

Grantee: Milwaukee, WI

Grant: B-11-MN-55-0006

January 1, 2013 thru March 31, 2013 Performance Report



Grant Number:

B-11-MN-55-0006

Obligation Date:**Award Date:****Grantee Name:**

Milwaukee, WI

Contract End Date:**Review by HUD:**

Original - In Progress

Grant Amount:

\$2,687,949.00

Grant Status:

Active

QPR Contact:

No QPR Contact Found

Estimated PIRL Funds:

\$576,000.00

Total Budget:

\$3,263,949.00

Disasters:

Declaration Number

NSP

Narratives

Summary of Distribution and Uses of NSP Funds:

The City's NSP3 award is \$2,687,949. The proposed NSP3 activities are designed to preserve and promote homeownership in the target neighborhoods, as well as comply with HUD requirements that grantees promote rental housing options and utilize at least 25% of grant funds to create housing opportunities for households at or below 50% of area median income.

The primary use of NSP3 funds will be to carry out the acquisition and rehabilitation of foreclosed and abandoned homes for resale to owner occupants. This will preserve owner occupancy in the target neighborhoods and ensure that distressed properties are rehabilitated to a high standard. NSP3 funds will also be used to continue the City's NSP Homebuyer Assistance Program in these neighborhoods which will assist homeowners in purchasing and rehabilitating foreclosed homes which they purchase directly out of foreclosure. A portion of NSP3 funds will also be used to facilitate high-quality rental development to provide for a diversity of housing options and ensure that the City meets the low income set-aside requirements of the NSP3 program. NSP3 funds will also be used to demolish blighted properties which pose a barrier to neighborhood stabilization efforts, and for which rehabilitation is not feasible. The City hopes to impact at least 63 units of housing utilizing NSP3 funds, which is greater than the number which HUD's NSP3 impact score projects as being required to make a noticeable impact on the neighborhood housing market.

The City of Milwaukee has drawn on a number of data sources to determine the areas of greatest need for NSP funds. HUD has defined these areas as those which have the highest percentage of home foreclosures, the highest percentage of homes financed by a subprime mortgage loan, or those areas likely to experience an increase in the rate of home foreclosures.

The City has analyzed the foreclosure risk scores released by HUD in conjunction with the NSP2 and NSP3 programs in designing its NSP programming. These scores, on a scale of 1-20, are assigned to every census tract in the country and are meant to estimate the level of need and risk within each census tract related to foreclosure and abandonment. For grantees within the State of Wisconsin, neighborhoods must have a HUD foreclosure need score of greater than 11 to qualify for NSP3 funds.

In addition, the City has developed a comprehensive "real-time" foreclosure tracking system which draws information from the County Register of Deeds Office (on pending foreclosure filings and releases), the local Multiple Listing Service (on foreclosed properties currently for sale) and the City Assessor's Office (on property sales data, including Sheriff's Sales and REO sales). This database is updated continuously and allows the City to track individual foreclosure filings and sales data at the City-wide, neighborhood, census tract, and block levels. This database allows the City to track market sales trends, as well as identify areas where increasing numbers of foreclosed and abandoned properties are likely to occur.

The City has also analyzed its NSP1 activity to determine which areas demonstrated both a need and a demand for housing created under the NSP program.



How Fund Use Addresses Market Conditions:

The City of Milwaukee is proposing to use its NSP3 allocation in those portions of the Layton Boulevard West and Sherman Park neighborhoods which are outside of the current NSP2 program area. These neighborhoods were selected because of their demonstrated need and the potential to coordinate NSP activities with complementary neighborhood revitalization efforts ongoing in these areas to maximize the impact of NSP funds.

