





City of MilwaukeeCommunity Development Grants Administration

Year 2016 Funding Allocation Plan (FAP)

Date of Release: June 19, 2015 CED Committee: July 13, 2015

Common Council: July 21, 2015





NOTICE OF POSSIBLE FUNDING REDUCTION

 This disclaimer serves as notice to all recipients of funding awarded under the City of Milwaukee- Community Development Grants Administration (CDGA).

Should availability of federal funds:

Community Development Block Grant (CDBG),

HOME Investment Partnerships,

Emergency Solutions Grants (ESG) Program

Housing Opportunities for Persons with AIDS (HOPWA)

be reduced, the City of Milwaukee's Community and Economic Development Committee can modify and reduce either the Grantee's and/or Sub-grantee's award compensation or the Grantee's and/or Sub-grantee's program year or both. In the event of such a modification or reduction the Grantee and/or Sub-grantee shall be notified in advance of the pending Community and Economic Development Committee meeting where such action shall take place.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant program was established by Congress in 1974 with the passage of the Housing and Community Development Act. This program provides funds to municipalities and other units of government around the country to develop viable urban communities. This is accomplished by providing affordable, decent housing, a suitable living environment and by expanding economic opportunities principally for low and moderate income persons. Local units of government develop their own programs and funding priorities, however all activities must be consistent with one or more of the following HUD national objectives:

- Principally benefits low/moderate income persons
- Prevents or eliminates slum or blight
- Addresses an urgent need or problem in the community (e.g., natural disaster)

As a Participating Jurisdiction (PJ) and entitlement community, the City of Milwaukee-Community Development Grants Administration (CDGA), receives annual funding allocations from the Federal government to fund activities to address these National Objectives.

As a recipient of these funds, the City of Milwaukee is required to submit to HUD an annual Funding Allocation Plan that describes how the City will utilize Federal funds to address the national objectives in a manner that will produce the greatest measurable impact on our community.

The statutes for the Federal formula grant programs set forth three basic goals against which the plan and the City's performance under the plan will be evaluated by HUD. The City must state how it will pursue these goals for all community development programs.

HUD statutory program goals are:

DECENT HOUSING - which includes:

- Assisting homeless persons obtain affordable housing;
- Assisting persons at risk of becoming homeless;
- Retaining the affordable housing stock;
- Increasing the availability of affordable permanent housing in standard condition to low-income and moderateincome families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability;
- Increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence; and
- Providing affordable housing that is accessible to job opportunities.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

A SUITABLE LIVING ENVIRONMENT - which includes:

- Improving the safety and livability of neighborhoods;
- Eliminating blighting influences and the deterioration of property and facilities;
- Increasing access to quality public and private facilities and services;
- Reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods;
- · Restoring and preserving properties of special historic, architectural, or aesthetic value; and
- Conserving energy resources and use of renewable energy sources.

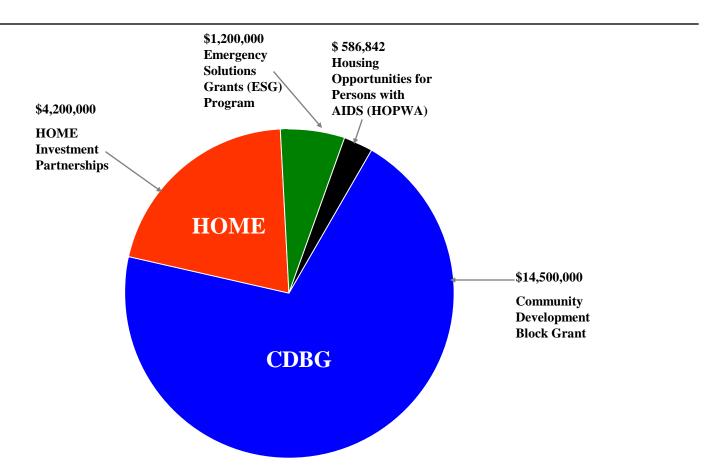
EXPANDED ECONOMIC OPPORTUNITIES- which includes:

- Job creation and retention;
- Establishment, stabilization and expansion of small businesses (including micro-businesses);
- The provision of public services concerned with employment;
- The provision of jobs to low-income persons living in areas affected by those programs and activities, or jobs resulting from carrying out activities under programs covered by the plan;
- Availability of mortgage financing for low-income persons at reasonable rates using non-discriminatory lending practices;
- Access to capital and credit for development activities that promote the long-term economic and social viability of the community; and
- Empowerment and self-sufficiency for low-income persons to reduce generational poverty in federally assisted housing and public housing.

