

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: April 19, 2024

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

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

Subject: A report from the Director, Department of Health and Human Services (DHHS), requesting approval to reallocate previously approved American Rescue Plan Act (ARPA) funds and execute an affordable housing development contract in the amount of \$2.5 million with Communities of Crocus, or its assigns, for a project in the City of Franklin

File Type: Action Report

REQUEST

The Director of the Department of Health and Human Services (DHHS) is requesting approval to reallocate previously approved American Rescue Plan Act (ARPA) funds and execute a contract with a developer for an affordable housing development. The recommended project is:

Communities of Crocus (COC)

- \$2,500,000 in ARPA funds to assist with the development of 12 affordable rental units in its first phase for young adults with disabilities in the City of Franklin

BACKGROUND

In 2021, Milwaukee County adopted the Collective Affordable Housing Plan (the “Plan”) in partnership with the Community Development Alliance (CDA) (File 22-463). The Plan identifies the need to produce rental homes throughout the County, particularly rental homes that are \$650/month or less. Current data indicates that there are about 70,000 families in Milwaukee County that earn \$15/hour or less but only about 30,000 rental homes available to them. Consequently, there is a shortage of 40,000 units of available housing at \$650/month or less. In the suburbs of Milwaukee County, there is a shortage of 7,000 rental homes that are \$650/month or less.

Throughout the past few years, the Milwaukee County Board has allocated \$15,000,000 of American Rescue Plan Act (ARPA) funds towards affordable housing under project 1AR25

(authorized under File 22-702). To distribute this funding to developers, DHHS, in partnership with CDA, issued a rolling Request for Proposals (RFP).

The Communities of Crocus project was submitted by the development team through the RFP process and was selected for funding. Funds are being reallocated from a previously funded project. The County Board authorized \$2,500,000 in January 2023 to the Luther Group under File 23-235 for the development of Cornerstone Village. This development was scheduled to provide affordable units for individuals with disabilities. This project is no longer proceeding, and Milwaukee County received notice from the developer. That decision left funds available to be reallocated through the existing RFP process.

COC's vision is to build 50 units of housing and a community hub in the City of Franklin that will support adults that need 24/7 care. The total cost of the envisioned development is approximately \$37 million with the cost of phase 1 being \$4 million. The development will serve those who not only have an intellectual and developmental disability with autism as a primary diagnosis but co-occurring disorders (such as anxiety, sleep issues, and ADHD) and medical conditions (such as gastrointestinal and eating issues). These individuals will have higher living and maintenance costs due to their unique intellectual and physical challenges.

Milwaukee County's ARPA investment will be for phase 1 of the project which will include three community homes, each with four individual apartments with rents between \$1,000-\$1,250/month. COC is being supported by an experienced development team including Three Leaf Partner (Real Estate Development), Catalyst Construction (Construction Management, Affordable Housing, Multi-Family Housing), Husch Blackwell (Multifaceted Attorney's), and HGA (Community, Healthcare), and other consultants (Special Needs Housing, Marketing, Public Relations, Urban Planning, Business leadership, Nonprofit Management, and Commercial Banking).

COC is a 501(c)(3) non-profit organization started to create independent supportive homes of choice for adults with autism and similar intellectual and developmental disabilities (IDD). COC is designed through a model which looks to encourage choice and independence through diverse affordable living options that provide services and supports to enable individuals to live as independently as possible. The community consists of independent living apartments, community homes and a support center for individuals who need 24/7 care, a supportive housing hub (SHH) which will provide an array of services and programming for individuals and others with a similar diagnosis who live in the greater community, their families, and caregivers.

The founders of COC, Amy Hansel and Emily Peters, are both parents of children with autism and Down syndrome. They are determined to create a space in Wisconsin where their children and others with similar disabilities will be supported and able to reach their fullest potential within a natural environment.

ALIGNMENT TO STRATEGIC PLAN

This action item aligns with strategic plan objective 3A (Invest “upstream to address root causes of health disparities”) and objective 3C (Dismantle Barriers to diverse and inclusive communities). Stable affordable housing has demonstrated to improve the health of families by 18%. Furthermore, in suburbs located in Milwaukee County, there are 16,000 families making \$15,000 or less but only about 7,000 units of housing that is available to them. The production of additional rental homes is an economic mobility tool to allow families from diverse backgrounds to find homes in any Milwaukee County community they choose.

RECOMMENDATION

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, Department of Health and Human Services, or her designee, to reallocate previously approved American Rescue Plan Act (ARPA) funds and execute an affordable housing development contract in the amount of \$2,500,000 to Communities of Crocus, or its assigns, for a project in the City of Franklin.

FISCAL EFFECT

There is no fiscal effect as ARPA funding has been previously dedicated for this purpose by the Milwaukee County Board.

TERMS

The term of the contracts is June 1, 2024 to June 1, 2025.

VIRTUAL MEETING INVITES

James Mathy, Housing Administrator
Amy Hansel, COC autastic0327@gmail.com

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
Chair, Finance Committee
Chair, Health Equity, Human Needs, and Strategic Planning
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 Director, County Clerk's Office
Steve Cady, Research Director, Comptroller's Office
Lottie Maxwell-Mitchell, Sr Budget and Management Analyst, DAS