

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: April 21, 2023

To: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

From: Shakita LaGrant McClain, Director, Department of Health and Human Services

Subject: From the Director, Department of Health and Human Services (DHHS), an informational report regarding programs in the 2023 budget administered by Housing Services.

File Type: Action Report

BACKGROUND

In the 2023 budget for Housing Services, there were no substantial changes relating to expenditures of Milwaukee County Tax Levy from the previous year, however major initiatives continued into 2023 that were funded by grant funds. Housing Services continued the County's focus on providing affordable housing, prevention services through emergency rental assistance, the rehabilitation of Milwaukee County Foreclosures, and an expansion of housing navigation for homeless outreach.

Affordable Housing Initiatives

A large focus of Housing Services has been the development of affordable housing, particularly in the suburban areas of the County. Milwaukee County allocated \$15 million of American Rescue Plan Act (ARPA) funds towards this focus. To date, approximately \$10 million has been committed to four projects will full approval from the County Board. This allocation has led to the proposed development of over 200 units of affordable rental housing. An additional project has been submitted and approved by the scoring panel for projects. This project will be recommended for approval by the County Board in a future cycle. The goal remains to attempt to geographically disburse funds to various suburban communities.

Housing Services has also focused on the development of affordable housing for homeownership. Milwaukee County was awarded \$7.5 million towards the development of single family homes in the neighborhood surrounding the Marcia P.

Coggs Human Services Center as well as an investment into King Park in partnership with the Milwaukee County Parks Department. Two developers, Habitat for Humanity and the Emim Group, were chosen through an RFP to construct up to 120 homes. Construction of the first homes will commence this month with grant funds being expended by the end of 2024 with the full project being completed in 2026.

Prevention Services

Housing Services completed the administration of the Emergency Rental Assistance 1 (ERA1) Project in 2022 and continues to administer Emergency Rental Assistance 2 (ERA2) funds in 2023. For ERA1, Milwaukee County administered \$54,248,854 and served 10,782 households assisting them to avoid evictions. Housing Services continues to operate the ERA2 program in 2023. As of April, \$13,963,875 has been expended and there is \$8,000,000 of direct aid remaining.

For ERA2 funds, households are eligible if they meet the following requirements:

- Must live in Milwaukee County
- Must be a renter
- Must have an income lower than 80% of the area median income.
- Must have past-due rent
- Must either:
 1. Have experienced a loss or significant reduction of income or incurred significant expenses due directly or indirectly to the Covid-19 pandemic;
 2. OR qualify for unemployment benefits
 3. OR have experienced a loss of income in the last 60 days.

ERA2 funds can cover:

- Up to 15 months of rental arrearages and/or rental assistance, plus an additional three months if the grantee determines the extra month increments are needed to ensure housing stability and grantee funds are available.
- Security deposit
- Utility and home energy costs, including internet. For utilities arrears, applicants must apply with the [Home Energy Plus Program](#) first.

Instructions on how to apply and more information on ERA2 can be found at <https://communityadvocates.net/what-we-do/rent-assistance.html>.

Rehabilitation of Milwaukee County Foreclosures

Housing Services was awarded \$3 million in Milwaukee County ARPA funds for the rehabilitation of Milwaukee County Tax foreclosures. The goal of this award was to rehabilitate the homes and sell them to first time homebuyers at an affordable price. In the event that homes are occupied, Housing Services will offer households assistance with alternative affordable housing to ensure that families do not become homeless as a result of a foreclosure action. Since the award, Housing Services currently has 18 homes in the program representing a majority of suburban communities. Scopes of work are currently being completed by Housing Services staff and bids with qualified contractors are expected to be submitted on at least four homes this month. These homes will all be rehabbed for sale by the end of 2024.

Expansion of Homeless Outreach Services

Milwaukee County has received approximately \$5 million in HOME ARP funds from the Department of Housing and Urban Development and will be available for use in 2023. The allocation plan was previously approved by the Committee on Community, Environment and Economic Development and Housing Services expects formal approval of the Plan in May. Once approved by HUD, Housing Services will be able to hire additional Housing Navigators in an effort to assist those that are homeless gain access to permanent housing much faster than the system is able to at present time. Housing Services has already commenced the recruitment process and will look to hire for these positions once the Plan is signed by HUD. Funds from HOME ARP will also be used for rental assistance as well as the development of non-congregate shelter options.

VIRTUAL MEETING INVITES

James Mathy, Housing Administrator

PREPARED BY:

James Mathy, Housing Administrator, Department of Health and Human Services

APPROVED BY:

Shakita LaGrant-McClain

Shakita LaGrant-McClain, Director, Department of Health and Human Services

ATTACHMENTS:

N/A

Cc: County Executive David Crowley
Sup. Liz Sumner, Chair, Finance Committee
Sup. Steve Taylor, Chair, Committee on Community, Environment, and Economic Development
Mary Jo Meyers, Chief of Staff, County Executive's Office
Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Janelle M. Jensen, Legislative Services Division Manager, Office of the County
Steve Cady, Research Director, Comptroller's Office
Lottie Maxwell-Mitchell, Research & Policy Analyst, Comptroller's Office