For the purposes of NSP3, HUD has released new "foreclosure need scores" which were assigned to each census tract in the county in an attempt to measure the level of foreclosure, abandonment, and vacancy within each neighborhood. These scores are between 1 and 20, with 20 representing the highest level of need. In Wisconsin, a census tracts must score 11 or higher to be eligible to receive NSP3 funds. The average need score for the Layton Boulevard West Neighborhood NSP3 target area is 14.25 and the average need score for the Sherman Park NSP3 target area is 15.5, establishing these neighborhoods among those areas of the City which demonstrate the greatest need for NSP3 funds outside of the current NSP2 program area. Those neighborhoods with higher risk scores which are within the NSP2 program area will continue to be served through the NSP2 program.

Both of the target NSP3 neighborhoods are home to ongoing neighborhood revitalization activities being carried out by neighborhood partners. These efforts will complement NSP3 activities by addressing quality of life issues which are beyond the "bricks and mortar" scope of NSP. As the City implemented its NSP1 program, these neighborhoods demonstrated a strong demand for housing created through the NSP program which was due in large part to the work of neighborhood partners to link buyers to available homes and neighborhood resources. There are also development partners in these neighborhoods who stand ready to implement the NSP3 program.

City of Milwaukee Neighborhood Stabilization Program (NSP3)

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NSP3 Program Area

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Sherman Park - Census Tracts: 50, 59, 92, 93; Average HUD NSP3 Risk Score: 15.5; HUD NSP3 Impact Target*: 31; Foreclosed Properties**: 68; Open Foreclosure Filings**: 176; Average Assessed Value (1 and 2 family homes): \$116,304; Average sale price of foreclosed homes: \$42,900.

Amendment to Action Plan: Sherman Park - Census Tract Expansion to include Tracts: 49, 60; revised NSP 3 Risk Score: 16.2

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Layton Boulevard West - Census Tracts: 161, 162, 170, 171; Average HUD NSP3 Risk Score: 14.3; HUD NSP3 Impact Target*: 22; Foreclosed Properties**: 37; Open Foreclosure Filings**: 166; Average Assessed Value (1 and 2 family homes): \$97,813; Average sale price of foreclosed homes: \$35,705.

Amendment to Action Plan: Layton Boulevard - Census Tract Expansion to include Tracts: 163,169,173; revised NSP 3 Risk Score: 14.7

* In conjunction with NSP3, HUD released "Impact" targets for individual census tracts. These targets were based on HUD's estimated number of foreclosures in each tract and represent HUD's estimate of how many units grantees must address through NSP3 to have a meaningful impact on the neighborhood real estate market. These estimates were provided to assist grantees in NSP3 program design.

**These figures are from the City's foreclosure tracking database, which tracks properties which are going through the foreclosure process ("open filings") and which are bank owned foreclosures. Figures reflect City records as of 12/21/2010.

The Layton Boulevard West neighborhood was recently selected to participate in the ten year, \$50 million Zilber Neighborhood Initiative, which provides funding to design and implement a comprehensive neighborhood quality of life plan. This work will be carried out by Layton Boulevard West Neighborhoods Inc., (LBWN) and will build on the ongoing work of that group and area residents to promote homeownership in the neighborhood and preserve property values. LBWN has been active in supporting the City's NSP efforts by working to connect residents to foreclosed homes and market opportunities within the neighborhood. LBWN has also established a limited liability company, Sustainable Development LLC, to act as a developer and acquire, rehabilitate, and resell foreclosed homes to owner-occupants through its "Turnkey Renovation Program."

The Sherman Park neighborhood is a neighborhood with historically high rates of owner occupancy which has been significantly impacted by the foreclosure crisis. The City and its partners have worked to target NSP resources to Sherman Park in order to preserve opportunities for owner occupancy and to protect neighborhood property values. Despite troubling market conditions, demand for housing remains high in Sherman Park as evidenced by the City's NSP1 activities in the neighborhood. Sherman Park Community Association, an established community partner, has a forty-year history of working to improve the neighborhood and the quality of life for its residents. They have been an active partner in working with the City to address the impacts of foreclosures in their neighborhood. More recently, Common Ground, a coalition of area religious groups and non-profits who are tackling the foreclosure issue locally has selected a portion of Sherman Park as the location for a pilot project to undertake a comprehensive neighborhood revitalization strategy.

