

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: June 25, 2015

TO: Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by James Mathy, Administrator, Housing Division

SUBJECT: From the Director, Department of Health and Human Services, an informational report on the status of HOME funds

Issue

The Economic and Community Development Committee requested a report on the status of HOME funds.

Background

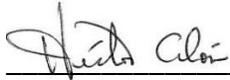
Milwaukee County, representing 15 suburban communities, along with the Cities of Wauwatosa and West Allis, participate as a Consortium in the federal HOME Investment Partnership Program. The HOME program allows for 10% of funds to go toward administration. The County is also required to set-aside 15% of funds for housing product by Community Housing Development Organizations (CHDO). The HOME formula also allocates 22.8% to West Allis and 5.6% to Wauwatosa, leaving 46.6% for the County to allocate.

Milwaukee County is the lead agency for the Consortium and is responsible for all federal reporting. Milwaukee County has traditionally used HOME funds for HOME repair loans and loans to create affordable rental units. These projects generate program income. HOME regulations require that all program income is used prior to drawing down any grant funds from the U.S. Treasury. West Allis also manages similar programs that generate HOME program income that is recycled into additional projects.

Though Milwaukee County has fully committed funds by resolution to projects, funds are not technically committed until a contract is signed for the project and the project is entered into the Federal reporting system. Outside of Home Repair loans, the Security Deposit Program and funds allocated to West Allis, the County Board individually approves large development projects including CHDO projects. Funds currently available for allocation under the CHDO set-aside are:

Year	Amount
2011	\$2,368
2012	\$136,095
2013	\$131,416
2014	\$139,561
2015	\$128,765

Recently, the County Board allocated \$2 million to the Glendale Townhomes at 1633 W. Bender Road, Glendale, Wisconsin. This project will need to be under contract by August 31, 2015 to meet a commitment deadline set by HUD. HOME funds must be committed within two years of award and disbursed within five years. HUD has announced the 2015 HOME allocation, \$858,434, but the funds are not yet available. Including 2015, Milwaukee County shows \$2,644,202 available to commit and \$4,090,976 to disburse.



Héctor Colón, Director
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