



City of Milwaukee

200 E. Wells Street
Milwaukee, Wisconsin
53202

Meeting Minutes HOUSING TRUST FUND ADVISORY BOARD TECHNICAL REVIEW SUBCOMMITTEE

Thursday, December 17, 2009

1:30 PM

Room 301-B, City Hall

Meeting convened: 1:36 P.M.

1. Roll call

Present 4 - Peters, Kammholz, Madden and Sanchez

Also Present: Steven Mahan Director, Mario Higgins, Mary Richardson, Maria Pellerin, and Nicki Purvis, Community Blocks Grant Admin. and Assistant City Attorney Tom Gartner

2. Approval of the minutes of the January 30, 2009 meeting

Mr. Kammholz moved and Ms. Madden seconded to approve the minutes. There were no objections.

3. Update on the funding guidelines and procedures for the Housing Trust Fund

Mr. Kammholz said the guidelines for this round of housing trust fund awards will remain pretty much the same as last year's. He said the only change that he will make will be to the amount of available funds. He said he would have a draft ready for this subcommittee's review and approval at the next subcommittee meeting.

Mr. Higgins referred members to the scoring sheet (Attachment C to the application) (Exhibit 1), and said that last year the maximum points was changed from 100 to 115, but he doesn't recall whether this subcommittee formally approved that change. He asked if the subcommittee wanted to adjust some of the classification points so that the maximum points would total 100 or does it want to keep the maximum points at 115?

Mr. Kammholz replied that the rating for both the objective and subjective classifications were dealt with in-depth and feels that the total points should remain at 115. He said the point system that's in place seems to be working well.

Mr. Peters said that some of the scoring classifications do not apply to some of the projects and asked if they could consider changing to a percentage system?

Mr. Peters said the current point system presents a problem for some of the projects. For example, if there is an accessibility requirement, but not for rehab of a single home project, would that classification be ignored for that project or should that project get the full points allowed?

Mr. Higgins replied that there are so many different components that would apply to a large tax-credit project compared to a rehab of a single home project.

Mr. Kammholz replied that he recalls that is one of the reasons the point system ended up with a total of 115 points. The last 15 points is for "Meets community needs" and those points allow subcommittee members to award those additional points to a project that he or she feels is worthy. He said he is inclined to stay with the point system.

Ms. Madden asked CDGA staff if they could give a percentage of the applications that have classifications that are not applicable?

Mr. Higgins replied that there are several classifications that are not applicable for rehab of a single family home project. Some of those would be the EBE requirement, accessibility requirement, income targets and green principle.

Ms. Madden said for this round of funding awards they should use the current point system and then maybe afterwards go back and revisit the scoring system.

Mr. Higgins replied that, the subcommittee could do that, or the members could just make a point to recognize the different types of projects and group together the same types of projects and then score and compare the projects to each other within their group.

Ms. Sanchez replied that is how the subcommittee has been doing it.

Mr. Kammholz said he is open to revisiting the scoring and award system, but he feels that this subcommittee should provide a consistent award system from year to year.

Ms. Sanchez said she likes Mr. Peters' idea and that it makes a lot sense to go to a percentage scoring system, because the Homeownership category seems to suffer the most.

Mr. Kammholz said that he is opposed to going to a percentage system. He said a percentage would make the scoring more subjective.

Ms. Sanchez said that homeownership projects could conceivably lose a lot of points.

Mr. Kammholz said that the housing trust fund ordinance does direct that a certain percentage of available funds be used for each category.

Ms. Sanchez said she strongly supports keeping all the scoring classifications.

Ms. Sanchez said to address Mr. Higgins' question on whether the points should total 100 or 115; she suggests that the form be changed to reflect 115 points. There were no objections.

4. Review of the housing trust fund applications

Housing Trust Fund, Application Intake Sheet - November 2009 (Exhibit 2) was sent to all members prior to the meeting.

Mr. Kammholz said that city staff needs to review each of the applications yet and will advise the members at the next meeting which applications they recommend the members focus on.

Mr. Mahan said several applicants are waiting for their funding notification. Those applicants are in the "Rental" category and they are, the Center for Veterans Issues, Ltd., Heartland Housing, Inc. and Northwest Side CDC - Villard Square project.

Mr. Mahan said several of the applicants that submitted applications this round have not spent their housing trust fund awards that they received in the previous round yet. He said those applicants are under the "Homeownership" Category and they are; Milwaukee Christian Center and Milwaukee Community Service Corps.