Ensuring Continued Affordability:

The City is committed to long term affordability for its NSP funded projects. The City's existing affordable housing programs (both federally funded, as well as City funded) contain affordability restrictions. At a minimum, the affordability requirements for each NSP3 assisted project will be consistent with HOME requirements:

Homebuyer Assistance Program:

NSP3 Assistance Amount	Period of Affordability
<\$15,000	5 years
\$15,000-\$40,000	10 years



\$40,000+

15 years

Rental Programs:

NSP3 Subsidy/Assistance Amount	Period of Affordability
<\$15,000/unit	5 years
\$15,000-\$40,000/unit	10 years
\$40,000+/unit	15 years
New construction	20 years

For both rental and homeownership programs utilizing NSP3 funds, the City of Milwaukee will utilize mortgages and/or restrictive covenants to ensure continued affordability of NSP 3 assisted housing. For properties assisted under the City's acquisition/rehabilitation program, resale requirements (as opposed to recapture) will be utilized in cases where the buyer receives no direct assistance. These resale requirements will be consistent with requirements utilized in the City's HOME program. Homeowners and renters (both initial and subsequent covered purchasers and tenants) will have their incomes certified consistent with regulations for the NSP3 program.

Definition of Blighted Structure:

Section 66.1333(2m)(bm) of Wisconsin State Statutes provides that "blighted property" means any property within a city, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provisions for ventilation, light, air or sanitation, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime, and is detrimental to the public health, safety, morals or welfare, or any property which by reason of faulty lot layout in relation to size, adequacy, accessibility or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair market value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provisions of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use, or any property which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of the community.

Definition of Affordable Rents:

Affordable rents in the NSP3 program will be consistent with limits prescribed by HUD in conjunction with the HOME program. The following table displays 2010 HOME rent limits for the City of Milwaukee. The lower 50% AMI rent limit will be used in determining whether a unit can be counted towards the NSP3 requirement that at least 25% of grant funds be used to provide housing for individuals whose incomes do not exceed 50% of AMI. Affordable rent limits will be updated each year of the NSP3 implementation period to reflect any changes in HOME rent limits.

NSP3 Affordable Rent Limits

Unit Size	50% AMI Limit	High Home Limit
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1 BR \$561 \$600

2 BR \$654 \$722

3 BR \$768 \$925

4 BR \$854 \$937

5 BR \$940 \$1,083

Limits assume tenant responsibility for all utilities other than sewer/water. Adjustments will be made using Housing Authority of the City of Milwaukee

Utility Allowances when appropriate.

Housing Rehabilitation/New Construction Standards:

The following summary describes the housing rehabilitation standards which will apply to properties rehabilitated with NSP3 funds:

Scope of Work: A qualified professional will thoroughly inspect the property and develop a cost-estimated scope of work. The scope of work will list the minimum requirements to bring the property into program and code compliance.

Technical Specifications: Rehab work on NSP3 assisted properties will follow the City's "Technical Specifications and Performance Standards" manual ("Manual"). The Manual is currently used for the City's Federally-funded HOME programs. It combines the City's rehabilitation standard with programmatic policies, federal regulations, and State / local building codes. It is the overall guide to labor and material performance standards for Federally-assisted rehabs. The manual can be accessed via the City's website:

<http://city.milwaukee.gov/TableofContents16404.htm>

Lead Safety: All applicable laws and regulations relating to lead-based paint (federal, state, and local) will be complied with in the rehabilitation of NSP3 assisted properties. Lead abatement work will be done by State of Wisconsin-certified lead abatement contractors with properly-trained supervisors and crews. All work will be performed in a lead-safe manner and where applicable, completed work will have appropriate lead dust wipe clearance by the Milwaukee Health Department (MHD.)