Long-term outcomes linked to these goals are:

- <u>Availability/Accessibility</u> This outcome relates to programs that make services, housing, infrastructure, public services, or shelter accessible or available to low or moderate income persons, include those with special needs and/or disabilities.
- Affordability This outcome relates to programs that provide affordability to low or moderate income persons and can include affordable housing.
- <u>Sustainability</u> This outcome relates to programs that improve communities and promote viability such as removing slum and blight or other services that sustain communities.

2016 Proposed City of Milwaukee Block Grant Entitlement Allocation



2016 Proposed Federal Entitlement Allocation

Community Development Block Grant (CDBG)	\$ 14,500,000
HOME Investment Partnership (HOME)	\$ 4,200,000
Emergency Solutions Grants (ESG) Program	\$ 1,200,000
Housing Opportunities for People with AIDS (HOPWA)	\$ 586,842

Total

\$ 20,486,842

HUD OBJECTIVES & OUTCOMES FOR

2016 Proposed Neighborhood Initiatives

HUD Objective: Create Suitable Living Environment HUD Outcome: Sustainability	HUD Objective: Provide Decent Affordable Housing HUD Outcome: Affordability	HUD Objective: Create Economic Opportunities HUD Outcome: Sustainability
Community Organizing/Crime Prevention/NSP	Affordable Housing Production(includes CHDO)	Employment Services
Community Prosecution Unit	Neighborhood Improvement Program (NIP)	(Job Training & Placement/Job Placement)
Community Partners	Owner-Occupied Home Rehab Loan Program	Special Economic Development – Assistance for Businesses
Driver's License Recovery/Employment Project	Tenant-Based Rental Assistance	
Homeless Shelters	Homebuyer Counseling/Post Purchase Education	Emerging Business Enterprise Program
Continuum of Care Planning (Lead Agency Oversight)	Code Enforcement Program	Summer Youth Internship Program
Graffiti Abatement	Housing Accessibility Program	Brownfields Redevelopment Commercial Revitalization
Landlord/Tenant Compliance Program	Milwaukee Builds Program	Transitional Jobs – Urban Landscaping
Youth Services	Lead Paint Abatement	
Neighborhood Cleanups	Fair Housing Enforcement/Equal Rights Commission	
Milwaukee Fatherhood Initiative & Community Engagement	Environmental Planning & Review	
Housing and Services for Persons with AIDS	FOCUS /Community Risk Reduction	
Translation Services		
Teacher in Library/Summer Super Reader		
Urban Agriculture(Home Gr/OWN)		
Milwaukee Promise	! !	7

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2016 Proposed Community Based Organizations' Initiatives

- Community Organizing * (NSP Areas 1-19)
- Community Prosecution Unit
- Community Partners
- Employment Services *
- Employment Services-Transitional Jobs
- Economic Development *
- Fair Housing Enforcement
- Youth Services: General *
- Driver's Licenses Recovery/Employment Project •
- Translation Services
- Milwaukee Promise

- Homebuyer Counseling
- Technical Assistance for CBOs
- Homeless Shelters
- Graffiti Abatement *
- Housing Accessibility Program *
- Housing: Neighborhood Improvement Program
- Affordable Housing Production (includes CHDO) *
- Milwaukee Builds Program
 - Housing Opportunities for Persons with AIDS *
- * Request for Proposal (RFP) required

2016 Proposed CDBG Entitlement Allocation

(By Category)

Public Service

		Amended			
Commu	unity Organizing	7/13/15 CED			Amended
	Neighborhood Strategic Planning	\$500,000 from "Proposed		855,000 /	7/13/15 CED
	Community Partners Initiative	City CDBG	\$	200,000	\$500,000 from "Proposed
>	Community Prosecution Unit	Activities".	\$	250,000	City CDBG
>	Translation Services	Amended 7/21/15 Common Council \$500,000 to	\$	25,000	Activities" Amended 7/21/15 Common
	Service- General	"Proposed City CDBG Activities"			Council \$500,000 to "Proposed
	Youth Services: General		\$	925,000	City CDBG Activities"
	Driver's Licenses Recovery/Emplo	yment	\$	100,000	
	Employment Services		\$	416,000	
>	Employment Services-Transitional	Jobs	\$	434,000	
>	Milwaukee Promise		\$	100,000	
Homeb	uyer Counseling		\$	300,000	
Homele	ess Shelters		<u>\$</u>	1,100,000	
	Public Serv	vice Total		4,705,000	9

