



Legislation Text

File #: 020765, **Version:** 1

020765
SUBSTITUTE 1

THE CHAIR

Substitute resolution authorizing the City of Milwaukee to request from the U.S. Department of Housing and Urban Development an exception to Community Development Block Grant conflict-of-interest regulations with respect to the Community Homes Program.

This resolution authorizes the City of Milwaukee, acting through its Community Block Grant Administration, to apply to the U.S. Department of Housing and Urban Development for an exception to the regulations governing conflicts of interest in CDBG funding with respect to the Community Homes Program and Dameon Ellzey and Andrea Pratt-Ellzey.

Resolution

Whereas, The City of Milwaukee Department of Neighborhood Services and the Neighborhood Improvement Development Corporation (NIDC) have, as part of the Community Homes Program, expended Community Development Block Grant (CDBG) funds and HOME Investment Partnerships Act funds (HOME funds) for the rehabilitation of the property located at 2423 W. Kilbourn Avenue in the City of Milwaukee; and

Whereas, Federal regulations governing the expenditure of CDBG and HOME funds, 24 C.F.R. §570.611 and 24 C.F.R. §92.356, prohibit the use of federal grant funds to provide a financial benefit to an immediate family member of any person in a decision-making position with respect to the federal grant funding; and

Whereas, A certain city employee is employed as a Code Enforcement Inspector II within the Department of Neighborhood Services and his spouse is the daughter of a Common Council member; and

Whereas, The city employee and his spouse applied to participate in the Community Homes Program on February 16, 2002 and the Administrative Specialist reviewing their application determined that they met the eligibility requirements for the program, under which properties are rehabilitated and sold to income-eligible persons; and

Whereas, As part of the standard marketing of properties under the Community Homes Program, the city employe and his spouse were included in mailings of homeownership opportunities and open houses; and entered their name in a lottery to purchase the property located at 2423 W. Kilbourn Avenue and were the third potential buyers selected in a random lottery; and the first two potential buyers selected in the lottery declined to write an offer to purchase the property; and

Whereas, 24 C.F.R. §570.611 and 24 C.F.R. §92.356 permit the City to request that the U.S. Department of Housing and Urban Development (HUD) consider granting an exception from the conflict of interest regulations, and the City wishes to request such an exception with respect to the purchase of 2423 W. Kilbourn Avenue by Dameon Ellzey and Andrea Pratt-Ellzey; now, therefore, be

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Resolved, By the Common Council of the City of Milwaukee that the Community Block Grant Administration is authorized and directed to apply to HUD for an exception from the conflict-of-interest regulations with respect to the purchase of 2423 W. Kilbourn Avenue by Dameon Ellzey and Andrea Pratt-Ellzey.

LRB02428-1

BJZ/cac

9/4/2002