Accessibility: Milwaukee's NSP3 housing construction programs will conform to the requirements of 24 CFR part 8.



"Green" Improvements: For one and two family new construction and gut rehab projects under NSP3, the City of Milwaukee will exceed the national standards for Energy Star-new construction. While gut rehabs of mid- or high-rise multifamily housing is not anticipated, if such work is undertaken, it will meet the standards set forth by ASHRAE Standard 90.1-2004, Appendix G plus 20 percent. For moderate rehabilitation, there will be a strong emphasis on energy efficiency upgrades, such as high efficiency furnaces and boilers, energy-efficient windows, air-sealing, insulation, and efficient lighting. Landscaping that beautifies the property will be encouraged for NSP 3 assisted properties. An added benefit is that trees and other permanent landscaping capture carbon dioxide, a major component of greenhouse gases. Whenever financially feasible, scopes of work will include environmentally-friendly improvements that conserve energy, manage storm water runoff, and minimize use of non-renewable resources.

Occupancy Permits and Final Inspections: In the City of Milwaukee, a building vacant for more than one year requires a renewed Certificate of Occupancy. Such buildings require clearance from MHD and the Department of Neighborhood Services (DNS.) It is assumed that many NSP3-assisted properties will need new Certificates of Occupancy.

Additionally, before a NSP3-assisted property is occupied, a qualified rehabilitation specialist or other housing professional will inspect the rehab work to insure the scope of work is completed in a professional manner, that permits were issued, that there is a valid Occupancy Permit, and that all required MHD and Department of Neighborhood Services (DNS) sign-offs are on-file.

Vicinity Hiring:

NSP3 includes a requirement that grantees work to provide employment opportunities for residents of the program area. As it has in both the NSP1 and NSP2 programs, the City of Milwaukee will work to ensure that the NSP3 program maximizes contracting and employment opportunities for residents who reside in the vicinity of NSP target neighborhoods. City staff working on the NSP program endeavor to connect interested Emerging Business Enterprises (EBE) and minority contractors with opportunities to work on NSP funded projects. In the City's NSP1 program, 40% of Homebuyer Assistance and Rental Rehabilitation projects (those where City staff assist homebuyers in selecting contractors to work on foreclosed properties they have purchased) were carried out by EBE or minority contractors. For projects where the City (through the Neighborhood Improvement Development Corporation) acted as developer and procured contractors, the rate was 60%. Additional NSP projects were carried out by developers operating Adult Build training programs.

The City is also requiring and tracking Section 3 participation on NSP projects subject to Section 3 requirements to ensure that it complies with HUD guidance on utilizing NSP funds to provide employment opportunities for low-income residents.

These efforts will continue during NSP3. The City will continue to utilize EBE and Section 3 targets on all NSP3 projects and work to connect local contractors to these opportunities. These efforts will include the continued use of the on-line "bid-desk" to communicate with contractors when eligible projects are out to bid and continued efforts by NSP rehab specialists to ensure that local contractors participate in NSP3 projects.

Procedures for Preferences for Affordable Rental Dev.:

The City's NSP3 activities have been designed to provide a "toolkit" of activities to address the specific neighborhood impacts of the foreclosure crisis on these two neighborhoods. Proposed activities will increase owner occupancy, return vacant and abandoned homes to productive use for both homeownership and as quality affordable rental housing, intervene in the marketplace by acquiring key foreclosed and abandoned properties that would otherwise be purchased by speculators who are not prepared to appropriately invest in them, and eliminate severe blighting conditions through selective demolition. Taken as a whole, the concentration of NSP3 resources in these target neighborhoods combined with the ongoing complementary neighborhood revitalization efforts will have a noticeable impact on neighborhood housing quality and property values.

The City of Milwaukee will work with responsible investors and landlords to utilize NSP funds to create rental housing units for households with incomes at or below 50% of area median income. As it has in the NSP1 and NSP2 program, the City will utilize NSP funds to assist responsible investors with the rehabilitation of scattered site vacant and foreclosed properties as well as provide gap financing for NSP eligible "large projects," which can include either rehabilitation of existing structures or the construction of high quality affordable housing on land which is vacant as a result of demolition of foreclosed, blighted, vacant, or abandoned property.

