

October 17, 2024

Honorable Chair Marina Dimitrijevic
Members of the Finance and Personnel Committee
Milwaukee Common Council
City Hall, Room 205

Dear Chair Dimitrijevic and Committee Members:

This letter responds to requests and questions that were raised at the Finance and Personnel Committee’s hearing regarding the Department of City Development’s (DCD) proposed 2025 budget.

1. *Provide sales data from HOMES MKE home sales including average subsidy and price, and buyer demographics.*

In 2021, the Common Council of the City of Milwaukee allocated \$15 million in Federal American Rescue Plan Act (ARPA) funding to the Department of City Development (DCD) for the Homes MKE Program to renovate vacant houses in the City’s inventory of tax-foreclosed residential properties and return them to productive use.

The Homes MKE properties are sold from the City to the 15 Homes MKE development teams. The properties sell to the developers for \$1.00 plus closing costs.

The development teams renovate the properties for sale to new Homebuyers. The average subsidy per property for single-family and duplexes to date is \$115,500 and the projected subsidy per property to completion of program will be about the same. The average sales price for the first 20 single-family homes to owner-occupants is \$146,000.00.

Homes MKE works with the Homebuyer Counseling Agencies to capture demographic information on the properties sold from the developer to the new property owner. The attached spreadsheet titled, “Homes MKE Demographics”, provides additional details.

2. *Provide a list of parks that participate in the 4th of July Celebration.*

2024 PARKS	Daytime Activities	Fireworks
Alcott Park 3751 S 97th ST	YES	YES
Enderis Playfield 2978 N 72nd ST	YES	NO



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<u>Gordon Park 2828 N HUMBOLDT BLVD</u>	YES	YES
<u>Humboldt Park 3000 S HOWELL AVE</u>	YES	YES
<i>Jackson Park</i> <u>3500 W FOREST HOME AVE</u>	NO	YES
<u>King Center 1531 W VLIET ST</u>	YES	NO
<u>Lake Park 3233 E KENWOOD BLVD</u>	YES	YES
<i>Lincoln Park</i> <u>1301 W HAMPTON AVE</u>	NO	YES
<u>Mitchell Park 524 S LAYTON BLVD</u>	YES	YES
<i>Noyes Park</i> <u>8235 GOOD HOPE RD</u>	NO	YES
<i>Washington Park</i> <u>1859 N 40th ST</u>	NO	YES
<u>Wilson Park 1601 W HOWARD AVE</u>	YES	YES

3. *Provide program income and revenue rules for ARPA, after a HOMES MKE house is sold.*
The Budget office will provide the requested information.
4. *Provide Commercial Corridor Grant funding and activity for the past 10 years, along with grant awards that are currently in the pipeline.*
The Budget office will provide a separate memo with this requested information.
5. *Provide adopted capital budgets and actual expenditures for the Municipal Art Board Special Purpose Account (\$151) from 2014-2024.*
The Budget office will provide a separate memo with this requested information.
6. *Provide the assessed value for the properties that are purchased with Downpayment Assistance (DPA) Grants, and share information that was sent to Chair Dimitrijevic from Commissioner Lafayette Crump.*

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The Milwaukee Home Down Payment Assistance Program provides grants to help pay for down payment and closing costs for homebuyers – addressing one of the barriers to homeownership for many families. The program is administered in partnership with our home buying counseling agency partners – Housing Resources Inc., Acts Housing and United Community Center. Home ownership counseling is a condition of receiving a grant.

Basic program criteria:

- Program available for home purchases City wide (\$5,000 if purchasing anywhere in the City, with higher amount of \$7,000 if purchasing in the CDBG area).
- Income limits apply - ARPA income limits require purchasers to have incomes less than 300% of federal poverty guidelines (e.g., \$93,600 for a family of four)
- Must be a first-time homebuyer (not have owned and occupied a home in the past three years)
- Must be a City resident

It is not required to purchase a city owned property with a DPA grant. DCD is compiling the list of 600+ property addresses from the agencies to determine the current assessed value. DCD will follow up separately with the property information.

Commissioner Crump shared his email with Alderman Burgelis and Chris Lee, Legislative Assistant.

7. *Provide information on the Healthy Food Access Fund and how it would be differentiated in the existing Commercial Revitalization Grant funding.*

The Healthy Food Access Fund, established as a pilot program in 2021, is proposed to be discontinued in the 2025 Budget, which includes the elimination of the full-time position that administers the program and the associated grant funding. However, the DCD remains committed to supporting fresh food access in underserved communities. DCD plans to integrate this focus into the existing Commercial Revitalization Grant program by updating the Criteria for Consideration to prioritize businesses that enhance access to fresh food.

The DCD Commercial Corridor Team has also been pretty active at referring groups that express interest in the Healthy Food Access Fund to other applicable City resources or funding opportunities offered by outside agencies.

8. *Provide updates to the 2024 budget footnotes.*

We will follow up directly with the sponsor/s of the footnote files. Three of seven footnotes have been completed, with the remaining four underway.

Also, during BOZA's budget hearing, DCD's coordination with BOZA in developing the Growing MKE Plan was discussed. DCD took several steps to consider BOZA's potential impacts: 1)

DCD F&P Budget Hearing Follow-Up

conducting a 20-year data analysis of BOZA housing-related applications, 2) involving DNS and DCD staff with extensive BOZA and zoning code experience in the internal project team, and 3) including a current BOZA board member and former Secretary on the Technical Advisory Committee. As the Growing MKE initiative moves into its second phase, which involves drafting zoning code amendments, DCD plans to include a BOZA representative to ensure alignment with city policy and consideration of impacts on BOZA processes and caseload.

Please contact me if you have any further questions. I can be reached via email at vkoste@milwaukee.gov , or at extension 5810.

Sincerely,

A handwritten signature in black ink, appearing to read 'Vanessa L. Koster', with a stylized flourish at the end.

Vanessa L. Koster
Deputy Commissioner

Attachment