

COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

DATE: March 24, 2011

TO: Supervisor Lee Holloway, Chairman - Milwaukee County Board

FROM: Geri Lyday, Interim Director – Department of Health & Human Services
Prepared by: James Mathy, Special Needs Housing Manager – Housing Division

SUBJECT: **From the Interim Director, Department of Health & Human Services, Requesting County Board Approval to Allocate \$100,000 of Financing from the County Special Needs Housing Trust Fund to United Methodist Children’s Services for the Supportive Housing Development to be Known as UMCS Phase III**

Issue

The Interim Director, Department of Health & Human Services (DHHS), requests County Board approval for an allocation of \$100,000 from the Fund to United Methodist Children’s Services (UMCS) for the partial financing of the supportive housing development to be known as UMCS Phase III. County Board approval is required for expenditures of funds from the Special Needs County Housing Trust Fund (CHTF).

Background

In February of 2007, the County Executive proposed, and the County Board approved, creation of a Special Needs County Housing Trust Fund (CHTF) to provide partial financing for the development of supportive housing in Milwaukee County. The fund is currently financed through low-interest loans from the State of Wisconsin Trust Funds Loan Program.

UMCS Phase III is a supportive housing development project of the United Methodist Children’s Services (UMCS) of Wisconsin with the development assistance of Community Development Advocates. The project, in its entirety, will be comprised of 24 scattered site units of decent, safe, affordable and permanent housing for families.

As part of the development, UMCS will be constructing a ten-unit, multi-family apartment building that will provide permanent supportive housing. UMCS will be setting aside five of the ten units (50%) for Milwaukee County Behavioral Health Division consumers. Two-bedroom supported apartments are in extremely short supply, and County gap financing of this project helps to address an especially critical need for supportive housing.

This development is Phase 3 of UMCS’s overall housing development. Phase 2 included Washington Park Apartments, a 24-unit supportive housing development for families. Ten of those units were set aside for BHD consumers and their children. This development has been very successful in meeting the needs of these individuals and the units have been at 100% occupan-

cy. Washington Park Apartments also had been previously awarded Milwaukee County Housing Trust Fund dollars.

UMCS will also be the provider of supportive services for this project. In addition to its housing development experience, UMCS has been providing a variety of social, housing and other support services to children and families since 1962. Its Transitional Living Program provides safe, affordable housing, on-site social services and childcare, with a comprehensive program designed to enable low-income, single parent families to become economically self-sufficient.

Community Development Advocates, LLC (CDA), located at 2212 N. Martin Luther King, Jr. Drive, has extensive experience both in directly developing and in assisting several non-profit organizations in developing affordable housing in the community. CDA served as a development consultant on the United House, Prairie Apartments, and Washington Park Apartments projects mentioned above.

Project Name: UMCS Phase III

Location: 3800 W. Lisbon Ave.

Service Provider: UMCS

Number of Units: 24 scattered site units

Total Project Cost: \$5,337,071 for all units. \$2,169,636 for the 10 unit supportive housing multi-family building

Tax Credits: \$4,031,159 (awarded previously)

CHTF (County) Contribution: \$100,000 (recommended)

Other Assistance:

- Five County Project-Based rent assistance vouchers.
- Developer has applied for City of Milwaukee Neighborhood Stabilization Program funds.

All zoning requirements have been through the City of Milwaukee and occupancy is expected in June 2012.

Recommendation

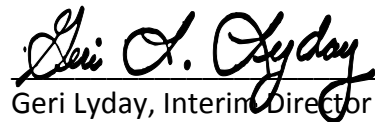
It is recommended that the County Board of Supervisors approve an allocation of \$100,000 from the County Housing Trust Fund to UMCS to support development of this project. The actual allocation of funds from the CHTF will occur only when the developer provides evidence to

the county indicating that it has obtained all other commitments of financial resources for the project.

It is recommended that the County Board of Supervisors authorize the Interim Director, Department of Health and Human Services, or designee, to negotiate and execute an agreement with the developer to ensure compliance with the terms and conditions governing the use of trust fund monies and to accomplish such other objectives as will best serve the county and its clients.

Fiscal Effect

Sufficient funding authorization exists to provide the recommended amount of CHTF funds. Loan repayment, which is the interest paid back annually to the State to access the Trust Fund dollars, is included in the County's annual budgeted debt service schedule.

A handwritten signature in black ink that reads "Geri Lyday". The signature is written in a cursive style and is positioned above a horizontal line.

Geri Lyday, Interim Director
Department of Health and Human Services

cc: Marvin Pratt, Interim County Executive
Terrence Cooley, Chief of Staff – County Board
John Ruggini, Interim Fiscal & Budget Administrator
Anionette Thomas-Bailey, Analyst -DAS
Jennifer Collins – County Board Staff
Jodi Mapp – Committee Clerk