Meeting Affordable Housing Needs in the City of Milwaukee

Deborah A. Curtis, M.S., Researcher

Anneliese Dickman, J.D., Research Director

January 2006

Public Policy Forum

moving the region forward

Executive Summary

Housing is a pillar of regional health. Any meaningful vision for a prosperous Milwaukee region acknowledges the central role of housing and the connection between housing and personal income, economic development, transportation, education, environmental health, jobs and quality of life. Long-term sustainability of the region depends on the long-term sustainability of neighborhoods. This holistic perspective of the elements of regional competitiveness underlies this study of quality, affordable housing, which is a regional responsibility.

Affordable housing for Milwaukee's citizens is a topic as old as the city itself, as is the link between housing and the wages and quality of jobs that determine whether available housing is affordable. Currently, there is interest by advocacy groups to institute a housing trust fund in the City of Milwaukee. Unfortunately, allocating monies to one source inherently takes money away money from an equally needy source. Thus, the city has commissioned this report to analyze affordable housing needs in the City of Milwaukee, assess how those needs are currently being addressed, interview stakeholders, assess other city, county, regional and state housing trusts, and provide an overview of other programs currently addressing affordable housing issues.

A summary of the key findings includes:

- **Housing Affordability:** When ranked among 70 comparable U.S. cities, Milwaukee ranks above average in affordable housing opportunities. However, it is the 4th worst in the number of children living below the poverty level. Although the City ranks well for renter-occupied housing costs, it has the 8th lowest median household income—making it the 14th worst in the percentage of renters spending more than 30% of their income on rent. Also, the median household income is in decline, dropping by 15.5% between 2000 and 2004 (from $36,993 to $31,231 in 2004 adjusted dollars), while the rental housing costs have increased over the past five years significantly for an efficiency unit (27%) and moderately for a one-, two-, and three-bedroom unit (17%, 12% and 11%, respectively).

- **Housing Conversion:** A major concern facing the state and city is the impending loss of affordable housing units that were built or purchased with tax credits and other government funds 15 to 20 years ago and are now expiring – risking the possibility of conversion to market rates; this means that approximately 6,652 elderly, family and special needs households are at risk of losing their current affordable housing.

- **Housing Trusts:** In 2002, 184 U.S. cities had housing trusts—including 142 in New Jersey[1]. Nationally, housing trusts are growing in number and popularity. Since 2002, the number of U.S. housing trusts has increased from approximately 275 to 350 (Center on Community Change, Fall 2005).

---

[1] This figure has increased dramatically; however, the Center on Community Change, which monitors the numbers, has yet to release an updated report since the 2002 study. This updated report—expected out before the completion of this report—is due out soon.

- **Regional Responsibility:** Although housing advocates are seeking a city housing trust, most agree that the county, region and state should share with the city the responsibility for housing the region's low-income families and individuals. In 2005 there were 73 county (up from 57 in 2002), 3 regional and 46 state (in 38 states) housing trusts in the U.S.

- **Best Practices in Affordable Housing:** A review of best practices includes rehabilitating vacant motels into single room occupancy (SRO) buildings; financing initiatives to help CDC's acquire and preserve affordable housing developments at risk of losing affordability status and tax credits programs designed to encourage private investment in affordable housing; and "lease to purchase" and "rent to own" programs designed to encourage home-ownership for low-income families.

- **A private sector strategy**: The Employer Assisted Housing (EAH) program—is designed to increase homeownership and strengthen neighborhoods; highlighted are EAH programs in Milwaukee and Chicago.

Overall, local stakeholders may want to view affordable housing using a holistic approach—recognizing the vast inter-related social and economic benefits reaped when families and individuals are able to adequately secure safe, decent and affordable homes. City leaders and stakeholders may want to push harder to seek acceptance from Milwaukee's neighboring communities that affordable housing—especially for low-income households—is not just a City of Milwaukee responsibility, but a regional responsibility. Affordable housing should be viewed not solely as a government responsibility but one to be addressed by the private sector as well.

I. Introduction

Affordable housing for Milwaukee's citizens is a topic as old as the city itself, yet is as relevant today as it was 160 years ago. Adequate shelter is one of the most basic needs required to ensure the health, welfare and safety of the city's citizenry. Safe and affordable housing affects a community's ability to compete economically and function socially. In the past, the city has been able to count on federal funding sources to address affordable housing issues; however, in recent years, federal monies have steadily decreased and the outlook for future increases at the federal level looks grim. Thus, Milwaukee and other cities across the nation are looking at new ways to address the need for providing affordable housing for their citizens. In Milwaukee, there is a movement under way to institute a housing trust fund to provide a dedicated source of revenue to create new and sustain current affordable housing in the City of Milwaukee. In this report, we analyze affordable housing needs in the City of Milwaukee, assess how those needs are currently being addressed, interview stakeholders, assess other city, county, regional and state housing trusts, and highlight other programs currently addressing affordable housing issues.

A housing trust is a fund that receives funds from a variety of public and/or private sources, including taxes and/or fees or philanthropic contributions. Establishing a housing trust requires the 1) approval through a local ordinance or state legislation to create the fund itself, 2) creation of an administrative structure to oversee the operation, and 3) establishment of regulations detailing the eligible expenditure of the funds. A dedicated, permanent source is important for long-range planning purposes. In general, a housing trust fund is created to provide safe and affordable housing for the neediest citizens and for those whose needs are not currently being met in the private sector. However, a housing trust does not have to be designated solely for affordable housing—the parameters are set by the governing agency when the fund is established.

This study addresses the current and future need for affordable housing using U.S. Census Bureau income and housing data, reviewing the current research on the topic and interviewing local agencies that are currently addressing affordable housing needs. Next we evaluate housing trusts in other cities by analyzing the funding mechanisms and administrative structures of the various trusts, reviewing current best practices of completed projects and interviewing housing trust administrators. The study goes on to evaluate a broad range of county, regional and state housing trusts. And finally, we look at examples of affordable housing initiatives that are not using housing trusts (most of which could be incorporated into trusts) and at what the private sector is doing to address the issue.

II. Needs Assessment

Affordable housing is an elusive term. Part of this analysis looks at the need for affordable housing in the City of Milwaukee. There are many data sets available—many of which give conflicting or incomplete results. Here we start with three respected sources for gauging how well Milwaukeeans are doing in terms of meeting their housing needs. First we use the standard HUD formula of what a household should spend on housing. Next we look at U.S. Census Bureau data that shows what Milwaukee household are actually spending on their housing. We then look at the 2004 American Community Survey from the U.S. Census Bureau, which examines how the City of Milwaukee ranks among 70 comparable U.S. cities. And finally, we look at the availability of affordable housing units from the standpoint of crowded housing conditions, homelessness, the current housing stock, and the commitment to maintaining and increasing the number of affordable housing units.

According to HUD, "the generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing. Families who pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care." Housing costs include rent and utilities. We spoke to the City of Milwaukee Rent Assistance program to determine what is considered affordable and what are considered the fair market rates for rental units. They use the HUD guidelines for estimating the fair market rates when determining eligibility for the rent assistance program. Therefore, Table 1 shows the estimated fair market rents, and the maximum allowable rent for 2005 if all utilities (gas, electric, water, stove, refrigerator, etc.) are paid by the landlord. For comparison purposes we list the 2000 rent (with utilities) and the percent increase over the five year period.

Table 1. Rent Assistance Maximum Allowable Rents 2000 – 2005

Maximum Allowable Rents	Efficiency	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm
2005 Fair Market Rent w No Utilities	$417	$499	$589	$741	$751
2005 Fair Market Rent w Utilities Included	$481	$577	$694	$862	$888
2000 Fair Market Rent w Utilities	$377	$493	$619	$776	$867
Percent Increase Year 2000 – 2005	27.5%	17%	12%	11%	2.5%

In Table 2, below, we examine household income levels in the City of Milwaukee using 2000 Census data. Because we could not get the 2004 estimated census data by income range, we are comparing the 2000 income data to year 2000 fair market rent data. However, it is fair to note here that while the median household income has **declined** by about 15.5% over the past four years—going from $36,993 in 2000 to $31,231 in 2004 (in 2004 adjusted dollars), the fair market rents over the past five years have increased significantly for an efficiency unit: 27.5%, and moderately for larger units: 17% for a one-bedroom, 12% for a two-bedroom, and 11% for a three-bedroom unit. Thus, using the more favorable 2000 data, by HUD standards, 69,959 households (those earning under $19,999), or 30% of the city's total, could not afford the fair market rate rent and utilities for a one-bedroom unit ($493 in 2000). And 89,014 (those earning under $24,999), or 38%, of the city households could not afford a two-bedroom ($619), and 107,120 (those earning under $29,999), or 46%, could not afford a three-bedroom ($776).

Table 2. 2000 Household Income (All Households – Renter and Homeowner)

Household Income	Number of Households (232,312 Total)	Percent of City Households	Annual Income	Hourly Wage	Rent & Utilities at 30% HH Income
Under $10,000	32,701	14.08%	$7,500	$4	$188
$10,000 to $14,999	18,446	7.94%	$12,500	$6	$313
$15,000 to $19,999	18,812	8.10%	$17,500	$8	$438
$20,000 to $24,999	19,055	8.20%	$22,500	$11	$563
$25,000 to $29,999	18,106	7.79%	$27,500	$13	$688
$30,000 to $34,999	17,403	7.49%	$32,500	$16	$813
$35,000 to $39,999	15,456	6.65%	$37,500	$18	$938
$40,000 to $44,999	13,635	5.87%	$42,500	$20	$1,063
$45,000 to $49,999	11,870	5.11%	$47,500	$23	$1,188
$50,000 to $59,999	19,250	8.29%	$55,000	$26	$1,375
$60,000 to $74,999	20,240	8.71%	$67,500	$32	$1,688

$75,000 to $99,999	16,387	7.05%	$87,500	$42	$2,188
$100,000 to $124,999	5,526	2.38%	$112,500	$54	$2,813
$125,000 to $149,999	2,252	0.97%	$137,500	$66	$3,438
$150,000 to $199,999	1,599	0.69%	$175,000	$84	$4,375
$200,000 or more	1,574	0.68%			

Because Households of all incomes often spend more than 30% of their gross income on housing costs, we look at the 2000 U.S. Census Bureau Housing and Population data, which reflects what Milwaukee renter households are actually spending on housing. Table 3 shows both the percentage of income households are paying toward monthly rent and how much gross rent* they are paying in six different categories ranging from $100 - $199 per month to $600 - $699. The numbers show that of the 35,990 households earning under $20K, 67% are spending more than 35% on rent. On the brighter side, of the 53,109 households earning between $20K and $50K, only 8.5% (4,551) are spending more than 35% of their household income on rent. The substantial number of renters spending less than $500 per month on rent reflects the fact that many are doubling up with other households or using government assistance programs to meet their housing needs. The 2004 census data show that the average City of Milwaukee renter household size is 2.39 persons per renter household.

Table 3. Household Income by Gross Rent* as a Percentage of Household Income (Renters)

City of Milwaukee	# Renter HHs	Paying >35% of Income	% Paying >35%	% Paying Rent 0f $100 - $199	% Paying Rent 0f $200 - $299	% Paying Rent 0f $300 - $399	% Paying Rent 0f $400 - $499	% Paying Rent 0f $500 - $599	% Paying Rent 0f $600 - $699
Under $10,000	27,237	19,593	72%	13.8%	10.2%	16.0%	21.2%	18.0%	9.6%
$10-$19,999K	26,532	16,397	62%	4.6%	7.9%	16.8%	23.6%	21.0%	12.4%
$20 – 34,999K	32,886	4,050	12%	1.3%	3.0%	11.4%	24.6%	26.4%	15.7%
$35 – 49,999K	20,223	501	2%	1.0%	1.6%	7.5%	17.8%	26.7%	19.4%

Source: 2000 U.S. Census Bureau Summary File 3: Sample Data.
*** Gross rent is the contract rent plus the estimated average monthly cost of utilities (electricity, gas, water and sewer) and fuels (oil, coal, kerosene, wood, etc.), if these are paid by the renter.**

Further analysis of Table 3 indicates that 72% of the households with incomes below $10,000 are spending more than 35% of their monthly income on rent and utilities. Although the median rent for 2000 was $527, the majority of the lowest income households were spending far below this figure for their monthly gross rent. The greatest percentage, 21.2%, of these households were spending between $400 and $499 per month on rent and utilities, followed by 18% spending between $500 and $599, 16% spending between $300 and $399, and 13.8% spending between $100 and $199.

