



Legislation Text

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011743
SUBSTITUTE 3

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Substitute resolution authorizing and directing the Housing Authority and/or Redevelopment Authority to issue and sell double tax-exempt Housing Revenue Bonds in a principal amount not to exceed \$5,000,000, the proceeds of which are to be administered by the Neighborhood Improvement Development Corporation within the Department of Neighborhood Services.

This substitute resolution provides for the following:

1. The Housing Authority and/or Redevelopment Authority is authorized and directed to issue and sell double tax-exempt Housing Revenue Bonds in a principal amount not to exceed \$5,000,000.
2. The purpose of the bond issuance and sale is to provide funds for making home rehabilitation loans in amounts not to exceed \$40,000 to credit-worthy homeowners residing within the Community Development Block Grant Area, as revised, who have incomes which exceed 80% of the median income for the Milwaukee metropolitan area, and who have existing loan-to-value ratios which exceed 100% of assessed values.
3. The Neighborhood Improvement Development Corporation within the Department of Neighborhood Services is authorized to provide for the administration of the net proceeds, the establishment of the loan terms and the underwriting criteria.
4. A 7-member advisory committee is established, consisting of the Comptroller, the Commissioner of City Development, the Director of Budget and Management, the Executive Director of the Neighborhood Improvement Development Corporation, the Director of the Milwaukee Office of the Local Initiative Support Corporation, the Vice-President for Community Relations of Bank One-Milwaukee, and the Director of Select Milwaukee, to provide recommendations for further design elements necessary for the initial year of program implementation, including recommendations as to the manner in which the program could be designed to enhance existing rehabilitation loan programs. Whereas, The availability of additional home rehabilitation loan funding would help to encourage the homeowners who are not being served by existing home rehabilitation loan programs or private lending institutions to reinvest in their residential property in support of the overall neighborhood economic stabilization strategy; and

Whereas, The City formed the Neighborhood Improvement Development Corporation (NIDC) for the purpose of fostering housing and neighborhood development for the benefit of the City and its citizens; and

Whereas, The availability of additional home rehabilitation loan funding, financed by the proceeds of a \$5 million double tax-exempt housing revenue bond issuance, could be administered by the NIDC to make home rehabilitation loans in amounts not to exceed \$40,000 to credit-worthy homeowners

residing within the Community Development Block Grant Area, as revised, who have incomes which exceed 80% of the median income for the Milwaukee metropolitan area, and who have existing loan-to-value ratios which exceed 100% of assessed values; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Common Council declares its intent to support the initiative to provide double tax-exempt housing revenue bonds in the amount of \$5,000,000 for a project undertaken for a public purpose, to-wit: to make home rehabilitation loans in amounts not to exceed \$40,000 to credit-worthy homeowners residing within the Community Development Block Grant Area, as revised, who have incomes which exceed 80% of the median income for the Milwaukee metropolitan area, and who have existing loan-to-value ratios which exceed 100% of assessed values; and, be it

Further Resolved, That the Housing Authority and/or Redevelopment Authority are authorized and directed to issue and sell double tax-exempt housing revenue bonds in a principal amount not to exceed \$5,000,000; and, be it

Further Resolved, That the cost of issuing the bonds shall be paid for from the proceeds of the bond sale, or deducted from same, and that the project account or accounts shall be credited with the net proceeds of the sale or sales; and, be it

Further Resolved, That the NIDC is authorized to provide for the administration of the net proceeds of the sale or sales, the establishment of the loan terms and the underwriting criteria; and, be it

Further Resolved, That an advisory committee is established consisting of the Comptroller, the Commissioner of City Development or her designee, the Director of Budget and Management or her designee, the Executive Director of the Neighborhood Improvement Development Corporation or her designee, the Director of the Milwaukee Office of the Local Initiative Support Corporation, the Vice-President for Community Relations of Bank One-Milwaukee or her designee, and the Director of Select Milwaukee or his designee; and, be it

Further Resolved, That such advisory committee shall report to the Common Council within 3 weeks of the effective date of this resolution as to its recommendations for further design elements necessary for the initial year of program implementation, including its recommendations as to the manner in which the program could be designed to enhance existing rehabilitation loan programs, and such program design elements shall be subject to Common Council approval.

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RGP

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