It is expected that NSP3 funds will be used to create up to 22 units of housing for households at or below 50% of area median income.

Grantee Contact Information:

City of Milwaukee & Community Development Grants Administration
200 East Wells Street
Milwaukee, WI 53202

Administrator Contact Info
Steven L. Mahan
414-286-3842
smahan@milwaukee.gov



Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$3,263,949.00
Total Budget	\$0.00	\$3,263,949.00
Total Obligated	\$194,037.00	\$2,058,310.94
Total Funds Drawdown	\$920,812.33	\$1,515,874.71
Program Funds Drawdown	\$749,470.12	\$1,344,532.50
Program Income Drawdown	\$171,342.21	\$171,342.21
Program Income Received	\$2,000.00	\$171,342.21
Total Funds Expended	\$631,221.37	\$1,515,874.71
Match Contributed	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$403,192.35	\$0.00
Limit on Admin/Planning	\$268,794.90	\$149,005.94
Limit on State Admin	\$0.00	\$149,005.94

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$268,794.90	\$325,794.00

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$671,987.25	\$880,000.00

Overall Progress Narrative:

As of February 28, 2013, The City of Milwaukee has met the grant's 50% expenditure requirement. The expenditures have been added to the 1st quarter 2013 DRGR system for compliance.

To adhere to reporting requirements, Milwaukee has updated the 1st Qtr 2013 to capture total expenditures for the reporting period (ending March 31, 2013).

OVERALL:

After meeting the NSP2 expenditure deadline during the 1st Quarter of 2012, staff was able to devote additional time to identifying projects in the NSP3 program area and soliciting applications for the NSP3 Homebuyer Assistance and Rental Rehab programs. During the 4th quarter of 2012, the City received approval from HUD to slightly expand the NSP3 program area, allowing the program to operate in a larger portion of the Sherman Park and Layton Boulevard West Neighborhoods. The Department met its requirement to expend at least 50% of its initial NSP3 entitlement



grant prior to March of 2013.

Collaboration continued with community based organizations in the City's two NSP3 target neighborhoods, including multiple outreach activities as well as meetings with local counseling agencies, realtors, lenders, and the community promoting awareness of the availability of resources in the NSP 3 target areas.

Additional activity level detail is described within the individual activity reports below.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
NS4100000000, ADMINISTRATION	\$39,556.45	\$325,794.00	\$149,005.94
NS4200000000, HOMEOWNER FINANCIAL ASSISTANCE -	\$55,578.40	\$400,000.00	\$183,646.00
NS4400000000, DEVELOPMENT SUBSIDIES - ELIGIBLE USE B	\$144,375.81	\$1,383,361.00	\$493,532.04
NS4600000000, RENTAL DEVELOPMENT- ELIGIBLE USE B & E	\$509,959.46	\$880,000.00	\$516,868.52
NS4800000000, DEMOLITION - ELIGIBLE USE D	\$0.00	\$274,794.00	\$1,480.00



Activities

Grantee Activity Number:	NS4100100211
Activity Title:	COMPTROLLER'S OFFICE

Activity Category:

Administration

Project Number:

NS4100000000

Projected Start Date:

03/07/2011

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

ADMINISTRATION

Projected End Date:

03/07/2014

Completed Activity Actual End Date:

Responsible Organization:

Comptroller's Office

Overall	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$50,000.00
Total Budget	\$0.00	\$50,000.00
Total Obligated	\$0.00	\$50,000.00
Total Funds Drawdown	\$14,898.53	\$29,562.86
Program Funds Drawdown	\$14,898.53	\$29,562.86
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$14,380.90	\$29,562.86
Comptroller's Office	\$14,380.90	\$29,562.86
Match Contributed	\$0.00	\$0.00

Activity Description:

Program Administration will be used for the reasonable costs of overall program management, coordination, monitoring, and evaluation. Such costs include (but are not limited to) salaries, wages, and related costs of staff engaged in program administration, which includes (but is not limited to) providing information about the program, preparing program budgets and schedules, preparing reports, and other costs for goods or services needed for administration of the program. Administration costs will be limited to 10% of the overall NSP3 grant amount.

