

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: September 16, 2013

TO: Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by James Mathy, Housing Administrator, Housing Division

SUBJECT: **Revised Report from the Director, Department of Health and Human Services, Requesting Approval to Allocate Anticipated 2014 Community Development Block Grant (CDBG) Funding**

Background

As part of the annual Community Development Block Grant (CDBG) process, all applicants were invited to attend a public hearing and present their proposals to the Economic and Community Development Committee on September 16, 2013. For 2014 funds, a review process was put in place by staff to objectively rank projects. A panel was arranged to score each project based on this system (see attachment). The panel members were chosen due to their experience with CDBG regulations as well as to avoid conflicts of interest. The panel consisted of a representative from the Milwaukee County Housing Division, a representative from the City of Milwaukee Community Development Grants Administration, and a representative from the City of West Allis.

Once the County Board approves the projects, the 2014 Annual Plan will be published for comment for 30-days, as required. Any public comments will then be incorporated into the final 2014 Annual Plan and it will then be submitted to the Federal Department of Housing and Urban Development (HUD) for approval by November 15, 2013.

Issue

The 2014 Milwaukee County CDBG allocation totals \$1,391,173. Of the total funds, twenty-percent can be used for administration (\$278,235) and fifteen-percent can be set aside for public service projects (\$208,676). For 2014, the allocation continues to be split between at large competitive projects and municipal projects. Although the municipal projects were not scored and ranked for the purpose of this report, they are included to show the complete allocation. As in years past, County CDBG staff will continue to review municipal projects to ensure that applicants meet national objectives and are following the Consolidated Plan.

For the competitive applications, the recommendations in this report are based on the total points received for each project. Projects were ranked based on the following criteria:

- Project Approach
- Need and justification
- Benefit to Low-and-Moderate Income Persons
- Target population and jurisdiction
- Capacity and experience
- Financial controls and budget
- Past CDBG performance

Recommendation

The Director, Department of Health and Human Services, recommends that the County Board of Supervisors authorize the Housing Division to allocate the anticipated 2014 Community Development Block Grant funds to the following projects:

County-wide Projects	Public Service	Non Public Service	Application Score
Metro. Milwaukee Fair Housing Council	\$34,780		300
Hope House of Milwaukee – Supportive Housing Srvs	\$44,780		297
Jewish Family Services – Peer Support	\$24,778		290
WWBIC – Microenterprise		\$53,361	292
Milwaukee County Housing, Emergency Home Repair		\$120,000	290
Milwaukee County Housing, Architectural Barrier Removal		\$40,000	290
Grand Avenue Club - Employment		\$100,000	286
Hunger Task Force – Water Distribution		\$52,560	286
Human Concerns – Electrical Upgrades		\$20,000	282
Milwaukee County Parks – Sheridan Park		\$66,210	282
At large total	\$104,338	\$452,131	\$556,469

Suburban Set-Aside Projects	Public Service	Non Public Service
Brown Deer – Senior Club	\$9933	
Cudahy – Property Maintenance	\$6319	
Cudahy - Interfaith	\$5176	
Franklin – Senior Travel	\$8643	
Greendale – Adult Program Services	\$10,200	
Greenfield – Senior Services Staff	\$11,194	
Interfaith Senior Program (various municipalities)	\$25,533	
Shorewood – Senior Resource Center	\$8340	
St. Francis – Code Compliance	\$10,000	
West Milwaukee – Community Center Maintenance	\$9000	
Cudahy – ADA Accessibility		\$45,835
Franklin – Senior Dining ADA Fire Alarm		\$45,538
Glendale – Sidewalk Replacement		\$24,127
Greendale – Historical Society		\$28,731
Greenfield – Farmers Market		\$41,343
Shorewood – Home Repair w/ Milwaukee County		\$10,000
Shorewood – Alley Repair		\$13,903
South Milwaukee – Senior Center Energy Project		\$52,362
St. Francis – Trail Project Phase II		\$43,096
St. Francis – Sidewalk and Ramp Project		\$28,731
West Milwaukee – Community Center Exterior		\$71,826
WWBIC (Oak Creek) – Business Development		\$46,639
Suburban Total	\$104,338	\$452,131
TOTAL – Public and Non-Public Service (not including admin)		\$1,112,938
Total Allocation from HUD including reallocation	\$1,391,173	
Administration cap per regulation, 20%	\$278,235	
Public service cap per regulation, 15%	\$208,676	