In the next category, with incomes between $10,000 and $19,999—where a minimum wage worker would fall—62% of the households spent more than 35% of their monthly income on rent and utilities. Here, the largest category of renters, (23.6%) spent between $400 and $499 per month, followed by 21% who spent between $500 and $599, and then 16.8% who spent between $300 and $399 per month on rent and utilities. The numbers change dramatically in the third category, with incomes between $20,000 and $34,999, where only 12% of the households spent more than 35% of their income on rent and utilities. Here the greatest percentage of households, 26%, spent between $500 and $599 of their income on rent and utilities.

In Table 4, on the next page, we looked at the most recent data from the U.S. Census Bureau's 2004 American Community Survey. This data set looks at seven basic housing indicators, which both assess housing needs and show where the City of Milwaukee ranks among 70 comparable U.S. cities.

Table 4. Selected Housing and Population Indicators for Milwaukee Ranked Among 70 Cities

Measure - Year 2004	Amount	Rank
	Best =	70
Percent of People 1 Year and Over Who Lived in a Different House in the U.S. 1 Year Ago	15.7%	56
Median Monthly Housing Costs for Renter-occupied Housing Units*	$619	53
Median Monthly Housing Costs for Owner-occupied Housing Units w a Mortgage**	$1,075	45
Average Household Size	2.42	41
Percent of Occupied Housing Units with 1.01 or More Occupants Per Room	3.1	37
Percent of Owner-occupied Units Spending 30% or More of HH Inc. on Rent & Utilities	38.7%	24
Percent of Renter-occupied Units Spending 30% or More of HH Inc. on Rent & Utilities	52.1%	14
Percent of Children Under 18 Years Below Poverty Level in the Past 12 Months	41.3%	4

* Includes gross rent; utilities (electricity, gas, water and sewer); and fuels (oil, kerosene, wood, etc.).
** Includes first mortgage (P&I and mortgage insurance), second mortgage, home equity loans; real estate taxes; fire, hazard and flood insurance; utilities (electricity, gas, water and sewer); and fuels (oil, kerosene, wood, etc.).

Source: U.S. Census Bureau: 2004 American Community Survey

In Table 4, above, 2000 Housing and Population Indicators show that—ranked among 70 cities—Milwaukee fares above the median in five areas: housing tenure (56), median housing costs for renter-occupied units (53) and owner-occupied units (45), average household size (41), and occupancy per room (37). However, Milwaukee fares below and far below the median in spending more than 30% of household income on mortgage and utilities: homeowners (24) with almost 39%, and renters (14) with 52%. So while over one-third of owner-occupants spend more than 30% on their mortgage and utilities, more than half of renters spend more than 30% on their housing costs. But the most compelling statistic of all is Milwaukee's high percent of children under 18 years living below the poverty rate: 41.3% of Milwaukee's children live below the poverty level, ranking Milwaukee fourth worst of the 70 cities.

Nationally, while the overall housing costs in the City of Milwaukee rank well among comparable cities, Milwaukee's household incomes are far lower than the peer cities: Milwaukee ranks poorly in the category of median household income, coming in at 63rd lowest. In 2004, the median household income for Milwaukee was $31,231—this is lower than New Orleans (#62), which had a median household income of $31,369. Thus, while Milwaukee ranks favorably (56) in rental costs (much lower than the median), it ranks poorly (14) in percent of renters spending more than 30% of their income on rent—due to the very low median household incomes.

Next, we looked at overcrowding housing conditions, vacancy rates and homelessness. Overcrowding[2] conditions are hard to monitor due to under reporting. 2000 Census data shows that approximately six percent of the city's households are overcrowded (up from 4.3% in 1990.) Locally and nationally, this figure has been increasing during the 1990s and largely affects the low-income and minority households. Census data shows that 3.1% of Milwaukee's households have 1.01 or more occupants per room, which ranks Milwaukee in the mid range at 37 among the top 70 cities (as indicated in Table 4).

[2] The Federal Housing Act of 1985 contains the only legal standard for overcrowding. A "room" includes a bedroom, living room, dining room, study, etc. A "room" does not include the kitchen, bathroom or hallway.
Room Standard (in all cases babies under 1 = 0 persons, children 1-10 years = ½ person, over 10 years = 1 person).
Maximum number occupants per room: 1 room = 2 persons; 2 rooms = 3 persons; 3 rooms = 5 persons; 4 rooms = 7½ persons.

The vacancy rate for rental units is currently at 6 percent (2000 Census Data). With the number of renters moving into homeownership opportunities in this home-buying boon, the vacancy rate is likely to remain stable or even increase. Rental ads that offer free months rent with leases and discounts further reinforce the concept that vacancy rates are not declining. Unfortunately, the high vacancy rate does not appear to be causing a reduction in actual monthly rents; therefore, people who could not afford to rent a median priced unit still will not be able to rent a median priced unit. However, an increase in vacancies may cause property owners to rent to larger families or to families with otherwise less than perfect qualify-cations, which would ultimately give lower-income families a better chance at attaining rental housing. Homeless numbers are even harder to ascertain due to the changing nature of the problem. Shelter providers and advocacy groups indicate 500 to 800 persons are chronically homeless, with approximately 1,500 to 2,000 on any given night. Roughly 1,000 shelter beds serve this group with the remaining sleeping under bridges, on benches or wherever they can find outdoor shelter. Homeless shelters and church meal programs have noted an increase in the homeless population; however, at this time, we were only able to get concrete data from IMPACT—the 211 emergency hotline. Because of organizational changes, it is hard to measure comparison data, but there appears to be an increase in the number of people requesting emergency shelter and housing assistance over the past 18 months. The Milwaukee Continuum of Care instituted a first Point in Time count of homeless persons, whereby community advocates and shelter volunteers conduct a comprehensive headcount of the homeless at the same time each year. As this format for a valid count just started in January 2005, there is no comparison data yet.

It is important to note here that the State of Wisconsin does have a housing trust fund, which is solely designated to assist the homeless people in the state. The proceeds come from the Interest Bearing Real Estate Trust Account (IBRETA), which is the interest earned on "earnest money" potential buyers put up when they make an offer to purchase a home. The realtor is required to deposit this money in a bank in an interest earning account. The banks are required to pay the proceeds to the State. The proceeds are very low, garnering between $200,000 and $450,000 annually. The Milwaukee metro area receives about one-third of these proceeds annually—again to be used solely for homeless programs. This program's limitations include the lack of penalties for banks that do not comply and the absence of administrative staffing to regulate or monitor the proceeds. See more about the IBRETA fund on page 22 of this report.

While there does not seem to be a shortage of rental housing, indicators do point toward an impending decrease in *affordable* rental housing. A recent report of the Governor's Task Force for Housing Preservation[3] has identified 24,907 units of affordable housing in the State of Wisconsin that may lose affordability status within the next three years, as the owners will be "eligible to terminate their participation of the affordability requirements and convert them to market rate units." For Milwaukee County, these numbers amount to 3,909 elderly units, 2,309 family units and 434 special needs units in 84 projects. Most of these rental properties in the Milwaukee area were financed with dollars from one or more of three programs: 1) Tax Exempt Bond Financing (including WHEDA), 2) Low Income Housing Tax Credit, and 3) HUD – Project Based Section 8, 202, 221(d)(3), 221(d)(4) and 236. The criteria for obtaining these funds required the owner to keep the property affordable for a specified number of years – usually between 15 and 25 years. Because the majority of the projects were constructed in the 1980s, the affordability terms are now nearing expiration or have already expired.[4]

[3] Preserving Wisconsin's Quality Affordable Rental Housing, October 15, 2004.

[4] Two initiatives came to fruition since the Task Force's report. The SOS (Save Our Stock) program focuses on Section 8[4] housing. The program is designed to "preserve affordable housing units across the state that are at risk because of deteriora-tion or sale to owners who will not keep the rents affordable." The program is designed to address debt restructuring or needed capital improvements. Funds can be used to 1) facilitate transfers of ownership that will preserve affordable housing,

III. Inventory of City of Milwaukee Subsidized and Affordable Housing

The Housing Authority of the City of Milwaukee (HACM) administers 4,835 public and/or affordable housing units in 21 separate developments in addition to 431 scattered site units throughout the city, for a total of 5,266 units. Thirteen high-rise developments house mostly elderly residents in 2,074 one-bedroom and 37 two-bedroom units. Four large family public housing developments contain a total of 1,630 units, with 271 one-bedroom, 838 two-bedroom, 382 three-bedroom, 112 four-bedroom and 24 five-bedroom units. Three post-WWII veteran's housing developments contain 968 affordable units (not classified as public housing), with 89 one-bedroom, 622 two-bedroom, 256 three-bedroom and one five-bedroom units. The newest development is the Town homes at Carver Park, just north of Downtown. This is a unique mix of 51 public housing units, 51 Low-Income Tax Credit units and 20 market rate units. The development contains 16 two-bedroom, 90 three-bedroom, 10 four-bedroom and 6 five-bedroom units. Additionally, the 431 scattered site properties that the HACM oversees consist of 29 two-bedroom, 281 three-bedroom, 78 four-bedroom, 31 five-bedroom and 6 six-bedroom units.

Another major component of the City's affordable housing is the Section 8 Program—more commonly referred to as the Rent Assistance Program (RAP), which is a HUD funded program administered by the HACM. This program "is designed to help low and moderate income families rent privately owned housing." The program allows eligible families to pay approximately 30% to 40% of their monthly income towards their rent and the program pays the balance directly to the landlord. The HACM receives 5,300 vouchers from HUD to fund the program. The waiting list to apply for the program currently contains approximately 250 – 300 families. The list has been closed for several years, but the program hopes to re-open the list sometime in 2007.

One main problem the Section 8 Rent Assistance Program faces is the lack of landlords with three-bedroom or larger units willing to participate in the program. Two of the primary reasons for landlords' reluctance to participate in the RAP is that they have to thoroughly comply with housing codes to be eligible, and often landlords with larger units can get more income by renting to two families, as the subsidy for a four-bedroom unit is only slightly more than a three-bedroom unit ($751 and $741, respectively). However, landlords participating in the program have many benefits, including a guaranteed monthly check and pre-screened tenants (including criminal background check).. Additionally, the tenants must abide by rules and guidelines or risk being terminated from the program, which means they not only get evicted, but they cannot use the subsidy to move into another Section 8 property.

IV. Current City Initiatives to Address the Problem

---

2) fund operating deficits that are the result of frozen rents and increasing expenses, 3) address capital needs, and 4) restructure current debt. The governor announced in December 2005 an additional commitment of $10 million for the fund. The WHEDA Preservation Plus loan program provides loans at a quarter percent below WHEDA's standard tax-exempt interest rate. To qualify for this loan, developers must use the funding to buy or rehabilitate existing affordable housing. According to the WHEDA Executive Director, "This type of financing product is critical in the housing preservation arena. These types of deals are unique and can be difficult to finance. Preservation Plus offers developers a creative solution to reducing the financing gaps that may prevent the deal from coming together." Again, while the focus on new affordable housing is important, maintaining the current stock of affordable housing is crucial as it is far more cost effective and humane to assist at-risk families before they become homeless.

Because we used 2000 census data for the needs assessment, we interviewed city housing officials and gathered current data on steps the city is taking to address the affordable housing situation. The City of Milwaukee provided us with data from the past year on affordable housing and mixed-use projects. The City breaks down the funding sources into three areas: 1) Low Income Housing Tax Credits, 2) CDBG/ HOME funds, and 3) other affordable housing initiatives including Habitat for Humanity (private dollars), Lindsay Heights (WHEDA), and the Housing Authority of the City of Milwaukee (HACM). See Appendix B for the breakdown of the individual projects.

The Low Income Housing Tax Credit projects included new construction, adaptive reuse, replacement of existing units, and rehabilitation of existing units. The thirteen projects cited provided 803 units, with 748 of those being affordable. The estimated investment value was $105.9 million, with a city/federal contribution of a little over $12 million. The CDBG/HOME fund projects included new construction/ rehabilitation, rehabilitation, and operating support. The seven projects provided 949 units, with 939 deemed affordable. The other initiatives providing affordable housing were 36 Habitat for Humanity homes, 100 Lindsay Heights homes, of which 70 were considered affordable, and 31 HACM affordable units. The combined efforts of the aforementioned projects resulted in 571 new affordable housing units, 1,253 rehabbed or replaced affordable housing units, and 95 additional (non-affordable) units, for a total of 1,919 housing units. The estimated City and federal financial support came to $29.2 million for a total estimated investment of $135 million.

V. Interviews of Housing Trust Proponents / Local Housing/Social Service Agency Stakeholders

A broad coalition of homeless shelter providers, housing & community development organizations and faith based organizations is proposing that the city create and authorize a funding source(s) for a City of Milwaukee Housing Trust Fund to address housing needs currently unmet.