Amended

2016 Proposed CDBG Entitlement Allocation

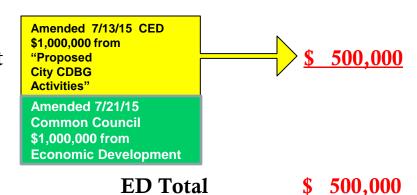
(By Category)

II. Planning

Planning Total \$ 137,500

III. Economic Development (ED)

> Special Economic Development



IV. Capacity Building

Technical Assistance to CBO's

\$ 75,000

Capacity Total \$ 75,000

2016 Proposed CDBG Entitlement Allocation

(By Category)

V. Housing

Housing Accessibility Program	\$	60,000
Neighborhood Improvement Program	\$	787,850
Milwaukee Builds Program	\$	500,000
> Graffiti Abatement	<u>\$</u>	80,000

Housing Total \$ 1,427,850

2016 Proposed CDBG Entitlement Allocation

(By Category Summary)

 Public Service Planning Economic Development Capacity Building Housing 	\$ 4,705,000 \$ 137,500 \$ 500,000 \$ 75,000 \$ 1,427,850 \$ 6,845,350
Proposed CITY CDBG Activities	\$ 6,170,150
Mandated Administration (Financial & Programmatic Oversight & Accountability)	<u>\$ 1,484,500</u>
2016 Proposed CDBG Entitlement Allocation	\$ 14,500,000

Proposed 2016 City CDBG Activities

Mandated City Departments	Activity	2016 Proposed Allocation
Community Development Grants Administration Community Development Grants Administration	Administration Continuum of Care Planning	\$885,000 27,500
Comptroller's Office	Administration	544,000
RACM	Environmental Planning & Review	28,000 \$1,484,500
City Departments		
Dept. of Administration	Equal Rights Commission	51,150
Dept. of Administration	Milwaukee Fatherhood Initiative & Community Engagement	50,000
Dept. of Admin-Office of Environmental Sustainability	Urban Agriculture(Home Gr/OWN)	83,000
Dept. of Admin-Office of Small Business Development	Emerging Business Enterprise Program	150,000 \$ 334,150
Department of City Development	Youth Internship Program	450,000
Department of City Development	Administration	334,500
Department of City Development Department of City Development	Owner-Occupied Home Rehab Loan Progra Commercial Revitalization	m 520,500 126,500 \$1,431,500

Proposed 2016 City CDBG Activities

City Departments	Activity		Proposed location
Dept. of Neighborhood Services Dept. of Neighborhood Services	Landlord/Tenant Compliance Program Code Enforcement Inspectors Targeted Enforcemen	\$	120,000 1,250,000
Dept. of Neighborhood Services	Neighborhood Cleanups		156,500
Dept. of Neighborhood Services	Code Enforcement-Housing		665,000
Dept. of Neighborhood Services	Graffiti Abatement		80,000
		\$	2,271,500
Health Department	In-House Lead-Based Paint Prevention/Abatement		755,000
Health Department	Lead-Based Paint Prevention/Abatement Project		603,000
	(CDGA Housing Providers)	\$	1,358,000
Milwaukee Fire Department	FOCUS/Community Risk Reduction	\$	306,000
Milwaukee Public Library	Teacher in Library/Summer Super Reader	\$	100,000
RACM	Brownfield Initiatives	\$	169,000
Department of Public Works	Transitional Jobs- Urban Landscaping	\$	200,000
Total 2016 Proposed Allocations for City Departments			7,654,650

2016 Proposed HOME Entitlement Allocation

(By Category)

I. Housing

Neighborhood Improvement Program	\$ 1	,921,000
CHDO Affordable Housing Production	\$	630,000
CHDO Operating Cost	\$	200,000
Milwaukee Builds Program	\$	200,000
Tenant-Based Rental Assistance	<u>\$</u>	150,000
	\$ 3	3,101,000

Proposed CITY HOME Allocation \$1,099,000

2016 Proposed HOME Entitlement Allocation \$4,200,000

Proposed 2016 City HOME Activities

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Total 2016 Proposed HOME Allocations for City Departments

\$1,099,000

<u>Program Descriptions – City Departments</u> (CDBG Funds)

Community Development Grants Administration

<u>Administration</u> – Oversight and administration of all grant funded programs.

