

**COUNTY OF MILWAUKEE**  
Inter-Office Communication

Date: May 18, 2022

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

From: Shakita LaGrant-McClain, Director, Health and Human Services

Subject: A report from the Director, Department of Health and Human Services (DHHS), requesting approval of \$19 million in American Rescue Plan Act (ARPA) funds to expand housing and energy assistance opportunities in Milwaukee County

File Type: Action Report

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**REQUEST**

The Director of the Department of Health and Human Services (DHHS) requests approval of \$19 million in Milwaukee County of American Rescue Plan Act (ARPA) funds to expand housing opportunities.

**BACKGROUND**

This proposal would provide ARPA funds for three initiatives related to housing:

**Affordable Housing**

\$15 million of ARPA funds towards the development and support of affordable housing projects throughout Milwaukee County. Housing stability is critical to dozens of quality-of-life measures, including employment, early childhood development, stress levels, education, and health. According to the Community Development Alliance's (CDA) affordable housing study, families that have been excluded from economic opportunities spend 60% of their income on housing, forcing them to compromise other critical household expenditures such as food, clothing, transportation, and healthcare.

Housing Services has a long history of partnering with developers to produce thousands of units of affordable housing. This project would be operated in a similar fashion to the County's existing HOME Program operated by the Housing Division. ARPA funds would primarily be used as gap financing for projects that have identified other sources of funding to be used as leverage including Low Income Housing Tax Credits. The main focus of this project would be to increase the supply of affordable housing in Milwaukee County's suburban municipalities as the City of Milwaukee is receiving its own ARPA allotment. However, City of Milwaukee projects will not be excluded from funding if there is a direct impact on

Milwaukee County's strategic goals such as senior centers or clients served by DHHS.

Any project that is funded at over \$50,000 will be brought for additional future approval from the Milwaukee County Board prior to fund disbursement. For real estate development projects, Housing Services will put in place a developer agreement guaranteeing the affordability of rents for a 20-year period.

This proposal received approval from the Household Assistance Subcommittee and was approved by the ARPA Task Force at its meeting on May 12.

### **Foreclosure Rehabilitation**

This proposal would provide \$3 million in ARPA funds for the rehabilitation of Milwaukee tax foreclosures. Milwaukee County administers all Milwaukee County tax foreclosures located outside the City of Milwaukee through the Office of the Treasurer. This proposal would allow Housing Services to partner with the Treasurer and the Economic Development Division of the Department of Administrative Services (DAS) to rehabilitate these tax foreclosures. The main goal of this proposal would be to ensure that a majority of these homes be targeted for homeownership, specifically for first-time homebuyers. It would also lessen the possibility of out of state investors purchasing these homes.

Housing Services will continue to be proactive in ensuring that households that lose their home to tax foreclosure have a housing plan during the process. Historically, this has included assistance in finding alternative affordable housing, moving expenses, and referrals for other County and community services to ensure that households do not become homeless.

Housing Services would also expand the Opportunity Knocks program that was started prior to the pandemic as a part of this proposal. Housing Services would partner with the House of Correction (HOC), Ezekiel Hope, and other potential contractors to offer residents of the HOC on-site job training in various construction trades during the habilitation of these homes. The goal of Opportunity Knocks is to ensure that current residents at the HOC can receive full-time higher wage jobs in the trades upon their release.

This proposal received approval from the Household Assistance Subcommittee and was approved by the ARPA Task Force at its meeting on May 12.

### **Energy Assistance**

\$1 million in ARPA funds is being proposed to meet an emergency need in Milwaukee County's Energy Assistance Program. Milwaukee County continues to receive inadequate funding to meet the needs of existing households requiring energy assistance. Without these additional resources, Milwaukee County's two community partners, UMOS and Community Advocates, would be forced to lay off staff in July and there would be no crisis funds available for households until the next heating season. This proposal would provide adequate funding to ensure this did not occur for the next two program years.

This proposal received approval from the Household Assistance Subcommittee and is pending ARPA Task Force approval on June 9. Even though formal approval has not yet been received, DHHS has included this item to meet the June deadline for report submittals to the County Board due to the time sensitive nature of Energy Assistance funding availability.

### **RECOMMENDATION**

It is recommended that the Milwaukee County Board of Supervisors approve \$19 million in American Rescue Plan Act (ARPA) funds to expand housing and energy assistance opportunities in Milwaukee County. County Board approval of the \$1 million in energy assistance is contingent upon the ARPA Task Force approving this proposal at its next meeting currently scheduled for June 9.

### **FISCAL EFFECT**

This resolution would allocate \$19 million from the American Rescue Plan Act funds to the specific programs above. See attached fiscal note.

### **TERMS**

N/A

### **VIRTUAL MEETING INVITES**

James.Mathy@milwaukeecountywi.gov

### **PREPARED BY:**

James Mathy, Administrator, Housing Services DHHS

**APPROVED BY:**

*Shakita LaGrant-McClain*

Shakita LaGrant-McClain, Director, Health and Human Services

**ATTACHMENTS:**

Resolution  
Fiscal Note

cc: County Executive David Crowley  
Liz Sumner, Chair, Finance Committee  
Shawn Rolland, 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 Division Manager, Office of the County  
Steve Cady, Research Director, Comptroller's Office  
Pam Matthews, Fiscal & Management Analyst, DAS  
Lottie Maxwell-Mitchell, Research & Policy Analyst, Comptroller's Office