We conducted in-person, telephone and written interviews with area housing advocates and social service providers. As expected, but to varying degrees, all of these agencies were in support of a housing trust fund. Although many surveyed believe that the best vehicle to achieve the greatest results would be a county or regional housing trust, most felt that it would be too difficult to garner adequate support outside of the city. Because the greatest need is in the City of Milwaukee, it was universally felt that a city trust had the best chance of gaining popular support. This is an important point: most respondents felt that it is only just to spread the burden of affordable housing and related expenses beyond the city; however, their primary concern is to get immediate relief—in the form of a trust that they believe has the best chance of materializing. Additionally, many believed that if a city housing trust proved to be successful, it could lead to a more equitable county or regional trust in the future.

When asked whether the private sector should be stepping up to the plate and/or asked to provide support, the opinions were mixed. Although most agreed that employers had much at stake in helping to stabilize the housing needs of lower-income people, few had any concrete suggestions on how employers should be approached for support. Some were of the opinion that affordable housing is primarily a social and government responsibility and not a private sector responsibility. Discussions about foundation support for affordable housing were mixed. Although some agencies had great success with foundation support for programs, few interviewees could point to foundation support for "bricks and mortar" type of solutions to the affordable housing situation.

Next, we asked about historic needs and funding verse future needs and funding. Although many agencies were not necessarily demonstrating drastic increases in need, they emphasized that too many of the current needs are going unmet. Additionally, many indicate that the face of the need is changing. Several agencies are seeing an increase in women and families in need of affordable housing and basic shelter. Oft cited were W2 policies, AODA issues and legal system troubles for the increase in the number of women and families in need of services and housing. Additionally, agency interviewees complained of recent funding cuts and even more importantly, the concern of impending future funding cuts. Many agencies insist that they need to prepare for anticipated cuts from current funding sources, while some agencies fear the elimination of entire programs. Another major issue is the increasing requirement of matching dollars as government programs are seeing an increase in the number of applicants and/or a decrease in funding for many programs. Many agencies see this as particularly troubling, especially during a period when the salaries and health care cost are continually increasing.

Also cited was the looming loss of affordable housing as low-income rental units reach the end of their terms of required affordability status (cited earlier in this report). Others contend that many affordable housing units are occupied by families with more moderate incomes—taking away affordable units from those most in need. Still others point toward recent policies whereby housing dollars are shifting to entice moderate-income people to locate in "lower-income" areas in an effort to stabilize neighborhoods. While this is an important, valuable and much needed concept, it has resulted in taking limited affordable housing opportunities and monies away from those with the lowest-incomes and has pushed some of the very low-income renters out of many of these affected neighborhoods.

When asked how a housing trust would enhance their agency's ability to serve its clients, the responses centered around the increase in dollars, the problems with the matching funds, and the stability—not worrying from year to year whether there would be funding to continue programs. A universal theme was the benefit of having local control over allocated funds – meaning Milwaukeeans know what is best for Milwaukee. Overwhelmingly, agency interviewees felt that a housing trust was the most advantageous course of action for meeting the current and future needs of their clients.

VI. Overview of U.S. City Housing Trusts

Data from the *Housing Trust Fund Progress Report 2002: Local Responses to America's Housing Needs*, describes 38 state, 18[5] county, 43[6] city, and 3 regional housing trusts currently in place nationally. According to the report, "There are currently 42 city housing trust funds in twenty-two states and an additional 142 in the state of New Jersey[7]. Fifteen of these city housing trusts were created before 1990. Another nineteen city housing trust funds were created before 1995. And the remaining eight have been put into place since then." The report overview credits the various city housing trusts as the most diverse and flexible of all trusts. Obviously, at the local level, a city (verses a state or regional) trust is more capable of instituting "flexible programs capable of responding to a wide variety of critical local housing needs."

Administration: To date, the majority (thirty-five) of city housing trusts are administered through a city department (such as a housing or development department). Three are incorporated and independent of

[5] There are actually 17 county housing trust funds and Pennsylvania has an additional 40—PA is counted as the 18th.
[6] There are actually 42 city housing trust funds in 22 states and an additional 142 in the state of New Jersey—NJ is the 43rd.
[7] New Jersey has state legislation that allows jurisdictions to levy fees on developers to raise money for affordable housing as one means of addressing their obligation under the New Jersey Fair Housing Act. Since 1992, 142 jurisdictions have imposed these fees. The (one) database for these jurisdictions is the New Jersey Council on Affordable Housing, thus for this report, we are only counting this one—very unique—council.

the city, but administered by a local foundation, three are administered by a redevelopment agency or a housing authority commission, and one is administered by a consultant contract. In general, the trusts have small staffs, usually three or fewer staff members. Funds for administrative salaries run the gamut, some coming from the trusts, others from city funds, and others from revenues such as CDBG funds, HOME funds and general funds. Most of the cities have oversight boards, with some final decisions made by city councils and others by the oversight boards. Oversight boards vary in make-up, scope and appointment selection processes. Appendix D lists housing trust names and the current administering departments.

Only thirteen trusts coordinate trust funds with other housing dollars. In some situations, the trust just acts to process applications and forward applicants to eligible programs. In other cities the trust is treated as a program within the larger housing policy framework, such as a housing authority. At this point, because of all of the variables and inherent circumstances of individual cities, it is hard to adequately evaluate the merits of the various formats. However, in general, an overall coordinating body (if it does not get bogged down in bureaucracy) alleviates the problem of duplication of resources—especially with scarce funding resources.

Eligibility: The people and agencies eligible for funds vary from city to city. Some trusts award grants and/or loans to individuals (i.e. homeowners), whereas others only allocate funds to non-profit organizations. Others include for-profit developers, which are often the only route to go for new construction. The most common form of eligible funding goes toward new construction, rehabilitation and acquisition. Some trusts fund programs such as pre-development activities, transitional housing, first-time homebuyer down payment assistance, and matching for other activities. In addition, a couple of trusts fund other programs such as moving homes, lead abatement and "universal design features." And, while the terms vary, over half of the trusts require the long-term affordability of units funded by trust dollars—with half of the trusts requiring affordability status for forty years and two requiring permanent affordability status.

Income eligibility guidelines for individual families also vary—ranging from one trust that only serves those with incomes at 30% of the area median income (AMI) to four that allow incomes at 120% of the AMI. However, the most common income targeted is 80% of the AMI, with 21 trusts using this measure. Seven trusts vary their income guidelines to the individual programs offered. Additionally, two trusts are specifically designed to help very low-income families: Ft. Wayne, Indiana's Central City Trust serves only those with incomes at or below 50% of the AMI, and Chicago's Low Income Housing Trust Fund serves only those with incomes at or below 30% of the AMI.

In addition to income guidelines, many trusts have "set asides and preferences" to fund certain programs. Most of the preferences involve developments that will house homeless, or low- and very low-income households. Others target certain neighborhoods, while some give preference to non-profit organizations. St. Louis has a plan in place to give preference to projects that will employ residents of low-income neighborhoods and pay "living wages."

Working with Non-Profits: Although developing the capacity building of non-profits is crucial to the long-term success of the projects funded by trust fund proceeds, only three cities currently have programs in place to address this need (San Diego, CA, Santa Fe, NM, and Burlington, VT.) These programs include, grants and loans for predevelopment activities, technical assistance, neighborhood revitalization, and for the "staffing, training, planning, fundraising, or ongoing operations of the nonprofit corporation."

Funding Mechanisms: As part of our analysis of housing trust in other cities, we gathered information on funding mechanisms and total fund size. The revenues collected by the individual trusts vary, usually depending upon the size of the city, from $1 million to $10 million[8]. Revenue sources run the gamut and include the following:

- Bond / Bond & Fee Revenues
- Business License Tax
- CDBG Loan Repayments
- City-owned parking Revenues
- Condominium Conversion Fees
- Density Bonuses
- Developer Proffers
- General Funds
- Housing Excise Tax
- Housing Fees
- Inclusionary zoning in-lieu fees
- Interest from Accounts Held
- Linkage (non-residential developer impact) fees
- Occupancy Tax (Hotel/Motel Tax)
- Property Tax
- Real Estate Transfer Fee / Tax Redevelopment Tax
- Increment Sale of City-owned Land
- Sales Tax
- Settlement Funds Transit
- Tax Increment Funds
- UDAG Repayments
- Use Tax (Modification of Sales Tax)

The most common and successful revenue sources are the property tax, general funds, transit occupancy tax, linkage fees, real estate transfer tax, use tax, and sales tax. Many trusts use more than one source.

VII. Interviews with City Housing Trust Administrators

Because statistics and annual reports do not provide us with the level of details and first hand experiences (start up problems, areas to avoid, suggestions for organizational structure and programmatic implementation, etc.) current housing trusts have encountered, we decided to contact administrators of various city housing trusts to learn more about the nuances of their operations that are not reflected in the current printed materials. We selected cities that were comparable in size to Milwaukee, but also included cities of geographic relevance and those with recognized best practices. Of the 18 housing trusts contacted, three did not respond, one no longer has a housing trust and the last was never really funded. Table 5 lists the housing trusts whose administrators participated in our survey.

Table 5. City Housing Trusts Surveyed

[8] Five city housing trusts did not report any revenue for the 1992 Housing Trust Fund Project survey.

City	Housing Trust Fund	Administering Agent
Denver, CO	Skyline Housing Fund	Housing and Neighborhood Department
San Diego, CA	Housing Trust Fund	Housing Commission
Nashville, TN	Nashville Housing Fund	Nashville Housing Fund, Inc.
San Antonio, TX	Low Income Housing Trust Fund	San Antonio Housing Trust Foundation
Chicago, IL	Low Income Housing Trust Fund	Department of Housing
Seattle, WA	Housing Levy Program	Office of Housing
Boston, MA	Neighborhood Housing Trust	Department of neighborhood Development
Indianapolis, IN	Housing Trust Fund	Department of Metropolitan Development
Portland, OR	Housing Investment Fund	Bureau of Housing and Community Development
St. Louis, MO	Affordable Housing Trust Fund	
Los Angeles, CA	Housing Trust Fund	Department of Housing
Washington DC	Housing Production Trust Fund	Housing and Community Development Department
Austin, TX	Housing Assistance Fund	Neighborhood Housing Department

Through interviews we gained some valuable information about the experiences the city housing trusts have encountered. Some of the administrators agreed to participate in informal telephone conversations, while others preferred e-mail questionnaire type of surveys. All of their responses were informative, insightful and helpful to this report. The housing trust administrators that we interviewed indicated that their trusts had been in place anywhere from 5 to 20 years, with budgets ranging (and always fluctuating) from $2 to $8 million annually. Common funding sources included developer linkage fees, transient occupancy tax (hotel and motel), general funds, short-term loans, real estate transfer fees and tax increment funds.

We asked the administrators what kinds of challenges they had to overcome to put a housing trust into place. While one city had only to change its zoning ordinance, most had major challenges. Most cities had trouble building a consensus: while all of the parties at the table agreed that a housing trust was needed, most had their own agenda. These agendas ranged from supportive services-type housing for the homeless and mentally ill to homeownership opportunities for working families. Some cities formed task forces and others had outside consultants prepare a nexus study. The biggest hurdle for most cities was securing a funding source. A couple of cities—that are not part of this survey—have established a trust, but still have no financing.

The housing trust accomplishments vary from city to city; however, the most notable accomplishment is the addition of housing units—both new and rehabilitated. Some cities focus on transitional housing with social service support systems, others actually get involved with the acquisition and rehabilitation of boarded, vacant and deteriorated properties, while others are strictly a funding mechanism for non-profit and for-profit developers to tap into. In Sacramento, one program funded the acquisition of bankrupt motels on old commercial corridors, converting them into supportive housing. San Diego is active in capacity building and works closely with non-profits to monitor and nurture their activities. Some cities have a nurturing relationship with non-profits, helping them build capacity to insure that they (the non-profits) will successfully fulfill their contracts, while others have more of an enforcement relationship with the non-profit and for-profit developers. In Boston, the administrator indicated that they carefully screen the organizations and work with organizations that are well established and have a good track record of accomplishments. They put the burden of capacity building on the client, who must perform well in order to obtain additional funding.

Finally, we asked the administrators what future conditions they foresee as obstacles to continuing and new affordable housing programs. The most often cited concern is the impending changes in federal housing programs and policies. Escalating land and development costs were concerns mostly for trusts involved with single-family homeownership programs. In addition, almost all had concerns—to varying degrees—of finding qualified developers and retaining developers willing to take on affordable housing projects and of finding qualified non-profits to administer the programs.