<u>Continuum of Care Planning</u> - Oversight and planning for the Continuum of Care grant in the role as lead agency for the grant.

Administration - Fiscal oversight of all grant funded programs, including reviewing and approving project budgets, budget amendments, processing of cost reports and payment vouchers, A-133 auditing, all HUD OMB regulatory circulars, preliminary reviews of newly-funded groups, review and approval of cost allocation plans, preparing external reports, preparing financial reports, and fiscal site reviews of funded agencies.

Environmental Planning & Review - The program provides full environmental reviews of new and continuing projects. This is a HUD mandated activity. This project partially supports the salary of an environmental engineer who conducts National Environmental Policy Act (NEPA) compliance review for all HUD-funded activities undertaken by the City of Milwaukee and community partners.

Equal Rights Commission - The goals are to maintain the City's oversight, investigative and enforcement capabilities over discriminatory practices not addressed and protected by federal and state laws. The following are the broad functional responsibilities of the ERC: Oversight/Accountability; Community Collaboration and Partnerships; Prevention, Education, and Training.

Comptroller's Office

RACM

Dept. of Administration

Program Descriptions – City Departments

Dept. of Administration

<u>Dept. of Administration-Office of Environmental</u> Sustainability

Dept. of Administration-Office of Small Business Development

Dept. of City Development

Milwaukee Fatherhood Initiative & Community Engagement

This is a collaborative program that increases the number of children with involved, responsible and committed custodial and non-custodial guardians and/or parents. Custodial and non-custodial guardians and/or parents are taught effective skills for healthy relationships and child development to help foster family reunification.

<u>Urban Agriculture(Home Gr/OWN)</u> - The HOME GR/OWN Program is a catalytic project outlined in the *Refresh Milwaukee* Sustainability Plan. HOME GR/OWN empowers residents to transform neighborhoods by repurposing vacant lots into community assets that spark new economic opportunities around local, healthy food production and distribution. The program helps build neighborhood pocket parks and green space and has helped revise city codes to make urban agriculture easier.

Emerging Business Enterprise Program - The Office of Small Business Development (OSBD) is a multi-faceted direct service provider that establishes internal and external relationships to increase the economic development, capacity and sustainability of the small business community and city of Milwaukee. The program provides contracting opportunities in commodity procurement, construction, service orders and professional services for small and emerging businesses.

Youth Internship Program - The program provides high school juniors and seniors a variety of internship positions throughout City departments. The interns work 20 hours per week over the course of eight weeks and are connected to the real-life world of work. Team leaders mentor the interns who also receive training each week on personal and professional development.

Program Descriptions – City Departments

Dept. of City Development

funded programs and this program provides administration and oversight of these grant funded programs. Activities include voucher review and approval, budget preparation, analysis and cost reporting, accounts payable, and purchase requisitions.

Administration - DCD administers several CDBG and HOME

Owner-Occupied Home Rehab Loan Program - The program provides loans and technical assistance to owner-occupants of one to four unit residential properties in need of repair. Loans are very low interest loans, ranging from 0% to 3% interest rates. The priority for program activity is to address code violations and fund energy conservation improvements.

<u>Commercial Revitalization</u> – This program's primary goals include marketing and administering programs that offer financial support to business owners and working with Business Improvement Districts to support their efforts in maintaining commercial corridors, including signage and streetscape improvements and connecting the disposition of tax-foreclosed commercial properties to commercial revitalization activities.

Landlord/Tenant Compliance Program— This program ensures that identified code violations on rental properties are addressed by allowing renters living in units with expired code repair orders to pay rent into a city-held account until repairs are made. The program provides renters with emergency relocation from condemned properties and emergency shelter when necessary. Rental proceeds may be used for repairs related to health, safety and welfare of tenants.

Dept. of Neighborhood Services

<u>Program Descriptions – City Departments</u>

Dept. of Neighborhood Services

Code Enforcement Inspectors/Targeted Enforcement - The program supports efforts to address designated blighted areas, including enhanced special enforcement activity and landlord training. The program includes an intern component that provides Milwaukee residents with on the job experience and classroom training to increase their ability to attain full-time employment as code enforcement inspectors.