Location Description:

N/A

Activity Progress Narrative:

The following activities were accomplished by the Comptroller's Office in the quarter ending 03/31/2013.

- 1) Reviewed and Approved Project Budget and Amendments
- 2) Establish/Amend Budget Lines
- 3) Reviewed contracts/agreements and Common Council Resolutions
- 4) Reviewed and processed project set-ups
- 5) Prepared and processed draws in DRGR
- 6) Reviewed and approved vouchers for payment
- 7) Obligated program activities and admin in DRGR
- 8) Provide program expenditure reports as requested



Accomplishments Performance Measures

No Accomplishments Performance Measures found.

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources



Grantee Activity Number:	NS4100200151
Activity Title:	COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

Activity Category:

Administration

Project Number:

NS4100000000

Projected Start Date:

03/07/2011

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

ADMINISTRATION

Projected End Date:

03/07/2014

Completed Activity Actual End Date:

Responsible Organization:

City of Milwaukee Community Development Grants

Overall

	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$50,000.00
Total Budget	\$0.00	\$50,000.00
Total Obligated	\$0.00	\$50,000.00
Total Funds Drawdown	\$13,017.30	\$34,413.87
Program Funds Drawdown	\$13,017.30	\$34,413.87
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$6,759.52	\$34,413.87
City of Milwaukee Community Development Grants	\$6,759.52	\$34,413.87
Match Contributed	\$0.00	\$0.00

Activity Description:

Program Administration will be used for the reasonable costs of overall program management, coordination, monitoring, and evaluation. Such costs include (but are not limited to) salaries, wages, and related costs of staff engaged in program administration, which includes (but is not limited to) providing information about the program, preparing program budgets and schedules, preparing reports, and other costs for goods or services needed for administration of the program. Administration costs will be limited to 10% of the overall NSP3 grant amount.

Location Description:

N/A

Activity Progress Narrative:

Community Development Grants Administration (CDGA) continues to monitor the overall program management of the NSP3 funded activities. Such activities include budget approvals, review set-ups and feasibility packets, maintain and submit quarterly reports, and completes any updates to the NSP3 Plan in the DRGR system as needed etc. CDGA receives and reviews all the necessary forms required for compliance reporting.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.



Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources



Grantee Activity Number: NS4100300191

Activity Title: DEPARTMENT OF CITY DEVELOPMENT

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

NS4100000000

Project Title:

ADMINISTRATION

Projected Start Date:

03/07/2011

Projected End Date:

03/07/2014

Benefit Type:

N/A

Completed Activity Actual End Date:

National Objective:

N/A

Responsible Organization:

Department of City Development

Overall

	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$225,794.00
Total Budget	\$0.00	\$225,794.00
Total Obligated	\$0.00	\$172,770.61
Total Funds Drawdown	\$11,640.62	\$85,029.21
Program Funds Drawdown	\$11,640.62	\$85,029.21
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$6,615.37	\$85,029.21
Department of City Development	\$6,615.37	\$85,029.21
Match Contributed	\$0.00	\$0.00

Activity Description:

Program Administration will be used for the reasonable costs of overall program management, coordination, monitoring, and evaluation. Such costs include (but are not limited to) salaries, wages, and related costs of staff engaged in program administration, which includes (but is not limited to) providing information about the program, preparing program budgets and schedules, preparing reports, and other costs for goods or services needed for administration of the program. Administration costs will be limited to 10% of the overall NSP3 grant amount.