Respectfully Submitted,



Héctor Colón, Director
Department of Health and Human Services

cc: County Executive Chris Abele
Raisa Koltun, County Executive's Office
Kelly Bablich, Chief of Staff, County Board
Don Tyler, Director, DAS
Josh Fudge, Interim Fiscal & Budget Administrator, DAS
Matthew Fortman, Fiscal & Budget Analyst, DAS
Martin Weddle, County Board Analyst

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(ITEM) From the Director, Department of Health and Human Services, Requesting Approval to Allocate Anticipated 2014 Community Development Block Grant (CDBG) Funding:

A RESOLUTION

WHEREAS, as part of the annual Community Development Block Grant (CDBG) process, all applicants were invited to attend a public hearing and present their proposals to the Economic and Community Development Committee on September 16, 2013; and

WHEREAS, for 2014, a review process was put in place by staff to objectively rank projects based on a scoring system to make final recommendations and a panel was arranged to score each project based on this system; and

WHEREAS, once the County Board approves the projects, the 2014 Annual Plan will be published for comment for 30-days, as required, then any public comments will be incorporated into the final 2014 Annual Plan and it will then be submitted to the Federal Department of Housing and Urban Development (HUD) for approval by November 15, 2013; and

WHEREAS, the 2014 Milwaukee County CDBG allocation totals \$1,391,173; and

WHEREAS, twenty-percent of the anticipated 2014 allocation can be used for administration (\$278,235); and

WHEREAS, fifteen-percent of the total funds can be set aside for public service projects (\$208,676); and

WHEREAS, the allocation continues to be split between at large competitive projects and municipal projects; and

WHEREAS, although the municipal projects were not scored and ranked for the purpose of this report, they are included to show the complete allocation; and

WHEREAS, if projects are not able to provide specific documentation that they are serving the Milwaukee County CDBG jurisdiction and that they are serving low-to-moderate income individuals, Milwaukee County will not be able to provide reimbursement per HUD regulations; and

WHEREAS, in no case will program expenditures exceed available revenue; now, therefore,

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BE IT RESOLVED, the County Board of Supervisors authorize the Director, DHHS, or his designee, to allocate the total anticipated 2014 Community Development Block Grant funds to the following projects:

County-wide Projects	Public Service	Non Public Service	Application Score
Metro. Milwaukee Fair Housing Council	\$34,780		300
Hope House of Milwaukee – Supportive Housing Srvs	\$44,780		297
Jewish Family Services – Peer Support	\$24,778		290
WWBIC – Microenterprise		\$53,361	292
Milwaukee County Housing, Emergency Home Repair		\$120,000	290
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Grand Avenue Club - Employment		\$100,000	286
Hunger Task Force – Water Distribution		\$52,560	286
Human Concerns – Electrical Upgrades		\$20,000	282
Milwaukee County Parks – Sheridan Park		\$66,210	282
At large total	\$104,338	\$452,131	\$556,469

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Suburban Set-Aside Projects	Public Service	Non Public Service
Brown Deer – Senior Club	\$9,933	
Cudahy – Property Maintenance	\$6,319	
Cudahy - Interfaith	\$5,176	
Franklin – Senior Travel	\$8,643	
Greendale – Adult Program Services	\$10,200	
Greenfield – Senior Services Staff	\$11,194	
Interfaith Senior Program (various municipalites)	\$25,533	
Shorewood – Senior Resource Center	\$8,340	
St. Francis – Code Compliance	\$10,000	
West Milwaukee – Community Center Maintenance	\$9,000	
Cudahy – ADA Accessibility		\$45,835
Franklin – Senior Dining ADA Fire Alarm		\$45,538
Glendale – Sidewalk Replacement		\$24,127
Greendale – Historical Society		\$28,731
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South Milwaukee – Senior Center Energy Project		\$52,362
St. Francis – Trail Project Phase II		\$43,096

St. Francis – Sidewalk and Ramp Project		\$28,731
West Milwaukee – Community Center Exterior		\$71,826
WWBIC (Oak Creek) – Business Development		\$46,639
Suburban Total	\$104,338	\$452,131
TOTAL – Public and Non-Public Service (not including admin)		\$1,112,938
Total Allocation from HUD including reallocation	\$1,391,173	
Administration cap per regulation, 20%	\$278,235	
Public service cap per regulation, 15%	\$208,676	

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MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: September 17, 2013

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: From the Director, Department of Health and Human Services (DHHS), Requesting Approval to Allocate the Anticipated 2014 Community Development Block Grant (CDBG) Funding

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The Director of the Department of Health and Human Services (DHHS) is requesting authorization to allocate \$1,112,938 in anticipated 2014 Community Development Block Grant (CDBG) funding.