Neighborhood Cleanups - DNS staff collaborate with block clubs and community groups to conduct neighborhood cleanups in CDBG target areas. This also includes addressing the high volume of litter/debris and nuisance vehicle complaints .

<u>Code Enforcement – Housing</u> - This is a collaborative project with community-based agencies receiving grant funding for housing programs. DNS staff conduct required inspections for code violations, screen applications, prepare work and scope estimates, and sign off on completed housing rehabilitation work. This is a mandatory activity that must be conducted to ensure that groups using grant funds for housing projects are in compliance with all grant requirements

<u>Graffiti Abatement</u> – Removal of graffiti from residential structures; public education.

Lead-Based Paint Prevention/Abatement - This program provides lead risk assessments, testing of units for lead based paint, and prevention and abatement of lead based paint. The program also works with Federally-funded housing groups to comply with HUD mandatory regulations. Also includes abatement of units involving children with elevated blood lead levels.

Health Department

<u>Program Descriptions – City Departments</u>

Milwaukee Fire Department

Milwaukee Public Library

RACM

FOCUS/Community Risk Reduction - Smoke detectors are installed and fire prevention information is provided to residents in targeted CDBG areas and neighborhoods determined to be most atrisk of residential fires. Other services are provided, including fire inspections, blood pressure tests, stroke screening and referrals for additional social services.

<u>Teacher in Library/Summer Super Reader</u> - This program promotes educational development and reading at Milwaukee libraries. Certified teachers assist children with homework assignments and their studies. The goal is to help students improve their skills in all academic areas and their classroom performance. Teachers also provide support, counseling, and advocacy to parents and caregivers of participating children.

Brownfield Initiatives - Program revitalizes properties that are vacant or underutilized and often suspected to be environmentally contaminated. The program's goal is to turn these blighted sites into economically productive properties. Site evaluations are conducted for brownfield properties, apply for federal and state evaluation and clean-up grants, and work with buyers of such properties to ensure compliance with state and federal environmental regulations.

<u>Program Descriptions – City Departments</u> (HOME Funds)

Community Development Grants Administration

<u>Administration</u> – Oversight and administration of all grant funded programs.

Comptroller's Office

Dept. of City Development

Administration - Fiscal oversight of all grant funded programs, including reviewing and approving project budgets, budget amendments, processing of cost reports and payment vouchers, A-133 auditing, all HUD OMB regulatory circulars, preliminary reviews of newly-funded groups, review and approval of cost allocation plans, preparing external reports, preparing financial reports, and fiscal site reviews of funded agencies.

Owner-Occupied Home Rehab Loan Program - The program provides loans and technical assistance to owner-occupants of one to four unit residential properties in need of repair. Loans are very low interest loans, ranging from 0% to 3% interest rates. The priority for program activity is to address code violations and fund energy conservation improvements.

Rental Rehabilitation Program - Provides forgivable loans for the rehabilitation of residential rental units, of one or more bedrooms, for occupancy by low-moderate income households. Eligible improvements include code and safety items, energy conservation, lead hazard reduction, roofs, siding, electrical, plumbing, heating, kitchen and bathroom updates and more. The property must meet City of Milwaukee code requirements upon completion.

Programs are a coordinated, pro-active approach to neighborhood stability combining organizing efforts with public enforcement efforts (DNS, Health , Police and City Attorney) as a tool in dealing with crime, neighborhood clean ups, nuisance properties, block club formation and other neighborhood issues.

Community Partners

Collaborate with the High Intensity Drug Trafficking Area program (HIDTA) on crime reduction and neighborhood improvement activities; door-to-door contacts with residents in high-crime areas; block club creation, community meetings on issues, resources and referrals.

Community Prosecution Unit

Collaborate with the Milwaukee Police Department and the District Attorney's office to abate criminal activity and nuisance properties and nuisance behavior in neighborhoods.

Community Organizing-Translation Services

Translation services provided to residents at community meetings or community engagement encounters including schools and door to door contacts.

Youth Services

Social, educational and recreational activities and services for low-moderate income youth safe havens, school-community initiatives, truancy abatement and teen pregnancy prevention.

Driver's License Recovery/Employment Project

Assist low income persons with driver's license recovery, employment & other supportive services.

Employment Services

Employment Services/Transitional Jobs

Homebuyer Counseling

Homeless Shelters

Skilled trades, industry specific job training and placement opportunities boosting employment and living wage jobs for low-moderate income individuals.