VIII. Best Practices of City Housing Trusts

In this section, we highlight some best practices of current city housing trusts. According to the 2002 *Housing Trust Fund Progress Report,* "City housing trust funds provided nearly 7,000 units of affordable housing…and assisted hundreds of households with emergency housing and home buying assistance. More than $105 million was committed to projects and activities to do so." Listed below are some accomplishments gleaned from examples from the aforementioned report and from the annual reports of selected housing trusts:

- Berkeley, California maintained permanent affordability in some 500 units that would have otherwise been lost as affordable housing.
- Boston, Massachusetts has funded over $81 million for housing since 1986, translating to 7,647 units, of which 6,159 are considered affordable. These developments include new housing and rehabilitated, senior, assisted living and housing for families and formerly homeless individuals. Forty percent of the developments include market rate and affordable housing units.
- Boulder, Colorado committed nearly $3 million to sign housing into permanent affordability on 284 units during 2000/2001, representing more than $37 million of real estate; thereby increasing the city's affordable housing inventory more than 16%.
- Fort Wayne, Indiana has used its housing trust dollars to fund repairs for low- and very low-income homeowners, allowing families to remain in their homes.
- San Francisco generated 280 construction jobs and 56 permanent jobs as the result of its housing trust projects—thus stabilizing neighborhoods and providing community housing services.
- The City of Seattle, using a property tax levy (approved by 54% of the voters), developed a seven-year plan estimated to raise $86 million. The trust projections include 2,044 units; $56.1 million to build and preserve affordable housing units, $7.8 million for operations and maintenance to house extremely low-income homeless and disabled persons, $7.8 million for down payment assistance for first time home buyers, $7.2 million for mixed-income rental housing in economically distressed neighborhoods, $2.8 million for emergency rental assistance to help renters avoid homelessness, and $4.3 million for administration.
- The St. Paul, Minnesota STAR Program (which is modeled like a HTF) has funded more than 260 projects with more than $27 million. Fifty-four projects were awarded $6 million in 2000. These funds will generate an additional $43 million in outside investments and create an estimated 250 full-time positions and 525 temporary construction-type jobs.

Next, we asked administrators if they had any failed ventures that they would recommend avoiding. These answers varied from actual (negative) experiences to just fine-tuning the way they administer the program. One city had a bad experience with land that they acquisitioned and were unable turn over to a developer (in spite of having it rezoned, etc.) However, the administrator did indicate that at a different time, it might have been a successful strategy. While many had trouble finding developers willing to take on affordable housing projects—especially those geared toward the very low-income multi-family housing projects—many more had difficulties finding and retaining capable rehab contractors. This will always be a difficult dilemma, because rehabbing older homes is costly and due to the "scattered site" nature of the projects, the costs are often not recouped when it comes to resale (even with deep subsidies).

Some administrators emphasized the need to work closely with and monitor non-profits and developers. One city developed stronger "minimum non-profit qualifications," requiring minimum payments on loans instead of just residual receipt loans, and directly tied capacity building to actual development projects, so they "had more tangible results from [their] investments." The cities that did not have capacity building programs in place felt they were a good idea—especially in rehabilitation and property management.

When asked what housing needs were best suited to housing trust funds, most agreed housing the neediest was very important, as this is the segment whose needs are often not met in the private sector. These programs included rental, special needs, and transitional housing for low- and very low-income households. Supportive housing was often included in conjunction with housing for the homeless and the mentally ill. However, many trusts also funded other programs, including first time homebuyer and down payment assistance programs. All seemed to feel that the flexibility of funding for both the type of projects and the type of client was an important component of their (local) housing trust.

Next we asked the housing trust administrators about their experiences with developers. Boston had the best experiences with developers. The city has many long-term, well-established developers—both non-profit and for-profit. Although the city has a good working relationship with the developers, much of this is in the form of pointed oversight and thorough enforcement of guidelines and contractual obligations. The city stays involved with and keeps good tabs on the projects to ensure the success of both the projects and the use of the funds. Other cities have had mixed to less than adequate results with developers. Often there was an absence of developers either experienced with or willing to take on affordable housing projects. San Diego had only a few experienced affordable housing developers when their housing trust was first created. Therefore, one of their first priorities was to fund a capacity-building program to assist non-profits "get some training and the necessary structure to develop affordable housing." According to the administrator, "due to the funding from the HTF, as well as the availability of other significant funding resources, San Diego now has a wide range of affordable housing developers, from small non-profits with little development experience, to very experienced non-profit and for-profit developers capable of completing projects with very complex financing."

We also asked about joint-partnerships, for instance, property management firms collaborating with supportive services such as on-site mental health care assistance or employment assistance or GED and computer literacy programs. Most of the trusts do not require partnerships, but encourage their non-profits to establish these types of partnerships and community linkages. Some give funding preferences to organizations that have strong partnerships in place. One trust administrator indicated that her city does have some, but admits that more are needed. This seems to be an area in need of strengthening, as all administrators agreed on the value of strong partnerships and community linkage programs.

- The City of Chicago housing trust has numerous recognized accomplishments:
  - The Rental Subsidy Program – annual subsidies to reduce rents to make units affordable to households at or below 30% of the AMI
  - The Affordable Rents Program – supplies interest free forgivable loans to replace up to half of a developer's private mortgage, thus reducing rents for very low-income tenants
  - The Supportive Housing Program - (through Continuum of Care) provides rent assistance and other support services to help homeless individuals and families move from shelters to permanent housing
  - The First Families Initiative – comprehensive supportive services and housing to meet the needs of very low-income families experiencing homelessness (designed to attain self-sufficiency and economic independence)
- The City of San Diego housing trust has many mentionable accomplishments from 2004:
  - $743,012 to construct 246 units in three separate developments—this was combined with $3.6 million in capital subsidy from government programs, $11 million in tax credits and private equity, and other loans and donations totaling $2.9 million
  - $100,000 for first-time homebuyers down payment assistance (leveraging $1.5 million in first trust deed loans from private lenders)
  - $609,715 in housing rehabilitation assistance (providing 135 grants or deferred loans)
  - $966,758 for transitional housing for 691 adults and children
  - $31,452 for capacity building activities

IX. Overview of County and Regional Housing Trusts

Most of the local stakeholders interviewed for this report echoed the same sentiment: that housing low-income and homeless families should be a countywide and regional responsibility—not just one that falls upon the City of Milwaukee. However, these same stakeholders contend that there is not enough countywide or regional support to establish a housing trust outside of the City of Milwaukee where the greatest need exists. The sentiment of the lack of affordable housing in the suburbs is further reinforced in a recent Milwaukee Journal Sentinel article, where the head of the Metropolitan Builders Association states that too many suburban communities "are giving short shrift to the need to build affordable housing." Regarding the Smart Growth planning process, required by state law, instead of "devising ways to ensure that future housing developments contain a mix of prices…many officials are simply classifying older existing houses in their communities as affordable…"(JS Online 12/31/05). This method of meeting affordability guidelines tends to create socioeconomic segregation when the communities could use the law to create "cohesive neighborhoods" in new housing developments.

The Forum interviewed Southeastern Wisconsin county and regional officials to gain a sense of where suburban and regional stakeholders stand on the issue. In our invitation to participate in the survey we encouraged officials to voice their support or opposition to a countywide or regional housing trust. What we learned was that this is an issue that nobody wanted to come out in favor of or in opposition to. Most administrators are not in favor of creating new housing for the poor in their cities, yet are reluctant to come across as appearing callous to the needs of low-income and homeless families and individuals.

Some officials indicate that many people move to these communities because they want to live on larger lots and in larger, more expensive homes and want to be surrounded by others with the same housing preferences. Unfortunately, this attitude leaves little strong support for the creation of affordable housing —much less housing for low-income families. Therefore, it was easiest to simply avoid any survey response. The response rate was extremely low. Declines to participate in the survey indicated that the areas outside of the City of Milwaukee 1) have their own problems to deal with, 2) do not necessarily consider it their responsibility to create low-income housing for poor and moderate-income families, 3) say that they do not have a homeless problem, and 4) do not have a sense that the lack of affordable housing for low wage earners is seriously hampering economic development in their communities. Unfortunately, only one suburban administrator went on record and put his response in writing, stating:

> "I have no problem with them [a county or regional housing trust] as long as it does NOT cost my local taxpayers anything or cause them to lose any public funding we now receive. As you are undoubtedly aware, money on all levels, private and public, are tight or non-existent. I could support this if it were to help my residents but at the thought of being a bit parochial, I have to say if it doesn't or if it keeps us from any much needed funding, I can't."

We appreciated his candor and believe that most suburban and regional leaders echo his statements. Thus we set out to look at countywide and regional trusts nationally to see if we could find examples demonstrating that multi-jurisdictional cooperation could indeed be more beneficial to cities in a regional sense than individual city housing trusts.

Currently, there are 33 individual county housing trusts in nine states and the state of Pennsylvania has 40 county housing trusts, which would put the total at 73—up from just 57 (in the same ten states) in 2002. There are only three regional or multi-jurisdictional housing trusts, King County, Washington and municipal jurisdictions, Columbus (City) and Franklin County, Ohio, and Sacramento City and County, California. See Appendix E for a list the current county and regional housing trusts and the corresponding administering agencies.

Administration: Most of the county housing trusts are administered by a governmental agency or department, or a redevelopment or housing authority. Additionally, most of the trusts have an oversight board, whose responsibilities range from advisory to decision-making. For the three multi-jurisdictional trusts, the Columbus and Franklin Housing Trust is administered by a nonprofit organization with its own board, the Sacramento City and County Housing Trust is administered by a redevelopment agency, and King County Trust is administered by ARCH (A Regional Coalition for Housing), a regional non-profit.

Eligibility: As with the city trusts, eligibility for county and regional trusts varies from county to county. For all of the trusts, non-profit developers are the most common eligible recipients and most funds consider for-profit developers as well. A common trend is to direct funding to service agencies providing for more holistic services that help address the social, financial, educational and employment needs of low-income and homeless families and individuals. In about half of the counties, housing authorities and other units of government accesses funds. And a few counties offer funds to first time homebuyers for counseling and down payment assistance.

Most trusts fund new construction, rehabilitation and acquisition. Many counties are using funding to acquire Section 8 housing that is in danger of going private (as tax credit affordability status nears expiration.) Just under half of the county trusts (excluding Pennsylvania) allocate funds for the homeless (housing and services), transitional housing, pre-development housing or as matched funds for other state or federal funding. More counties are seeing the advantages of using trust dollars as matched funding.

Income eligibility guidelines for households vary by county, but are similar to the breakdown of city guidelines. Four county trusts only serve homeless individuals and families; in contrast, three serve households with incomes up to 120% of the area median income. About one-third only fund households at or below 30% or the area median income and another-third fund households between 30% and 80% of the area median income. The income eligible guidelines are regional and unique to the housing needs of the individual counties.

Most of the counties have guidelines for long-term affordability of new construction and acquisitions. These guidelines vary, but most require affordability status of 15 years or longer. And as with city funds, most county funds are directed at projects that provide housing for low- and very low-income families. One exception would be the regional ARCH fund, which serves King County, WA and jurisdictions—see more about ARCH in the following section.

Funding Mechanisms: The current list of county funding mechanisms, which is growing, includes:

- Condominium conversion fees
- Developer fees
- Document recording fees
- Food and beverage tax
- General funds
- Loan repayment fees
- Non-residential impact fees
- Real estate transfer tax
- Sale of county owned land
- Sales tax

X. Best Practices of County and Regional Housing Trusts

Through reviewing agency data, interviews and from information from the Center on Community Change, which assists communities in organizing housing trusts, we identified and will highlight three "best practices" for county trusts and two "best practices" for regional trusts. Fairfax County, Virginia and Montgomery County, Maryland are two of the longest running funds, both originating in 1988. King County, Washington is unique in that it has a successful county trust, the Housing Opportunity Fund (created in 1995), but it is also part of a regional fund—the ARCH (A Regional Coalition for Housing) Eastside Housing Trust Funds (created in 1993), which covers King County, WA and surrounding jurisdictions. The other regional fund highlighted here is the Columbus/Franklin County Affordable Housing Trust Fund, which was established in 2000-2001.

In Virginia, what is most unique about the Fairfax County Housing Trust Fund is that although it has been in operation since 1988, it just this year came up with a permanent dedicated funding source—a one cent of each dollar of the real estate transfer fee. The fund was initially "designed to raise private, corporate and public funds to stimulate the production of affordable housing" (HTFP News, Summer 2005). The fund assists the Fairfax County Redevelopment and Housing Authority, which owns and manages more than 1,000 public housing units. Although the fund helped produce more than 1,000 affordable housing units since its inception, over 1,300 units of affordable housing have been lost since 1997. Before the fund secured its new dedicated funding, the funds varied from year to year and only averaged about $1 million; the new dedicated funding source is projected to raise more than $18 million. The current goal is to develop a plan to preserve 1,000 affordable housing units by 2007, as it is much easier to acquire and preserve existing affordable housing—before it goes to fair market as tax credit restrictions expire—than to address the situation after families lose their (affordable) housing.

