

**COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION**

DATE: February 23, 2011

TO: Lee Holloway, Chairman – Milwaukee County Board of Supervisors

FROM: Geri Lyday, Interim Director, Department of Health and Human Services
Prepared by: Gary Bottoni, Housing Program Coordinator

SUBJECT: From the Interim Director, Department of Health & Human Services, Requesting Approval to Allocate Year 2011 HOME Funding

POLICY

Approval of funding allocations for the year 2011 HOME Program.

BACKGROUND

Projected Funding: \$1,250,000

The recommended use of HOME funds for the 2011 Program Year takes into account the following:

1. Congress has not passed a HUD appropriation bill. The projected funding estimate (\$1,250,000) is based upon a 3% reduction of year 2010 funding (\$1,292,417), as has been anticipated by various HUD news sources.
2. The priorities and objectives of the 5 year Consolidated Plan.
3. County HOME funds must be spent outside the City of Milwaukee.
4. The Wauwatosa and West Allis Consortium member shares are set aside based upon their "hold harmless" amounts of 5.6% and 22.8% respectively.
5. The HOME program requires that 15% of a participating jurisdiction's funds be reserved for housing development by a Community Housing Development Organization (CHDO).
6. The Suburban Home Repair Program, which offers secured 0-3% interest loans and Lead-Hazard Assistance grants to income eligible homeowners for necessary repairs, is continued.

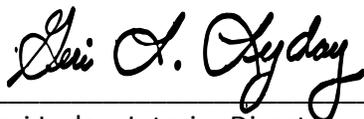
7. The Deferred Home Repair Loan Program, which provides loans at 3% simple interest and Lead Hazard Assistance grants to the lowest income homeowners and defers repayment until the house is sold, is continued. Any funds not used for deferred loans shall be used for loans in the Suburban Home Repair Program.
8. The Homebuyer Assistance Program, which provides downpayment and closing cost assistance to first-time homebuyers, is continued.

The approved use of funds for the 2011 HOME Program will be included, along with the 2011 allocations for the Community Development Block Grant Program, in the 2011 Annual Action Plan. The Plan, considered as a separate item on this agenda, is required by HUD for participation in these programs.

RECOMMENDATION

Staff recommends allocation of the 2011 HOME funds as indicated below:

| | <u>2011</u> |
|------------------------------------|----------------|
| Wauwatosa (Consortium share) | \$ 63,000 |
| West Allis (Consortium share) | 256,500 |
| CHDO Production Set-aside | 187,500 |
| Home Repair Loans | 468,000 |
| Deferred Payment Home Repair Loans | 100,000 |
| Homebuyer Assistance | 50,000 |
| Program Administration | <u>125,000</u> |
| | \$1,250,000 |



Geri Lyday, Interim Director
Department of Health & Human Services

- cc: Marvin Pratt, Interim County Executive
Terrence Cooley, Chief of Staff – County Board Office
John Ruggini, Assistant Fiscal & Budget Administrator
Antionette Thomas-Bailey, DAS
Glenn Bultman, Analyst - County Board
Linda Durham, Committee Clerk - County Board