
- 4) Regulatory Agreement
- 5) (Subordination or Intercreditor Agreement)

EXHIBIT

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In addition to the foregoing documentation, it will no doubt be necessary to include additional documents tailored to meet the requirements of each individual transaction, including requirements imposed by other lenders on the individual project, and requirements necessary for tax credit transactions.

TOG/ms

Attachment

1055-2007-1319:121183

**CITY OF MILWAUKEE  
HOUSING TRUST FUND**

**Insert to Funding Decision Paragraph**

“Successful Applicants will be required to meet with staff to negotiate a Term Sheet setting forth specific terms and conditions for the award. The Term Sheet will be submitted to the Housing Trust Fund Advisory Board and the Common Council for final review and approval.”

1055-2007-1319:121176