Mr. Kammholz replied that the housing trust fund doesn't have a time-line that awards need to be spent by like some of the other grant funds that some of the applicants have received.

Ms. Sanchez asked what project has Milwaukee Community Service Corps. (MCSC) not begun yet?

Mr. Higgins replied that the MCSC' solar panel project has not begun yet. He said the City has a hold on more new home project funds for the MCSC until they complete and sell their current projects. He said MSCS doesn't have a project set up for the solar panels yet. He said that MCSC will be using the housing trust fund dollars in conjunction with their "HOME" fund dollars for their solar panel project.

Mr. Mahan said some of the groups that applied for housing trust fund, also apply for any and all funds that are available to them.

Mr. Mahan said the City has also put other groups projects on hold that have other City grant fund award, because of the housing market.

Mr. Kammholz said another thing the members should keep in mind is that some of the applicants have also received funds for their projects from other grant funding sources.

Ms. Sanchez asked if the subcommittee members are allowed to make the decision to reduce the amount of the award requested by the applicant if they think the project is doable with less?

Mr. Higgins replied in the affirmative. He said he will provide members with information on whether any of the applicants have applied for and received other City grant funds.

Mr. Kammholz asked Mr. Higgins to put that information in the comment area on the scoring spreadsheet.

Mr. Peters asked if City staff knows how much administration fees that groups are getting from any of their funding sources?

Mr. Mahan replied that he would only know what groups are getting in Administration fees from their City grant funding sources.

Mr. Higgins replied that none of the applicants now or in the past have asked for administration fees from the housing trust fund.

Attorney Gartner appeared and advised the members that he has template documents set up now that he will use for this next round of housing trust fund awards. He said he wants to have this next round housing trust fund awards set up to function like those for the Arts Board's do, where an award letter and the actual grant agreement is sent to the awardee together.

In addition, Attorney Gartner advised that one of the areas that has caused confusion for the applicants, in the past, is the EBE requirements and suggested that it would be help in future RFPs if the standardized EBE information, such as what the City policy is regarding EBE be included.

Mr. Kammholz asked what are the criteria that would require an applicant to abide by EBE requirements under Chapter 355 (aka MORE Ordinance) of the Milwaukee Code of Ordinances?

Attorney Gartner replied that most of the Housing Trust Fund RFP's would not fall under Chapter 355. He said any project that receives \$1 million or more in direct City funding would be required to abide by the EBE requirements set in Chapter 355.

Mr. Mahan said that the only application that may fall under Chapter 355 would be Center for Veterans Issues, Ltd.

Ms. Purvis appeared and said that she will be scrutinizing the housing trust applications to see which ones would be applicable to Chapter 355. In addition, she also suggested that the EBE requirements be spelled out more clearly in the application form.

5. Next meeting date, time and agenda

Next meeting dates: January 15, 2010 at 1:30 P.M. in City Hall and February 5, 2010 at 9:00 A.M. at the Port of Milwaukee, Conference Room.

Mr. Kammholz said the following issues should be addressed and ready for discussion by the January 15, 2010 meeting:

- 1. Draft funding guidelines*
- 2. Any proposed adjustments or revisions to the scoring sheet*
- 3. City staff will need to have the objective scoring completed*
- 4. City staff's due diligence review of the application should be well under way*
- 5. Recommendations from CDGA staff on which projects are ready to go*
- 6. City staff review of which projects have other city funding and if any fall under Chapter 355*

Meeting adjourned: 2:42 P.M.

**Terry J. MacDonald
Staff Assistant**

ATTACHMENT C

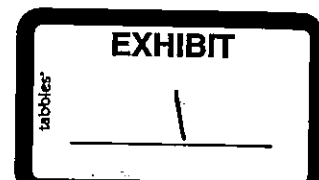
CITY OF MILWAUKEE HOUSING TRUST FUND
Scoring Point System - Final Draft Recommendation