In Maryland, the Montgomery County Housing Initiative Fund was created in 1988, and like Fairfax County's Housing Trust Fund, did not secure permanent funding until much later. Effective in 2003, the County Council approved a measure that would give the trust 2.5% of the County's property tax or $16.1 million, which ever is the greater of the two. The decision was three-fold: the county recognized the need, acknowledged the impact of the fund and realized that without a dedicated source, long range planning was extremely difficult. Past accomplishments include, funding for improvements to 3,183 county homes, funds to encourage owners of small apartment buildings in targeted areas to make improvements, financing to construct two projects of 120 and 183 units for elderly residents and projects that converted an office building and a former hotel into housing for homeless individuals and families. Two primary goals of the program are 1) to use the funds to encourage owners to keep and maintain the affordable housing and 2) to fund service providers that institute on-site programs to assist the residents. In 2003, it was estimated that "every dollar that the fund put into housing leveraged an additional $6.00 in additional private and public spending" (HTFP News, Spring 2004).

In Washington State, the King County[9] Housing Opportunity Fund was created in 1990 "to enable local housing providers to better compete for and leverage federal, state, private, and other local funds to meet the urgent needs of the County's homeless, displaced, and special needs populations" (King County CSD site). Accomplishments to date include $34 million in funding, which helped to develop and support 113 projects, creating 2,754 low-income housing units. Three important goals of the fund (much like the

[9] The City of Seattle is in King County.

previous counties) are to 1) maintain affordability status of units that are nearing tax credit expiration dates, 2) linking low-income residents with on-site services—for a holistic approach to meeting the needs of low-income residents, and 3) providing "emergency, transitional, and permanent housing for homeless families and individuals."

Also in Washington State is the ARCH East King County Housing Trust Fund, which includes King County and the cities of Bellevue, Bothell, Issaquah, Kirkland, Mercer Island, Redmond, Woodinville, New Castle, Beax Arts Village, Clyde Hill, Hunts Point, Medina and Yarrow Point. The purpose of the trust is to "create and preserve housing for low- and moderate-income individuals and families" (low-income is less than 50% of the county median income and moderate-income is less than 80%). "Emphasis is placed on providing housing affordable to low-income households. However, funding can be provided to moderate-income households, especially for homeownership opportunities" (ARCH website). Since 1993, the trust has made grants and loans totaling more than $20 million, which assisted in the development of 2,100 affordable housing units. In early 2005, it was announced that ARCH was "named the first winner of the Harvard and Fannie Mae Innovation in American Government Award in Affordable Housing" (HTFP News, Spring 2005).[10]

In Ohio, the Columbus/Franklin County Affordable Housing Trust Fund is an effort by the City of Columbus and Franklin County to address critical housing needs throughout the metropolitan area. The fund was established in 2000 and began operating in 2002. Revenue sources are $1 million annually from the City of Columbus, primarily from the hotel/motel tax revenues, and $1 million from Franklin County's general fund. Half of the funds are targeted at families at or below 60% of the area median income; however, there has been criticism of the program by low-income advocates who cite that too much of the funds are used for "market-rate and luxury developments directed at encouraging middle-income households to return to the city" (*Winning at the Local Level, 2004*). By 2004, the trust had committed $6.5 million to affordable housing projects in the city and county resulting in more than 1,000 homes and apartments.

XI. Overview of State Housing Trust Funds

Because the State of Wisconsin already has a housing trust—the Interest Bearing Real Estate Trust Account (IBRETA), we looked at the possibility of expanding this existing trust. The trust is funded by the interest earned on escrow accounts (as explained earlier in this report) and the funds may only be used to assist homeless programs. The administrator stated that, because of the limited scope of the IBRETA fund and its precarious funding mechanism, the State of Wisconsin does not, in effect, have a Housing Trust Fund. It is unknown at this point whether expanding the current State Housing Trust and changing the beneficiaries is more appropriate than creating a new–more inclusive housing trust. However, many other states have been very successful in creating and administering housing trusts that are far more comprehensive in terms of funds generated and clients served than Wisconsin. Currently, there are 46 housing trust funds in 38 states, with eight states having two funds each. See Appendix F for a list of the current state trusts and the corresponding administering agencies.

Administration: About half of the state housing trusts are administered by a state finance agency or development commission and the other half by a state department (administration, community

[10] The Housing Trust Fund Project News article goes on to explain that "[ARCH] was created eleven years ago with the specific goal to help suburban cities become more effective and efficient partners in community-wide efforts to meet local housing needs. Working through ARCH, participating cities have an effective voice influencing regional and state policies, including distribution of resources, to more effectively serve suburban areas."

development, community affairs, economic development, housing, etc.) Two states, Rhode Island and Vermont established new entities to administer their funds. Rhodes Island has the RI Housing and Conservation Trust Fund Committee and Vermont has the VT Housing and Conservation Board.

Because states serve a broader mass than counties and cities they generally provide greater flexibility of programming and allocating resources. A few states only provide grants or loans, but the majority of states provide both grants and loans. Many states issue RFPs as funds become available and applicants compete against one another. In other states, the funding is dedicated to specific permanent programs. In many of the states the trusts coordinate fund dollars with other housing program funds. Along with some city trusts, many state trusts allow applicants to submit one application and the agency assists the applicant in securing housing dollars from federal, state, local and even non-governmental sources.

Eligibility: Again, because states serve a broader mass, the recipient eligibility is greater than with local and regional trusts. All of the states fund non-profit developers (in most cases.) Other recipients include housing authorities, local governments, for-profit developers, Native American tribes, regional bodies, first time homebuyers and tenants (Center on Community Change).

As with other trusts, eligible activities in all states include new construction, rehabilitation and acquisition (especially of projects in jeopardy of losing affordability status). Most states fund transitional and support services housing, homeless services, predevelopment funds, and education and counseling services for first time homebuyers. Additional activities include funding for weatherization and emergency repairs, housing preservation, public housing, accessibility projects, protecting open spaces, preserving historical buildings and landscapes. In 2002, about half of the state housing trusts require long term affordability; however, this requirement is gaining in significance—as new trusts are developed, more are incorporating the long term affordability requirements.

Income eligibility guidelines vary, but about half of the states require that the funds be dedicated to households at or below 80% of the area median income. Of the remaining half, about one-third of the states range from 100% to 120% of the area median income and about two-thirds limit the funds to households below 60% of the area median income.

Funding Mechanisms: State funding varies by state and varies year to year in many states. About half of the state funds receive between \$1 and \$5 million annually (from various sources). Of the other half, about one-third receive between \$5 and \$10 million, another third receive over \$10 million and the final third receive under \$1 million annually. According to the Center on Community Change 2002 survey, funding sources for the states that generate over \$10 million annually are unclaimed property funds, real estate transfer taxes, capital budget funds, state income tax and general funds. To date, the full list of funding sources includes:

- Bond and fee revenues
- Condominium conversion fees
- Debt reserve funds
- Deed recording fees
- Developer fees
- Document recording fees
- Eviction court fees
- Food and beverage tax
- General funds
- GO bond proceeds

- Interest from real estate escrow accounts
- Interest from the Budget Stabilization fund
- Interest on mortgage escrow accounts
- Interest on tenant security deposits
- Loan repayment fees
- Non-residential impact fees
- Penalties on late real estate excise tax payments
- Real estate transfer tax
- Sale of county owned land
- Sales tax
- Section 8 reserves
- Securities act cash fund
- State income tax
- State unclaimed property fund
- Surplus funds
- Unclaimed lottery earnings
- Unspent TANF reserves

XII. Best Practices of State Housing Trusts

Upon review of the data, and on recommendations from the Center on Community Change, which assists entities with establishing housing trusts, we have identified seven best practices in state housing trusts—four of these states (Minnesota, Illinois, Ohio, and Missouri) are in the Midwest.

Minnesota: The Minnesota Housing Trust Fund was established in 1988 to support the development of affordable housing for low-income persons and families. Minnesota is unique in that they are one of only a few states that limit funds to households earning no higher than 30% of the area median income. The program focuses specifically on developing, acquiring, preserving or rehabilitating rental properties. Historically, the program was used for capital funding only, however, in 2001 legislation was changed to expand eligible activities to include rental assistance and housing operating support. For rental assistance funding, there are three options: tenant-based, sponsor-based, and project-based rental assistance. Getting homeless individuals and families into stable housing is an area of importance as Minnesota studies have shown that "People who have stable housing tend to use crisis health care services less or the services they use are less expensive than when they were homeless. Recent data from Hennepin County estimates that annual median health care costs per individual were approximately $9,300 prior to housing and just over $5,200 while in housing (http://www.department results.state.mn.us/mhfa/DeptDetail.htm)." Revenue for the Housing Trust Fund is generated from the interest earnings on real estate broker's trust accounts; interest accrued on revenue bond application fees and forfeited fees; and state appropriated funds.

Illinois: The Illinois Affordable Housing Trust Fund was created by the Illinois legislature in 1989 to "assist in the provision of affordable, decent, safe and sanitary housing for low- and very low-income households." Eligible applicants are not-for-profits, for-profits corporations and units of government. The most common eligible uses are for acquisition and rehabilitation, new construction, adaptive use of non-residential buildings, special needs housing (for the mentally ill, developmentally disabled, elderly, physically disabled and single-parent families), and for technical assistance for non-profit organizations. Projects that are given priority for funding include: 1) projects that provide a greater percentage of affordable units for very low-income households, 2) projects that are part of a larger neighborhood revitalization plan, 3) special needs housing (for the aforementioned population and for working homeless, to prevent homelessness, 3 – 4 bedroom housing for families, and projects that promote homeownership), 4) mixed-income developments (with a combination of low, and/or very low-income and market rate units), and 5) projects that have below area market rents. Approximately 64% of the funding goes to the Chicago metropolitan area. The source of the Trust Fund revenue is half of the state real estate transfer fee, which is approximately $20 to $22 million per year.

Ohio: The Ohio Housing Trust Fund is "a flexible state funding source that provides affordable housing opportunities, expands housing services, and improves housing conditions for low-income Ohioans (OHTF website.)" Eligible applicants are local governments, housing authorities, nonprofit organizations, private developers and lenders. The trust funds housing developments, emergency home repair, handicapped accessibility modifications, and services related to housing and homelessness. The programs focus primarily on low-income families and individuals and include predevelopment costs, rental assistance, housing counseling, rehabilitation, home repair and new construction. The trust is funded with the recordation fee, which is projected to provide up to $50 million per year.

The Housing Trust Fund Project News (Spring 2003) featured the Ohio Housing Trust as an example of the difficulties housing advocates incur in trying to establish a housing trust. It first required a voter-approved constitutional amendment to establish the trust in 1991. Then it took 12 years to win a dedicated revenue source (the recordation fee was increased and dedicated to the trust fund). Efforts to secure a dedicated funding source failed three times between 1993 and 1997 with passage in 2003.

Missouri: The Missouri Housing Trust Fund was created by the State Legislature in 1994 to help meet the needs of very low-income families and individuals. Eligible applicants are developers or non-profits organizations that provide housing and/or related services. Project requirements include: must provide housing for very low-income families or individuals, must leverage trust fund dollars with other grants or loans, tax credits or other subsidies, and provide housing and/or services to persons below 50% of the median income with corresponding rents or fees. Half of the fund is earmarked for persons or households at or below 25% of the area median income. Programming priorities for the fiscal year 2006 include, 1) construction/rehabilitation of SROs, permanent housing for the homeless, shelters and transitional housing for the homeless, and related space and/or improvements to provide services, 2) sinking fund for rental assistance (an amount set aside for a period of years at a particular property to subsidize the rent for income-qualified residents), 3) emergency assistance for homeless prevention (utility deposits and payments, rental deposits and payments mortgage payments, emergency home repairs), 4) home repair (weatherization, accessibility, repair or replacement of major systems, repairs for "life safety" issues and environmental abatement), and 5) tenant services (service coordinators and special programs in residential facilities serving income-qualified tenants). The fund is supported by a $3 recording fee on state real estate documents. The fund has averaged between $5 and $6 million per year in the last few years—with 36% being allocated to the St. Louis metropolitan area.