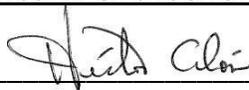
B. This funding amount is identical to the amount included in the 2014 Milwaukee County DHHS Housing Requested Budget.

C. While recognizing that future Federal allocations of grant awards are always uncertain, it is anticipated that the Federal Department of Housing and Urban Development (HUD) will provide approximately \$1,112,938 in grant revenue in 2014. In no case will program expenditures exceed available revenue. As a result, there is no tax levy impact associated with approval of this request.

D. No further assumptions are made.

Department/Prepared By Thomas F. Lewandowski, Fiscal & Management Analyst

Authorized Signature



¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Did DAS-Fiscal Staff Review? Yes No

Did CDPB Staff Review? Yes No Not Required

**MILWAUKEE COUNTY
INTER-OFFICE COMMUNICATION**

DATE: September 18, 2013

TO: Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by James Mathy, Housing Administrator, Housing Division

SUBJECT: Report from the Director, Department of Health and Human Services, Requesting Approval to Allocate Year 2014 HOME Funding for the Housing Division

Issue

The HOME program was born out of the National Affordable Housing Act of 1990 and was a spin-off of the Community Development Block Grant program to address housing needs only. Milwaukee County, as a designated Urban County, is part of a Home Consortia with West Allis and Wauwatosa. Funds are budgeted to meet the requirements of the HOME regulations in 24 CFR 92 and the Home Consortia Agreement. County Board approval of the recommendations for the 2014 HOME funding, anticipated to be \$876,106 and \$300,000 in program income, is required to complete the 2014 Annual Action Plan, which is due to HUD by November 15, 2013. Therefore, the Director, Department of Health and Human Services, is requesting approval of the 2014 HOME funding allocations.

Background

Based on the Consolidated plan, established agreements and HUD regulations, the recommended use of HOME funds for the 2014 Program Year takes into account the following:

- The Milwaukee County Housing Division is anticipating \$876,106 in funding and \$300,000 in program income, which the same amount as 2013.
- The priorities and objectives of the 5-year Consolidated Plan.
- All Milwaukee County HOME funds must be spent outside the City of Milwaukee
- The Wauwatosa and West Allis Consortium member share are set aside based upon their “hold harmless” amounts of 5.6% and 22.8% respectively.
- The HOME program requires that 15% of the participating jurisdiction’s fund be reserved for housing development by a Community Housing Development Organization (CHDO).
- The Suburban Home Repair Program, which offers secured 0% and 3% interest loans and Lead Hazard Reduction grants to income eligible homeowners for necessary repairs, is continued.

- The Homebuyer Assistance program, which provides down payment and closing cost assistance to first-time homebuyers with household members that are disabled, is continued using Milwaukee County CHDO, Movin' Out.

The funding allocation is based on the same formula as has been used in prior years. For 2014 applications were sought for HOME qualified projects. Movin' Out Inc., as Milwaukee County's CHDO, submitted two projects. One of the projects they submitted is for a down payment assistance program for first-time home buyers with household members with disabilities. The request is for \$208,000 and staff proposed use of 2012 funds in the amount of \$50,000 and 2014 funds in the amount of \$158,000 to fund this project. The other project is a rental development project that is undergoing underwriting analysis and subsidy layering analysis and will be brought to the Board at a future date. The approved use of funds for the 2014 HOME Program will be included, along with the 2014 allocation for the Community Development Block Grant Program, in the 2014 Annual Action Plan. HUD requires that the Action Plan be approved for participation in these programs.