	Max 100 Pt Scale(a)	
	Point Range	Max Points
Leveraged Dollars		15
HTF dollars are less than 3% of total project cost	15	
HTF dollars account for 3 - 5% of total project cost	12	
HTF dollars account for 6 - 10% of total project cost	9	
HTF dollars account for 11 - 15% of total project cost	6	
HTF dollars are more than 15% of total project cost	3	
Income Targets - Please Use Attached Chart		15
# of units with residents up to 50% of income target	15	
# of units with residents between 51% and 70% of income target	12	
# of units with residents between 71% and 75% of income target	9	
# of units with residents between 76% and 85% of income target	6	
# of units with residents between 86% to 100% of income target	3	
Affordability Period		10
Meets HTF Affordability Period	1	
Exceeds HTF Affordability Period by 25%	2	
Exceeds HTF Affordability Period by 50%	5	
Exceeds HTF Affordability Period by 75%	8	
Exceeds HTF Affordability Period by 100% or more	10	
Use of City of Milwaukee (resident) workers (Total Project)		5
Less than 18% Milwaukee (resident) workers	1	
18% Milwaukee (resident) workers	2	
24% Milwaukee (resident) workers	3	
30% Milwaukee (resident) workers	4	
36% Milwaukee (resident) workers	5	
More than 36% Milwaukee (resident) workers	5	
Use of City, County or State EBE (Total Project)		5
Less than 18%	1	
18% EBE	2	
24% EBE	3	
30% EBE	4	
36% EBE	5	
More than 36% EBE	5	
Neighborhood Diversity		5
Project increases diversity of housing types in the neighborhood	5	
Green Building Principles		5
Project Utilizes Green building Principles	5	
Coordination with Community Institutions		5
Project is Coordinated with Community Institutions	5	
Community Integration		5
Move persons from institutions to community	5	
Family Supporting Wages (applies to entire project)		5
Vendor/Contractor pays employees a minimum of \$8.46 to \$10.46 per hour	1	
Vendor/Contractor pays employees a minimum of \$10.47 to \$12.46 per hour	2	
Vendor/Contractor pays employees a minimum of \$12.47 to \$14.46 per hour	3	
Vendor/Contractor pays employees a minimum of \$14.47 to \$16.46 per hour	4	
Vendor/Contractor pays employees a minimum of \$16.47+ per hour	5	
Experience		10
Agency experience with same type/similar project	2	
Staff experience with same type/similar project	4	
Management Agency Experience	4	
Accessibility Improvements or Modifications		5
Meets Minimum Standards	1	
Exceeds Minimum Standards	5	
Service Partners (b)		5
Provision of services on site w/out use of HTF \$	5	
Construction Financing		5
Construction Loan is Firmly Committed	5	
Construction Loan is Conditionally Committed	2	
Construction Loan is not Identified	0	
Proposal Meets Community Needs (Subjective)		15
TBD by Reviewer	0-15	
Total Points		115

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

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

(b) Only applies to projects requiring on-site services such as Shelter + Care



HOUSING TRUST FUND

Application Intake Sheet - November 2009

	Agency Name	Project Name	Funding Category	Proposed Units	Amount Requested
1	Center for Veterans Issues, Ltd.	Veterans Manor	Rental Housing - New Construction	52	336,790
2	Heartland Housing, Inc.	2500 W. Fond du Lac Avenue	Rental Housing - New Construction	38	300,000
3	Hedwig House, Inc.	Hedwig House Apartments	Rental Housing - Rehabilitation of Existing Structure	0	65,000
4	Layton Blvd West Neighbors	Silver City Townhomes	Rental Housing - New Construction	20	150,000
5	Layton Blvd West Neighbors	The Turnkey Renovations Program	Home Ownership - Rehabilitation of Existing Structure	2	20,000
6	Milwaukee Christian Center	Youthbuild, A WI Fresh Start	Rental Housing - New Construction	1	40,000
7	Milwaukee Community Service Corps	MCSC Housing Accessibility Retrofit Program	Home Ownership - Rehabilitation of Existing Structure	3	36,000
8	Milwaukee Habitat for Humanity	Woodlands Condos	Home Ownership - Rehabilitation of Existing Structure	10	100,000
9	Northcott Neighborhood House, Inc.	Youthbuild, A WI Fresh Start	Home Ownership - New Construction	3 - 5	105,000
10	Northwest Side CDC	Villard Square- Grand Family Housing	Rental Housing - New Construction	47	481,120
12	Our Space	Empowerment Village "National"	Rental Housing - New Construction	35	600,000
13	Retreiving Family Value Homeless Shelter	Retrieving Life Homeless Shelter	Homelessness - Rehabilitation of Existing Facility	?	250,000
14	Select Milwaukee, Inc.	Homeownership Purchase/Rehab Program	Home Ownership - Rehabilitation of Existing Structure	30	240,560
15	United Methodist Children's Services of WI, Inc.	UMCS Phase III	Rental Housing - New Construction	24	240,000

Total 2,964,470