Washington: The Washington State Housing Trust Fund was created by the Legislature in 1987 "to fill the gap created by the federal government's withdrawal from housing finance at a time when home-less ness was becoming prevalent across the state. The legislative intent was to establish a continuously renewable resource to help communities meet the housing needs of low-income and special needs populations (people with chronic mental illness, developmental disabilities, homeless families, frail elderly people, and farm workers)." The Housing Trust Fund lists its accomplishments as 1) supporting the construction, acquisition or rehabilitation of more than 4,500 units during each biennium; 2) creating rental and homeownership opportunities in every region of the state for people with incomes of 80 percent of median income and below; 3) serving thousands of households that include families, at-risk youth and children, senior citizens, farm workers, and people with chronic mental illness; 4) assisting low-income homebuyers with down payments to purchase their first homes; 5) helping communities by preserving valuable investments in housing stock through rehabilitation of existing structures; 6) preventing dislocation of low-income households by preserving properties losing their federal subsidies; 7) ensuring that housing assisted through the Housing Trust Fund will remain affordable for at least 40 years; 8) enhancing programs and services of the Department of Social and Health Services and the Department of Health by creating housing for populations that receive their services; and 9) providing pre-development technical assistance and organizational capacity building through strategic partnerships.

Revenue sources include interest on real estate escrow accounts, penalties on late real estate excise taxes, origination fees and GO bond proceeds. Washington has investing over $420 million in new and improved housing since 1989 and has leveraged more than $1,660 million in private and public sector support. These combined efforts have resulted in the improvement or addition of over 26,500 affordable housing in units to date.

Additionally, in 2002, the Legislature authorized an additional surcharge of $10.00 on the state's document recording fee (charged by counties). Sixty percent of this fee stays with the counties for local homeless related housing needs and 40% goes to the state's Homeless Trust Fund to be used for housing needs of extremely low-income households.

Vermont: The Vermont Housing and Conservation Board was established in 1987. The program is the only one of its kind in the country in that it addresses affordable housing and land conservation issues. The Board is an "independent, state-supported funding agency providing grants, loans and technical assistance to nonprofit organizations, municipalities, and state agencies for the development of perpetually affordable housing and for the conservation of important agricultural land, recreational land, natural areas and historic properties."

Eligible activities include the acquisition, rehabilitation and construction of affordable housing by nonprofit housing organizations. These projects include: rental housing, rental and ownership coops, mobile home parks, single family homes, shared elderly housing, single room occupancy housing and group homes. Additionally, funds are used to leverage federal and private dollars, including private bank loans, Low Income Housing and Historic Preservation Tax Credits and federal rent subsidies. Although funds can only be allocated to households earning less than 100% of the median income, the majority of the funding serves households with incomes between 30% and 80% of the median income. Current revenue sources are the property transfer tax and the state budget surplus. Since 1987, the Board "has committed more than $121 million to projects that will result in the development of more than 5,600 units of affordable housing and the conservation of more than 83,000 acres of agricultural land and more than 230,500 acres of forestland, natural areas and recreational lands."

XIII. Best Practices in Affordable Housing

In addition to Housing Trust Fund accomplishments, here we highlight one "best practice" for housing homeless individuals in Chicago and three "best practice" funding programs that have developed countless affordable housing projects throughout the country, and a rent-to-own program in Cleveland. These programs can be used as stand-alone projects or in conjunction with housing trust fund dollars.

- Lakefront SRO – This is a nationally recognized model for housing homeless individuals. The organization revitalizes vacant and dilapidated SRO (single room occupancy) buildings or builds them from the ground up and manages them. Currently seven SROs house over 700 people. Tenant programs include on-site social service teams that provide case management, financial advocacy, counseling and job training. SRO's Community and Government Affairs Program advocates for local policy reform and for the preservation of remaining SROs.

- LISC's (Local Initiatives Support Corp.) – Affordable Housing Preservation Initiative is dedicated to reducing the loss of rental housing that is affordable to low-income families, especially among the 1.6 million units of federally-assisted housing facing expiring rent and mortgage subsidies. The program provides technical support, seeks new financing solutions, "develops, and maintains partnerships with other non-profit stakeholders to help keep...properties safe, in good repair, and affordable for low-income families." So far, the initiative has "helped CDC's acquire and preserve housing developments where the need and opportunity were greatest; build partnerships with housing authorities and other potential investors in affordable housing; and advocate for policies that can mitigate the loss of units" (LISC).

- Low Income Housing Tax Credit (LIHTC) – This is a federal program developed to encourage private investment in affordable housing. The federal government allocates low-income housing tax credits to each state based on population. The state (through its housing agency) awards the credits to projects that best meet the requirements of its Qualified Allocation Plan. On average, tax credits represent 50 percent of a project's total financing.

- Save Our Stock (SOS) and Preservation Plus – Mentioned previously in the report are two newer funding programs in Wisconsin: The Save Our Stock (SOS), which focuses on preserving affordable housing units that are at risk because of deterioration or sale to owners who will not keep the rents affordable. This program is designed to address debt restructuring or needed capital improvements by funding transfers of ownership that preserve affordable housing, operating deficits that are the result of frozen rents and increasing expenses, capital needs, and the restructure of current debt. The WHEDA Preservation Plus loan program provides below market rate loans for developers to buy or rehabilitate existing affordable housing units.

- Lease Purchase – the Cleveland Housing Network's (CHN) allows low-income residents to purchase homes they have rented for 15 years for approximately one-third of market value. The program began in 1987 and has assisted nearly 2,100 low-income families to date. The program used Low Income Housing Tax Credits with a lease to purchase option. As the first of the tax credits expired in 2003, the CHN began selling the first homes. Of the 102 developed in 1987, 92 have sold so far—resulting in monthly payments lower than the rents the families were paying. "The program has generated over $140 million in direct capital investment in Cleveland's neighborhoods...[and] is specifically designed to keep monthly payments as low as possible, and includes a 72% equity contribution from the syndication of the tax Credit, leveraging 28% in private and public investment" (CHN).

In Milwaukee, plans are under way to institute a similar "rent-to-own" program in the Metcalfe Park neighborhood. Gorman & Co. has plans to spend $9 million on the construction of 50 two- to four-bedroom homes. The company is seeking $650,000 to $750,000 from WHEDA affordable housing tax credits. The homes would be leased to people earning 60% of the area's median income ($40,320 for a family of four), with rents starting at $600 a month. The purchase price at the end of the 15 year lease would be about $54,000 – well below the market value of $80,000 (figures are in today's dollars.)

These programs only provide a snapshot of what can be accomplished with affordable housing programs and monies. Although some of these initiatives can work (and do) as stand alone programs, many can be successfully coordinated under the umbrella of a housing trust, which can develop the expertise and capacity to tap into all of the federal, private and local dollars available to meet affordable housing needs.

XIV. Employer Assisted Housing Programs

The general focus on and criticism of the lack of affordable housing has consistently fallen on the shoulders of local, state and federal government. And because it is generally associated with being a poverty issue, non-profits also step up to the plate to address this burden. However, more and more people are agreeing that it is not just a poverty issue: moderate income working families are being priced out of affordable housing in both urban and suburban communities across the nation. Thus, when employed moderate-income families cannot find affordable homes within reasonable commuting distances to their jobs, then maybe it is time to start looking for solutions in the private sector.

According to the Federal Reserve Bank of San Francisco's September 2005 issue of Community Investments, "In their original intent, housing trust funds were designed to be sources of public funding for affordable housing, and do not rely on corporate contributions, foundation grants, or bank commitments to be sustainable. Still, as employers increasingly recognize that housing affordability has a serious impact on their workers, promising models for cross-sector collaboration in the establishment of affordable housing trust funds are emerging."
The Joint Center for Housing Studies of Harvard University has studied the Employer Assisted Housing situation extensively. In their 2000 research paper, "*Employer Assisted Housing: Competitiveness Through Partnership*," they point out that due to the recent low mortgage interest rates, EAH programs are not currently growing in popularity, however, they are not going away either. In summing up why employers become involved in EAH programs, the article sites the "Four Rs": employee recruitment; employee retention; neighborhood revitalization; and community relations, with reduced commuting an interwoven objective. Employers are generally incentivized to make use of EAH mechanisms in tight housing markets to recruit and retain employees, and in soft housing markets where they have substantial investments to revitalize deteriorating neighborhoods."

There are a few different types of affordable housing dilemmas that affect employers: one is the "reinvention of the company town" where employers are relocating in suburbs that either lack housing altogether or lack affordable housing, another is in areas of escalating land values where needed skilled workers such as nurses, firefighters and police officers cannot afford to live or have overly lengthy commutes, and finally, there is the company that is well-entrenched in an urban, often distressed neighborhood that cannot afford to relocate to the hinterlands or has too much invested in its current location to move, but needs to recruit and maintain a stable workforce. The first and second scenarios affect the City of Milwaukee and its workforce because suburban employers are currently "solving" this problem through transportation related means. In other words, they are not creating affordable housing for low- and-moderate wage workers and often not even for skilled workers—they are simply transporting the workforce back and forth to their location. This method accounts for unnecessary transportation infrastructure and increased fuel costs and lengthy commutes for skilled workers who are priced out of suburban housing. And for the lower- and moderate-wage employees, the City of Milwaukee—instead of the suburban municipality—is often the meeting the employees' needs of housing, healthcare (if not provided by the employer), education, and social and public services. And as with the skilled workers who must endure long and costly commutes, the lower-income workers are even more burdened by such unaffordable costs. Thus, the lack of employer assisted housing in the suburbs does have a profound impact on the City of Milwaukee.

Because the City of Milwaukee has no jurisdiction over suburban employers and without intergovernmental cooperation, little can be done to address the lack of concern for low-wage and even skilled employees working in the suburbs. However, the scenario of urban companies and institutions that need to recruit and maintain a stable workforce are matters that the City can focus on to attract private assistance to the affordable housing dilemma. The gist of urban employers getting involved with employer assisted housing is two-fold: it improves deteriorating neighborhoods adjacent to established companies and institutions, and it provides housing in affordable neighborhoods for lower wage employees. Improving the neighborhood around a company or institution not only increases the value of the entity, but it helps the employer attract and retain workers by creating a safe and inviting work environment (fences, lighting and guards can only do so much.) Next, using current employees to populate the neighborhood adjacent to a company provides employees with a short commute—hence the term "walk to work"—and it gives them the opportunity to invest in an affordable, but often risky neighborhood with a greater sense of security knowing that both their employers and co-workers are making the same kind of commitment.

Although most EAH programs are aimed at homeownership, these programs often succeed in assisting low-income and even very low-income workers. And, as more low-income workers move into homeownership, more affordable rental units emerge. Additionally, there are some models where employers are investing in rental units for employees. With matched funding to housing trusts, both Santa Clara, CA and the Greater Minnesota Housing Funds use employer contributions to create affordable rental developments, through new construction and rehabilitation. The City of Milwaukee has many urban neighborhoods and urban employers that could mutually benefit from investing in new and rehabilitated housing in the shared neighborhoods.

The entity most often cited for establishing EAH programs in the City of Milwaukee is the non-profit Select Milwaukee, which administers programs for local employers. Select Milwaukee provides affordable housing counseling and administrative services to its clients. In a 2003 study, *The State of Employer Assisted Housing in Milwaukee*, the UW-Milwaukee Center on Urban Initiatives and Research analyzed the organization's data for the 2000 – 2002 period. During this period, eleven organizations (clients) contracted to have Select Milwaukee provide services for their employees. The report states:

> Ten of these organizations provide a financial benefit, all but one in the form of a forgivable loan, with redemption periods varying between two and five years and loan amounts ranging from $1,000 to $5,000 based on the area of the city and length of the redemption period. Of the eleven organizations, ten are private (four are for-profit and six are non-profit), and one is public. A total of 282 closings were recorded between January 2000 and October 2002.

The report goes on to cite some impressive statistics that bode well for low- and moderate-income employees seeking affordable housing in the city:

- 45% of EAH homebuyers during the period were African American and 11% were Hispanic.
- Overall, of the city's homeowners 23% are African American and 6% are Hispanic.
- Over 50% of EAH homebuyers have an annual income less than $40,000.

- 58% have an annual income less than 80% of the County Median Income (CMI).
- Forty-two percent (42%) of EAH homebuyers were female heads of household (nearly identical to the percentage of female householders for the city of Milwaukee as a whole.)
- The average purchase price of homes acquired through an EAH program was $90,200, with an average loan amount of $82,000.
- 47% of homes acquired through an EAH program had a purchase price of $80,000 or less.
- 25% of homes acquired through an EAH program had a purchase price of $60,000 or less.
- The total value of all properties purchased through EAH programs between 2000 and 2002 was nearly $25.5 million.

