

September 22, 2006

Honorable Members
Zoning, Neighborhoods and Development Committee
City Hall, Room 205

Dear Committee Member:

Attached you will find a draft motion and draft proposed substitute resolution relating to Common Council File Number 060071, a resolution relating to the recommendations of the Milwaukee Housing Trust Fund Task Force for the operation and funding of a housing trust fund. I plan to offer this motion and proposed substitute at the special Zoning, Neighborhoods and Development Committee meeting on September 25, 2006.

The Proposed Substitute differs from Substitute 1 (currently in the file) in that it amends certain Task Force recommendations in the following ways:

1. The issuance of general obligation bonds to fund the Housing Trust Fund shall be for up to \$5 million in bonds, and bond issuance shall be tied to the approval of bond-funded projects by the Common Council.
2. 50% of additional Potawatomi Bingo Casino revenues shall be dedicated for the Housing Trust Fund.
3. When a tax incremental district (“TID”) is closed, for each of the 4 years immediately following the year in which closure occurred, the City shall designate General Fund revenue for the Housing Trust Fund in an amount equal to one-half of the City’s incremental tax revenue received from the TID during the last tax collection cycle in which the TID was in existence.
4. The resolution does not endorse the recommendation that proceeds from the sale of City-owned vacant land shall be used to fund the Housing Trust Fund.
5. Payments in lieu of taxes (“PILOTs”) received by the City from newly-negotiated PILOT agreements with owners of tax-exempt property shall be dedicated for the Housing Trust Fund only if so designated by the property owner.
6. The Housing Trust Fund Advisory Board shall be responsible for making recommendations for allocation of Housing Trust Fund dollars; it shall not be responsible for providing oversight of administration of the Housing Trust Fund.

7. Most “shoulds” are changed to “shalls” to reflect the fact that, by this resolution, the Common Council is endorsing certain program characteristics for the Housing Trust Fund.

I hope you will support me in moving this important piece of legislation forward. Please feel free to contact me if you have any questions about the proposed substitute.

Sincerely,

Michael J. Murphy
Alderman, 10th District
Chair, Milwaukee Housing Trust Fund Task Force

attachments