



Legislation Details (With Text)

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Title: Resolution relating to an exception from the eligibility requirements of the Compliance Loan Program.

Sponsors: THE CHAIR

Indexes: BUILDING-REGULATION, HOME OWNERSHIP, NEIGHBORHOOD IMPROVEMENT DEVELOPMENT CORPORATION

Attachments: 1. Hearing Notice List

| Date | Ver. | Action By | Action | Result | Tally |
|-----------|------|---|--------------------------|--------|-------|
| 4/16/2019 | 0 | COMMON COUNCIL | ASSIGNED TO | | |
| 5/16/2019 | 0 | ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE | HEARING NOTICES SENT | | |
| 5/16/2019 | 0 | ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE | HEARING NOTICES SENT | | |
| 5/21/2019 | 0 | ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE | RECOMMENDED FOR ADOPTION | Pass | 5:0 |
| 5/29/2019 | 0 | COMMON COUNCIL | ADOPTED | Pass | 14:0 |
| 6/7/2019 | 0 | MAYOR | SIGNED | | |

190094
ORIGINAL
130940, 181060
THE CHAIR

Resolution relating to an exception from the eligibility requirements of the Compliance Loan Program. This resolution authorizes an exception from the eligibility requirements of the City’s Compliance Loan Program to allow a homeowner to access combined funding from the Neighborhood Improvement Development Corporation and the Compliance Loan Program.

Whereas, By the Common Council’s adoption of Resolution File Number 130940 on February 11, 2014, the City recognized that many property owners are financially unable to correct code violations; and

Whereas, To reduce blight and to promote health, safety and welfare, the City created a Compliance Loan Program (CLP), administered by the Department of Neighborhood Services, to provide no-interest loans, up to \$15,000 per property, to owners meeting certain eligibility requirements, with the loan proceeds to be used to correct the code violations, and with the loans being due and payable upon transfer or property conveyance; and

Whereas, By the Common Council’s adoption of Resolution File Number 181060 on November 5, 2018, the City amended the eligibility requirements for the CLP to allow for code violations to be

observed rather than issued orders to correct, to allow the property owner income ceiling to be 60% of the Area Median Income (AMI), and to allow up to an additional \$10,000 for potential change orders in City-authorized work, raising the maximum possible per-property loan from \$15,000 to \$25,000; and

Whereas, A homeowner applied for funding through Neighborhood Improvement Development Corporation (NIDC) and was determined to have a scope of work for home improvements totaling \$52,253; and

Whereas, The maximum available funding through NIDC is \$40,000, including \$15,000 in a 5-year forgivable loan and \$25,000 of a payback loan, which leaves a funding gap of \$12,253; and

Whereas, At the time of application, the homeowner's income placed them at 66% of AMI, while the CLP only serves residents at 60% AMI or below; and

Whereas, The homeowner has been employed by the same employer for more than 40 years and been a homeowner for more than 30 years, and has been paying all outstanding debts on time since the homeowner's Chapter 7 Bankruptcy was discharged in July, 2011; and

Whereas, The Department of Neighborhood Services discussed this matter with the Neighborhood Improvement Development Corporation and determined that an exception would be requested for this homeowner; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Neighborhood Services is authorized to waive the Area Median Income requirement and accept the homeowner into the Compliance Loan Program so that the homeowner may complete the scope of work in the amount of \$52,253; and, be it

Further Resolved, That the proper City officials are authorized to take such further actions to effectuate this resolution.

Department of Neighborhood Services
LRB 173975-1
Steph O'Connor/Aaron Michelson
4/16/2019