In an interview with Select Milwaukee's executive director Ray Schmidt, we discovered that EAH programs are growing in the City of Milwaukee. The organization helped 71 employees purchase homes in both 2004 and 2005, with leveraged funds of $163,500 and $151,510 respectively. Mr. Schmidt states that the organization has an aggressive plan to recruit more companies in 2006, hoping to increase the total to 20 to 25 companies by the year's end.

Another recognized best practice in EAH is the Chicago area Regional Employer Assisted Collaboration for Housing (REACH). The program, founded in 1999, has eight community-based housing partners and 40 employers. According to the National Housing Institute, "Over 700 employees have begun participating in homeownership education since the program began in 2000, and close to 300 have successfully bought homes through an EAH initiative. Of the 141 new homeowners in 2004, based on available data, employee median salary was just over $36,000, while the household median income was $43,000" (NHI May/June 2005).

In June 2005, Congress introduced the Employer Assisted Housing Act aimed at helping America's working families. The legislation offers tax-based employer assisted housing with benefits including down payment assistance and rental assistance. Soon, many states will be offering state tax credits and matching funds to encourage employers to invest in EAH programs for both homeownership assistance and construction and rehabilitation of nearby rental properties.

XV. Funding Sources

This report has listed many funding sources employed by other housing trusts in cities across the United States. As stated earlier, the most common and successful funding sources for other U.S. cities are the property tax, general funds, transit occupancy tax, linkage fees, real estate transfer tax, use tax and the sales tax. Unlike many of the other states, Wisconsin has somewhat of an "anti-tax" reputation; therefore, fees must be linked directly to the administration of a program. Accordingly, many of the revenue sources used in other cities would require major changes in the State legislation. For instance, two proposed funding sources have already been rejected at the state level: tapping into the real estate transfer fee (collected by the county) and a proposal to garner $5 million to start a housing trust.

Currently, there is much ongoing research on potential funding sources for a City of Milwaukee housing trust. The Legislative Reference Bureau (at the request of Alderman Murphy) studied a Minneapolis model called the "Neighborhood Revitalization Program," which uses tax incremental financing revenues to fund housing programs. The purpose of the research was to ascertain whether or not such a program could be used in Milwaukee to fund a housing trust. The study found that it would not be possible without major legislative changes. In a response from the Comptroller's Office, the Comptroller alluded to competing interests for tax dollars (i.e. a "declining county park system and a set of public cultural institutions, many under financial stress") and the implementation of tax incremental districts (TIDs).

He recommended an "alternate approach would be to seek passage and possible modification of existing legislation...AB 366 to allow municipalities to establish Neighborhood Improvement Districts (NIDs)." "NIDs would impose special assessments on real property to support real property improvements and services aligned with the NID operating plan. The establishment of NIDs could, in effect, accomplish the same objectives as a Housing Trust Fund."[11]

The City Budget Office is conducting a feasibility study that should be finished soon. Developer linkage fees and an increase in the real estate transfer fee are two of many areas to be analyzed. And finally, in November 2005, the Common Council adopted Resolution 050755 creating an Affordable Housing Task Force to "study issues related to establishing a City of Milwaukee Housing Trust Fund." The plan is to hire a consultant, who would collaborate with an advisory task force [to] help develop the City of Milwaukee Housing Trust Fund. The task force will develop a formal structure for administering a HTF, recommend guidelines for the selection and development of projects, and identify on-going sources of revenue to support future HTF projects. The make-up of the task force will be as follows:

- Two members* of the Common Council, one to serve as chair and the other as vice-chair
- Mayor of Mayor's designee
- Commissioner of the Department of City Development or Commissioner's designee
- Director the Housing Authority of the City of Milwaukee (HACM) or Director's designee
- Two members* from the Interfaith Conference
- One member* from the business community
- One member from the Milwaukee County Board of Supervisors
- One member from the Wisconsin Housing and Economic Development Corporation (WHEDA)
- One member from the Fair Housing Council
- One member from Independence First
- One member from Continuum of Care

*Appointment made by the Common Council President

[11] The Comptroller did, however, caution that "further review of AB 366 is needed to ensure that the City would not be negatively impacted by its passage..."

Conclusions:

Safe, decent and affordable housing is an issue that may always be with us. The "acceptable" number of citizens living in crowded conditions, spending too much of their income on housing costs or homeless altogether is a difficult decision to determine. What is an acceptable number is a decision to be made by government and elected officials based on impartial input (reports such as this) and a thoughtful review of the positions put forth by proponents and opponents of the issue. Some would argue that no citizens should be exposed to these kinds of housing dilemmas, while others would argue that our housing problems are not out of the ordinary for a city of our size and are currently being addressed in an appropriate manner. With the current fiscal constraints faced by the City of Milwaukee, difficult fiscal decisions need to be made even when addressing a social issue as polarizing as affordable housing.

With recent cutbacks in federal funding and little relief in sight, the City of Milwaukee may need to look outside of the box for solutions. A local housing trust is a start in addressing immediate housing needs; however, with the reduction in federal funding, a county, regional or state Housing Trust may be a more attractive long range solution. The community needs to set long range goals and focus on long-term solutions—among them:

1. **Local Stakeholders may want to view affordable housing in a holistic fashion.**
There are many social and economic benefits to providing our citizens with safe and affordable housing. Socially, safe and decent affordable housing has a stabilizing affect on neighborhoods: stable neighborhoods help reduce crime, encourage civic involvement, increase school attendance, and discourage the flight of middle and upper class wage earners to other communities. Economically, improving existing and building new housing increases the property values of the improved properties as well adjacent properties. Additionally, the economic rewards of new and rehabbed housing provide benefits in the form of job creation and dollars spent on materials and services. The economy further benefits when consumers have more money to spend on non-housing related needs.

2. **City leaders and stakeholders may want to seek acceptance from Milwaukee's neighboring communities of the fact that affordable housing—especially for low-income families—is not just a City of Milwaukee responsibility, but a regional responsibility as well.**

The Milwaukee county suburbs and the larger region all benefit from a strong, stable and safe affordable housing. The City of Milwaukee, historically, the civic center of the region. Some suburban communities rely heavily on the City of Milwaukee workers who travel to their communities to staff the growing number of often low wage service industry jobs. In order to compete globally, this region needs to develop its workforce—to at least ensure that they have the most basic of needs—in the form of safe, decent and affordable housing—in communities where they live and work.

3. **The City needs to address affordable housing developments that are at risk.**

It is much more difficult to assist families in crisis—after they become homeless—than it is to help them retain their current housing. Some solutions could be 1) incentives to encourage owners to keep their units affordable, 2) working with current owners to assist in screening and helping to deal with problem tenants, 3) requirements that landlords must give adequate notice of sale or conversion to market rates, and 4) capacity building and assistance for non-profits in purchasing and operating current affordable housing projects. Additionally, current programs could be bolstered to assist landlords and encourage them to participate in the Section 8 Rent Assistance Program – especially landlords with larger (three-bedroom or more) units.

4. Affordable housing should not be viewed as just a government responsibility, but a problem to be addressed by the private sector as well.

As private sector employers have much to gain from a labor force whose workers are not overwhelmed and preoccupied by housing dilemmas: employees who are struggling daily or monthly with one of the most basic of needs—shelter—are not going to be very productive workers. Thus, the stabilizing affect that safe, affordable housing has on our low- and moderate-income workforce greatly benefits area employers. For urban employers, stable housing in the neighborhoods surrounding a business makes the business more conducive to attracting customers and recruiting and retaining employees. For suburban employers, local affordable housing can work to reduce the spatial mismatch of underemployed central city workers and the growing demand for these workers in other parts of our region. Additionally, this spatial mismatch adds to the dollars our region spends on transportation infrastructure, fuel costs, and contributes to environmental degradation.

The basic need of safe, decent and affordable housing is crucial to the social and economic well being of our region, and is a concern for all citizens of our region—not just the City of Milwaukee. Thus, a cross-section of leaders—housing advocates, government and institutional entities, civic and political leaders, and employers—ought to address the situation in a just and equitable fashion.

Appendix A

Summary of Existing Wisconsin Preservation Funding				
Source	**Allocator**	**Target Area**	**Uses**	**Issues**
Affordable Rental Housing Program	FHLB of Chicago	Regional (WI, IL)	Acquisition, Rehabilitation And Site Acquisition	Competitive
Bond Financing	Not-For Profits	Statewide	Acquisition And Rehabilitation	Bond Issuance Process Costly
Community Development Block Grant (CDBG)	HUD	Bureau of Housing And 21 CDBG Entitlement Communities	Rehabilitation And Site Improvements	Only 2% Set Aside For Rental Purposes
Competitive 9% tax credits	IRS/WHEDA	Statewide	Acquisition And Rehabilitation	Highly Competitive
Conventional Financing	Private Lenders	Statewide	Preservation	Financial Feasibility
Foundations	LISC, McArthur and Enterprise Foundations	Statewide	Predevelopment and Short-Term Bridge Loans	Highly Competitive
Gov. Sponsored Enterprises	FNMA, FHLMC	National	Variety Of Housing Related Resources	Highly Competitive
HOME	HUD	Bureau of Housing and 11 Local Participating Jurisdictions	Acquisition, Rehab And Credit Enhancement	Only 22% Set Aside for Rental Purposes
Housing Preservation Program	USDA Rural Development	Eligible Rural Areas	Rehabilitation	Competitive, No Grantee Can Be Awarded More Than 50% Of Allocation
Local Governments/PHAs	Local Bonds/ Reserves	135 Local PHAs	Reserves, Rent Assistance, Bonding	Not Widely Used
Low Income Weatherization	Wisconsin Department of Administration (DOA)	Statewide	Energy Conservation	Low-Income Eligibility Restrictions
Private activity bonds with 4% credits	IRS/WHEDA	Statewide	Acquisition And Rehabilitation	Financial Feasibility
Rental Housing Program	HUD	HUD Assisted Units	Rehabilitation, Extend Affordability, Section 8	Complex
Rural Housing and ED	HUD	Rural Communities Under 2,500 Owned By Or Being Purchased By Not-For Profits	Acquisition, Rehabilitation And Site Improvements	Highly Competitive
Saving Our Stock (SOS)	WHEDA	Statewide	Preservation	Limited Resource
Section 515 Program	USDA Rural Development	Existing 514 And 515 Properties In Rural Wisconsin	Acquisition, Equity Loans, Rehabilitation, Extend Terms	Limited Resource And Highly Competitive
Trust Fund Loans	Board of Commissioners of Public Lands	Statewide	Varied	Local Government Sponsorship

Source: ***Preserving Wisconsin's Quality Affordable Rental Housing: Report of the Governor's Task Force for Housing Preservation – October 2004.***

Appendix B

Housing Authority City of Milwaukee 2005 Inventory									
Highrise Public Housing Developments	**Address**	**Housing Type**	**1 Bd**	**2 Bd**	**3 Bd**	**4 Bd**	**5 Bd**	**Non-Dwell Units**	**Total**
Arlington Court	1633 N. Arlington Place	Public	230						230
Becher Court	1800 W. Becher	Public	219	1					220
Cherry Court (Reno--open in '06)	1275 N. 17th St.	Public	120						120
College Court	3334 W. Highland Blvd.	Public	250					1	251
Convent Hill	1525 N. Jefferson St.	Public	120						120
Highland Garden	1818 W. Juneau Ave.	6 Public; 68 LITC	106	8					114
Holton Terrace	2825 N. Holton St.	Public	120						120
Lapham Park	1901 N. 6th St.	Public	170	28				2	200
Lincoln Court	2325 S. Howell Ave.	Public	110						110
Locust Court	1350 E. Locust St.	Public	229					1	230
Merrill Park	222 N. 33rd St.	Public	120						120
Mitchell Court	2600 W. National Ave.	Public	100						100
Riverview	1300 E. Kane Place	Public	180						180
Total			**2,074**	**37**					**2,115**
Family Public Housing Developments	**Address**	**Type**	**1 Bd**	**2 Bd**	**3 Bd**	**4 Bd**	**5/6 Bd**	**Non-Dwell Units**	**Total**
Hillside Terrace	1419 N. 8th St.	Public	66	239	121	36	8		470
Highland Homes	1818 W. Juneau Ave.	Public				38	16		54
Parklawn	4434 W. Marion St.	Public	24	274	80			2	380
Westlawn	6331 W. Silver Spring	Public	181	325	181	38		1	726
Total			**271**	**838**	**382**	**112**	**24**	**3**	**1,630**
Townhomes at Carver Park	1901 N. 6th St.	51 Public; 51 LITC; 20 Market		16	90	10	6		122
Scattered Sites	Various locations.			29	281	78	31/6		431
Total				**45**	**371**	**88**	**43**		**553**
Middle Income (Veterans) Developments:	**Address**	**Type**	**1 Bd**	**2 Bd**	**3 Bd**	**4 Bd**	**5 Bd**	**Non-Dwell Units**	**Total**
Berryland	6089 N. 42nd St.	Affordable	16	263	112				391
Northlawn	5145 N. 20th St.	Affordable	31	156	60				247
Southlawn	3350 S. 25th St.	Affordable	42	203	84		1		330
Total			**89**	**622**	**256**		**1**		**968**
Total (All)			**2,434**	**1,505**	**1,009**	**200**	**68**	**3**	**5,266**