Recommendation

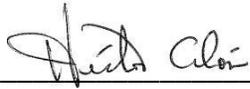
The Director, Department of Health and Human Services, recommends that the County Board of Supervisors allow the Housing Division to allocate the 2014 HOME funds as indicated below:

Anticipated 2014 Allocation	\$876,106
Milwaukee County Anticipated Program Income	\$200,000
West Allis Anticipated Program Income	\$100,000
Total Funds Expected for 2014	\$1,176,106
Administration (10% Cap)	\$117,611
CHDO Set Aside	\$131,416
Wauwatosa	\$49,062
West Allis (including West Allis program income)	\$299,752
Home Repair Loans	\$200,000
Down Payment Assistance	\$158,000
Tenant-Based Rental Assistance	\$50,000
Rental Development	\$170,265
	\$1,176,106

Fiscal Effect

The 2014 Budget includes anticipated HOME revenue and associated expenditures therefore no tax levy effect is anticipated. A fiscal not form is attached.

Respectfully Submitted,



Héctor Colón, Director
Department of Health and Human Services

cc: County Executive Chris Abele
Raisa Koltun, County Executive's Office
Kelly Bablich, Chief of Staff, County Board
Don Tyler, Director, DAS
Josh Fudge, Interim Fiscal & Budget Administrator, DAS
Matthew Fortman, Fiscal & Budget Analyst, DAS
Martin Weddle, County Board Analyst

(ITEM) From the Director, Department of Health and Human Services, Requesting
Approval to Allocate Year 2014 HOME Funding for the Housing Division

A RESOLUTION

WHEREAS, the HOME program was born out of the National Affordable Housing
Act of 1990 and was a spin-off of the Community Development Block Grant Program;
and

WHEREAS, Milwaukee County, as a designated Urban County, is part of a
HOME Consortia with West Allis and Wauwatosa; and

WHEREAS, County Board approval of the recommendations for the 2014 HOME
funding, anticipated to be \$876,106 and \$300,000 in program income, is required to
complete the 2014 Annual Action Plan, which is due to HUD by November 15, 2013;
and

WHEREAS, all recommended HOME projects fit the priorities and objectives of
the five year Milwaukee County Consolidated Plan; and

WHEREAS, all Milwaukee County HOME funds must be spent outside the City of
Milwaukee; and

WHEREAS, the Wauwatosa and West Allis Consortium member share are set
aside based on their “hold harmless” amounts of 5.6% and 22.8% respectively; now,
therefore

BE IT RESOLVED, the County Board of Supervisors authorize the Director,
DHHS, or his designee, to allocate 2014 HOME funds to the following catagories:

Administration (10% Cap)	\$117,611
CHDO Set Aside	\$131,416
Wauwatosa	\$49,062
West Allis (including West Allis program income)	\$299,752
Home Repair Loans	\$200,000
Down Payment Assistance	\$158,000
Tenant-Based Rental Assistance	\$50,000
Rental Development	\$170,265
	\$1,176,106

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: September 19, 2013

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: From the Director, Department of Health and Human Services (DHHS), Requesting Approval to Allocate Anticipated 2014 HOME Funding

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | <input type="checkbox"/> Use of contingent funds |
| <input checked="" type="checkbox"/> Decrease Operating Expenditures | |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input checked="" type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	(102,496)
	Revenue	0	(102,496)
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

*The decrease for the subsequent year is based on the 2013 DHHS Requested Budget.

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The Director of the Department of Health and Human Services (DHHS) is requesting authorization to allocate \$1,176,106 in anticipated 2014 HOME Program funding. This amount consists of \$876,106 in anticipated 2014 HOME Program funding awarded to Milwaukee County, \$200,000 in anticipated Program Income for Milwaukee County and \$100,000 in anticipated Program Income for the City of West Allis.

B. The \$1,076,106 in anticipated 2014 HOME Program funding earmarked for Milwaukee County (which does not include the \$100,000 in anticipated Program Income for the City of West Allis) represents a decrease of (\$102,496) compared to the 2014 Requested Housing Division Budget for HOME Program funds of \$1,178,602.

C. While recognizing that future Federal allocations of grant awards are always uncertain, it is anticipated that the Federal Department of Housing and Urban Development (HUD) will provide approximately \$1,176,106 in grant revenue in 2014. In no case will program expenditures exceed available revenue. As a result, there is no tax levy impact associated with approval of this request.

D. No further assumptions are made.

Department/Prepared By Thomas F. Lewandowski, Fiscal & Management Analyst

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Authorized Signature

[Handwritten Signature]

Did DAS-Fiscal Staff Review?

Yes No

Did CDPB Staff Review?

Yes No Not Required