This program supplements the collaborative efforts of the City of Milwaukee to address the disproportionate underemployment of city residents. Individuals employed in the City's Transitional Jobs Program receive the skill training, certification and experience needed to connect with permanent employment. Services are provided to low-income unemployed residents and those aging out of foster care to assist in transitioning into the workforce through subsidized employment.

This program provides homebuyer counseling and other activities to facilitate mortgage loan closings for first-time low-income homebuyers. Besides pre-purchase counseling and mortgage loan assistance, non-profit agencies provide budget counseling and assistance with credit repair. Services also include assistance to residents in obtaining home improvement/repair loans, refinancing,, post purchase, tax default and mortgage default counseling. In addition, the homebuyer counselors act as a liaison between homebuyers, lenders and real estate professionals.

Housing and services for homeless individuals and families, victims of domestic violence and troubled youth, including assistance with obtaining appropriate supportive services, permanent housing, transitional housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living.

Economic Development

Milwaukee Promise

Technical Assistance for Community-Based Agencies

<u>Fair Housing: Public Education</u> - Public education program that includes presentations on fair housing laws, programs for homeowners on discriminatory homeowner's insurance practices, fair housing training seminars, technical assistance on fair housing compliance.

<u>Fair Housing Enforcement</u> - Through walk-ins & referrals, counseling and testing services are provided for persons alleging violations of fair housing in rental, sale, insurance, financing and home appraisals.

Fair Lending - Advocates for the removal of institutional barriers to private sector investments in Milwaukee neighborhoods. Monitors compliance with lending laws and promotes partnership development activity with financial institutions to reduce the patterns of segregation and to increase minority lending practices in metro Milwaukee.

Community-based agencies provide technical assistance to businesses to help spur new job creation and job retention. Assistance includes: business plan development, financial accounting, loan underwriting, legal and tax consulting and contract procurement.

Multi-faceted City effort to address poverty, joblessness, health issues, diversity, crime and violence and low educational achievement in Milwaukee neighborhoods.

Provide technical assistance to community-based organizations to help strengthen their administrative capabilities, board development and organizational strength to promote efficient services to community residents.

Housing Accessibility Program

Housing-Neighborhood Improvement Program (NIP)

Milwaukee Builds Program

Graffiti Abatement

Housing accessibility improvements for income eligible persons with physical, visual and hearing disabilities. Improvements can include handicap accessible ramps, bathroom, kitchen, bedroom and living room modifications and safety enhancements.

Administered by several community-based housing organizations. Forgivable housing rehabilitation loans for repairs based on interior and/or exterior municipal code violations. NIP clients must be owner-occupants of the property for a minimum of five years before applying for assistance; agree to remain an owner occupant for at least five years following the completion of the housing rehabilitation work and household income must be at or below 60% of county median income.

This program provides on-site housing construction and rehabilitation training and work experience, off-site academic classes and supportive services for at-risk youth and adults. The program provides young people with education, employment skills and career direction leading to economic self-sufficiency while also creating affordable housing opportunities in the community. Non-profit community-based agencies are funded to undertake this program.

Removal of graffiti from residential structures; public education.

Housing-Neighborhood Improvement Program (NIP)

Forgivable housing rehabilitation loans for repairs based on interior and/or exterior municipal code violations. Clients must be owner-occupants of the property for a minimum of five years before applying for assistance; agree to remain an owner occupant for at least five years following the completion of the work and household income must be at or below 60% of county median income.

Affordable Housing(Acquire/Rehab/Sell & New Construction (CHDO)

Rehabilitate distressed properties in the Target Area focusing on deteriorated, boarded and vacant properties . Electrical, plumbing and heating systems are upgraded or replaced. New doors, windows and related hardware are also replaced if needed. The properties are weatherized and insulated to Wisconsin Gas Company standards and energy efficient furnaces or boilers are installed. At completion, the properties are code compliant and energy efficient and are marketed to income eligible residents.

Milwaukee Builds Program

This program provides on-site housing construction and rehabilitation training and work experience, off-site academic classes and supportive services for at-risk youth and adults. The program provides young people with education, employment skills and career direction leading to economic self-sufficiency while also creating affordable housing opportunities in the community. Non-profit community-based agencies are funded to undertake this program.

Tenant-Based Rental Assistance

Rental assistance to income eligible applicants transitioning from shelters to permanent housing.