

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: August 12, 2022

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

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

Subject: Report from the Director, Department of Health and Human Services (DHHS), requesting approval to reallocate Community Development Block Grant (CDBG) funding for eligible projects

File Type: Action Report

REQUEST

The Director of the Department of Health and Human Services (DHHS) is requesting approval to reallocate Community Development Block Grant (CDBG) funds from prior years.

BACKGROUND

On an annual basis, the Milwaukee County Board approves recommended Community Development Block Grant (CDBG) funding to recommended projects in Milwaukee County that meet a national objective. Due to the pandemic as well as supply chain issues, Milwaukee County has a surplus of funds, particularly in the Home Repair Program. HUD allows Milwaukee County to reallocate funds for eligible projects in its CDBG jurisdiction. Funds need to be reallocated by October 2022 for projects that are “shovel ready” per HUD guidelines.

DHHS notified all existing CDBG grantees of this funding opportunity for projects that could submit invoices for work prior to October. All grantees with eligible projects were awarded funding through this process with the exception of projects that were in the public service category due to the 15 percent cap.

One of the projects being recommended for funding in this report includes \$500,000 toward the development of affordable housing units in South Milwaukee. This project marks the first time that Milwaukee County has used CDBG for the development of multi-family affordable housing and will assist in creating a minimum of 67 affordable housing units. This is consistent with a previous County Board resolution stating that CDBG funds should be used primarily for housing and economic development. This project is very unique as the developer has pledged to follow the provisions of the Davis Bacon Act for prevailing wages which must occur to use CDBG funds for this type of housing activity. The developer, Scott Crawford, Inc., should be recognized for its willingness to meet these wage requirements which has become rare in the development of

affordable housing due to rising costs and other factors. CDBG funds can be used quickly toward the acquisition of the site.

The recommended projects are as follows:

Scott Crawford Inc.

- \$500,000 to assist with the development of affordable housing in South Milwaukee at the former Bucyrus-Erie campus.

Village of West Milwaukee

- \$18,000 reallocated to the Village of West Milwaukee for the additional costs relating to its 2022 project repairing the community center wall replacement.

Village of Greendale

- \$50,000 reallocated to the Village of Greendale for the additional costs relating to its 2022 project for ADA modifications to sidewalks and curb ramps in the Village.

Wisconsin Women's Business Initiative Corporation

- \$50,000 reallocated to the Wisconsin Women's Business Initiative Corporation for technical assistance and microenterprise assistance for its Black Business Boost (B3) Program.

City of St. Francis

- \$40,000 reallocated to the City of Saint Francis to assist with staff costs related to Code Enforcement.

Hunger Task Force

- \$75,000 reallocated to the Hunger Task Force to replace the water pump that was damaged during the lightning storms earlier this summer.
- \$335,000 reallocated to the Hunger Task Force for public facility improvements to the new warehouse building in West Milwaukee. Improvements will be related to accessibility modifications for volunteers and clients.

ALIGNMENT TO STRATEGIC PLAN

This action item aligns with strategic plan objectives 2A (Determine what, where, and how we deliver services to advance health equity and 3A (Invest "upstream to address root

causes of health disparities).

RECOMMENDATION

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, DHHS, or her designee, to reallocate Community Development Block Grant (CDBG) funding for eligible projects as described in the attached resolution.

FISCAL EFFECT

There is no fiscal effect as the amount to be reallocated has been accounted for in previous CDBG budgets.

TERMS

Funds will be reallocated by October 1, 2022.

VIRTUAL MEETING INVITES

James Mathy, Housing Administrator
Diane Tsounis, HOME and CDBG Program Manager

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:

Resolution and fiscal note are attached.

cc: County Executive David Crowley
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