Source: City of Milwaukee Department of City Development

Appendix C

Affordable Housing Initiatives the City of Milwaukee Common Council has taken action on in the last 12 months	Total Units	Affordable Units	Type of Project
I. Low Income Housing Tax Credit Projects			
Kramer Lofts - 151 E. Seeboth Street	55	43	New Construction
Schuster Historic Building - 1020 W. Historic Mitchell Street	90	76	Adaptive Reuse
Touissant Square - 3400 W. North Avenue	23	23	New Construction
Convent Hill - 1325 N. Jefferson Street	80	80	Replacement of Existing
New Village - Scattered Site @ W. Hadley & Center Streets	24	24	New Construction
Park East Enterprise Lofts - 1407 N. Martin Luther King Jr. Drive	85	67	New Construction
Dr. Wesley Scott Senior Living Comm. - 2802 W. Wright Street	80	74	Adaptive Reuse
Columbia Square - 3300 W. North Avenue	22	22	New Construction
Leon Sullivan Townhomes - Scattered Site: Btw. 5th & 7th Streets and Locust Street & Keefe Avenue	24	24	New Construction
Cherry Court Housing Development - 1525 N. 24th Street	120	120	Replacement of Existing
Garden Place - 8425 N. 107th Street	62	57	New Construction
Johnson Park Lofts - 1860 W. Fond du Lac Avenue	23	23	Adaptive Reuse
London Square Apartment Homes - 2035 W. Galena Street	115	115	Rehab of Existing
Subtotal	**803**	**748**	
II. CDBG/HOME funding			
Housing Production	51	51	New Construction/Rehab
Neighborhood Improvement Project	126	126	Rehab
Minor Home Repair	460	460	Rehab
American Dream Down payment Initiative	62	62	New Construction/Rehab
NIDC	250	240	New Construction/Rehab
Emergency Housing/Transitional Housing			Operating Support
Housing Opportunities for People with Aids			Operating Support
Subtotal	**949**	**939**	
III. Other Affordable Housing Initiatives:			
Habitat for Humanity	36	36	New Construction
Lindsay Heights	100	70	New Construction/Rehab
Housing Authority of the City of Milwaukee	31	31	New Construction
Subtotal	**167**	**137**	
Totals	**1919**	**1824**	**New: 571** **Rehabbed/ Replaced: 1,253**

Source: City of Milwaukee Department of City Development

Appendix D

2002 City Housing Trust Funds -- Administration			
State	**City**	**Housing Trust Name**	**Administering Agent**
CA	Berkeley	Housing Trust Fund	Housing Department
CA	Cupertino	Affordable Housing Fund	Community Development Department
CA	Los Angeles	Housing Trust Fund	Department of Housing
CA	Menlo Park	Below Market Rate Housing Reserve	Housing and Redevelopment Agency
CA	Morgan Hill	Senior Housing Trust Fund	Business Assistance and Housing Services
CA	Palo Alto	The Housing Reserve	Dept. of Planning and Comm. Development
CA	San Diego	Housing Trust Fund	Housing Commission
CA	San Francisco	Office of Affordable Housing Production Program	Mayor's Office of Housing
	" "	Hotel Tax Fund & Bond Housing Program	
CA	Santa Monica	Citywide Housing Trust Fund	Housing and Redevelopment Division
CA	West Hollywood	Affordable Housing Trust Fund	Rent Stabilization and Housing Dept.
CO	Aspen	Housing Day Care Fund	Housing Office
CO	Boulder	Community Housing Assistance Program	Housing and Human Services Dept.
		and Affordable Housing Fund	
CO	Denver	Skyline Housing Fund	Housing and Neighborhood Department
CO	Longmont	Affordable Housing Fund	Affordable Housing Office
CO	Telluride	Housing Trust Fund	Special Projects
FL	Tallahassee	Housing Trust Fund	Neighborhood and Comm. Services Dept.
IL	Chicago	Low Income Housing Trust Fund	Department on Housing
IN	Bloomington	Housing Trust Fund	Dept. of Housing and Neighborhoods
IN	Fort Wayne	Central City Housing Trust Fund	Comm. and Economic Development Dept.
IN	Indianapolis	Housing Trust Fund	Dept. of Metropolitan Development
KS	Lawrence	Housing Trust Fund	Dept. of Neighborhood Services
MA	Boston	Neighborhood Housing Trust	Dept. of Neighborhood Development
MA	Cambridge	Housing Trust Fund	Community Development Department
MI	Ann Arbor	Housing Trust Fund	Community Development Department
MN	St. Paul	STAR Program	Dept. of Planning and Economic Development
MO	St. Louis	Housing Trust Fund	
NJ		142 COAH approved developer fee programs	
NM	Santa Fe	Community Housing Trust	Community Services Department
NC	Greensboro	VM Nussbaum Housing Partnership Fund	Dept. of Housing and Community Development
OH	Toledo	Housing Fund	Jarret Consulting Services
OR	Portland	Housing Investment Fund	Bureau of Housing and Community Development
SC	Charleston	Housing Trust Fund	Dept. of Housing and Community Development
TN	Knoxville	Housing Trust Fund	Eat Tennessee Community Foundation
TN	Nashville	Nashville Housing Fund, Inc.	Nashville Housing Fund, Inc.
TX	Austin	Housing Trust Fund	Neighborhood Housing Department
TX	San Antonio	Housing Trust	San Antonio Housing Trust Fund
UT	Salt Lake City	Housing Trust Fund	Division of Housing and Economic Development
VT	Burlington	Housing Trust Fund	Community and Economic Development Dept.
VA	Alexandria	Housing Trust Fund	Office of Housing
VA	Manassas	Manassas Housing Trust Fund, Inc.	Manassas Housing Trust Fund, Inc.
WA	Bainbridge Island	Housing Trust Fund	Housing Resources Board
WA	Seattle	Housing Assistance Fund	Office of Housing
D.C.	Washington	Housing Production Trust Fund	Housing and Community Development Dept.

Appendix E

2005 County Housing Trust Funds			
State	County	Housing Trust Name	Administering Agent
CA	Alameda	Housing Trust Fund	Housing and Community Dev. Dept.
CA	Napa	Housing Trust Fund	Housing Authority
CA	Sacramento City & Co.*	Hosing Trust Funds (Multi-jurisdictional)	Redevelopment Authority
CA	San Mateo	Housing and Endowment Trust Fund	
CA	Santa Clara	Housing Bond Trust Fund	Office of County Executive
CA	Santa Clara	Housing Trust	Housing Trust of SC County
CA	Sonoma	Housing Trust Fund	
FL	Dade	Documentary Stamp Program	Miami-Dade County Housing Agency
FL	Dade	Homeless Trust Fund	Homeless Trust
IA	Dallas	Homeless Trust Fund	
IA	Johnson	Homeless Trust Fund	
IA	Polk	Housing Trust Fund	Polk County Housing Trust Fund
MD	Howard	Community Renewal Program Fund	Housing and Community Dev. Dept.
MD	Montgomery	Housing Initiative Fund	Dept. of Housing and Community Dev.
MN	Ramsey	Housing Endowment Fund	Community and Economic Dev. Dept.
MO	Jackson	Housing Resources	Housing Resources Commission
MO	St. Charles	Housing Trust Fund	Executive Office
MO	St. Louis	Housing Resources	Housing Resources Commission
OH	Montgomery	Housing Trust Fund	Montgomery County Corp.
OH	Columbus and Franklin *	Housing Trust Fund (Multi-jurisdictional)	Columbus Housing Trust Corporation
PA		40 separate county housing trusts	
VA	Arlington	Affordable Housing Investment Fund	Economic Development Department
VA	Fairfax	Housing Trust Fund	Dept. of Housing and Community Dev.
WA	ARCH: King Co. & jurs.	ARCH Eastside Housing Trust Funds*	A Regional Coalition for Housing
WA	Chelan	(County Housing Trust Fund)	Info. not available
WA	Clallam	(County Housing Trust Fund)	Info. not available
WA	Clark	(County Housing Trust Fund)	Info. not available
WA	Grant	(County Housing Trust Fund)	Info. not available
WA	Island	(County Housing Trust Fund)	Info. not available
WA	Jefferson	(County Housing Trust Fund)	Info. not available
WA	King	Housing Opportunity Fund	Housing and Community Dev. Dept.
WA	Mason	(County Housing Trust Fund)	Info. not available
WA	Pend Oreille	(County Housing Trust Fund)	Info. not available
WA	Pierce	(County Housing Trust Fund)	Info. not available
WA	Stevens	(County Housing Trust Fund)	Info. not available
WA	Thurston	(County Housing Trust Fund)	Info. not available
WA	Whitman	(County Housing Trust Fund)	Info. not available

Source: Center on Community Change

Appendix F

2005 State Housing Trust Funds		
State	**Housing Trust Name**	**Administering Agent**
Arizona	Housing Trust Fund	Department of Commerce
California	Housing Trust Fund	Dept. of Housing and Comm. Development
Connecticut	Interest of Real Estate Brokers Trust Account	Housing Finance Agency
Connecticut	Trust Fund for Economic Growth and Oppor.	Dept. of Economic and Comm. Development
Delaware	Housing Development Fund	State Housing Authority
Florida	William E. Sadowski Act	Housing Finance Corporation
Georgia	Housing Trust Fund for the Homeless	Department of Community Affairs
Hawaii	Rental Housing Trust Fund	Housing and Community Development Corp.
Idaho	Housing Trust Fund	Info. not available; No funding at this time.
Illinois	Affordable Housing Trust Fund	Housing Development Authority
Illinois	Rental Housing Support Program	Illinois Housing Development Authority
Indiana	Low Income Housing Trust Fund	Housing Finance Authority
Iowa	Local Housing Trust Fund	Provides matching funds only.
Kansas	Housing Trust Fund	Department of Commerce and Housing
Kentucky	Affordable Housing Trust Fund	Housing Corporation
Kentucky	Single Family Trust Fund	Housing Corporation
Louisiana	Housing Trust Fund	Louisiana Housing Finance Agency
Maine	Housing Opportunities for Maine	State Housing Authority
Maryland	Affordable Housing Trust	Dept. of Housing and Comm. Development
Massachusetts	Affordable Housing Trust Fund	Housing Finance Agency
Massachusetts	Community Preservation Act	State commissioner of Revenue
Michigan	Housing Trust Fund	State Housing Development Authority
Minnesota	Housing Trust Fund	Housing Finance Agency
Missouri	Housing Trust Fund	Housing Development Commission
Montana	Revolving Loan Account for Housing	Board of Housing
Nebraska	Affordable Housing Trust Fund	Department of Economic Development
Nebraska	Homeless Assistance Trust Fund	
Nevada	Account for Low Income Housing Trust Fund	Housing Division
Nevada	Assistance for Low-Inc Owners of Mobile Homes	Manufactured Housing Division
New Hampshire	Affordable Housing Fund	Housing Finance Authority
New Jersey	Balanced Housing Program	Department of Community Affairs
New Mexico	Housing Trust Fund	New Mexico Mortgage Finance Authority
North Carolina	Housing Trust Fund	Housing Finance Agency
Ohio	Housing Trust Fund	Housing Finance Agency
Oklahoma	Housing Trust Fund	Housing Finance Agency
Oregon	Housing Development Grant Program	Housing and Comm. Services Department
Oregon	Low Income Rental Housing Fund	Housing and Comm. Services Department
Rhode Island	Housing and Conservation Trust	Housing and Conservation Trust Commission
South Carolina	Housing Trust Fund	Housing Finance and Development Auth.
Texas	Housing Trust Fund	Department of Housing and Comm. Affairs
Utah	Olene Walker Housing Trust Fund	Division of Community Development
Vermont	Hosing and Conservation Trust	Housing and Conservation Board
Washington	Homeless Trust Fund	Dept. of Comm., Trade and Economic Dev.
Washington	Housing Trust Fund	Office of Community Development
West Virginia	Affordable Housing Trust Fund	West Virginia Housing Development Fund
Wisconsin	Interest Bearing Real Estate Account	Department of Administration