Location Description:

N/A

Activity Progress Narrative:

During the 1st Quarter of 2013, staff planned and continued implementation of the NSP 3 Programs.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.



Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number: NS420010000A

Activity Title: HOMEBUYER ASSISTANCE

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

NS4200000000

Projected Start Date:

03/07/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

HOMEOWNER FINANCIAL ASSISTANCE - ELIGIBLE

Projected End Date:

03/07/2014

Completed Activity Actual End Date:

Responsible Organization:

Department of City Development

Overall	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$400,000.00
Total Budget	\$0.00	\$400,000.00
Total Obligated	\$61,632.00	\$254,767.00
Total Funds Drawdown	\$55,578.40	\$183,646.00
Program Funds Drawdown	\$55,578.40	\$183,646.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$1,400.00	\$1,400.00
Total Funds Expended	\$54,386.23	\$183,646.00
Department of City Development	\$54,386.23	\$183,646.00
Match Contributed	\$0.00	\$0.00

Activity Description:

Increasing homeownership is an important goal of the NSP3 program. The activity will provide zero-interest soft second mortgage financing (up to \$30,000 per property) to assist with the acquisition and rehabilitation costs to owner occupant purchasers of foreclosed homes. Families with incomes less than 120% of AMI will be eligible for the program and the amount of assistance will vary based on income. The financing is intended to serve as an incentive to encourage the purchase of foreclosed homes for owner occupancy, as well as eliminate the need for private mortgage insurance, increasing access to mortgage financing for potential purchasers. A minimum of 8 hours of homebuying counseling by a HUD approved counseling agency will be a condition of participation in the program.

In both NSP3 target neighborhoods, there is a supply of foreclosed homes which need modest rehab and are attractive for owner occupancy. This program will assist owner occupants in purchasing these properties and the technical assistance provided as part of the program will ensure that properties are rehabilitated to a high standard.

Assistance will be in the form of a soft-second mortgage (no interest), which will ensure that properties comply with NSP long term affordability requirements.

Location Description:

NSP3 Target Neighborhoods

Activity Progress Narrative:

During the 1st quarter, there were two Homebuyer Assistance loans closed and construction started.



NSP staff continues efforts to promote awareness of the NSP program and the expanded NSP 3 target area. Staff continued outreach and informational meetings with local lenders, realtors and home buying counseling agencies.

Work is ongoing to cultivate and increase the pipeline of eligible, qualified buyers who have been identified through the City's various outreach activities. The City's annual large homeownership fair is scheduled to take place during the 2nd quarter, and NSP resources will be heavily marketed at this event.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/16
# of Singlefamily Units	0	0/16

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/0	0/15	0/20	0
# Owner Households	0	0	0	0/0	0/15	0/20	0

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	



Grantee Activity Number: NS440010000A

Activity Title: ACQUISITION/REHAB/RESALE PROGRAM

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

NS4400000000

Projected Start Date:

03/07/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

DEVELOPMENT SUBSIDIES - ELIGIBLE USE B

Projected End Date:

03/07/2011

Completed Activity Actual End Date:

Responsible Organization:

Department of City Development

Overall	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$1,383,361.00
Total Budget	\$0.00	\$1,383,361.00
Total Obligated	\$0.00	\$855,525.33
Total Funds Drawdown	\$315,718.02	\$664,874.25
Program Funds Drawdown	\$144,375.81	\$493,532.04
Program Income Drawdown	\$171,342.21	\$171,342.21
Program Income Received	\$200.00	\$169,542.21
Total Funds Expended	\$39,808.16	\$664,874.25
Department of City Development	\$39,808.16	\$664,874.25
Match Contributed	\$0.00	\$0.00

Activity Description:

The program will help increase homeownership in neighborhoods impacted by foreclosures. The Acquisition/Rehab Program will involve the purchase and rehabilitation of vacant foreclosed properties by private and/or non-profit developers or by a City of Milwaukee-affiliated entity. When the work is done, the property will be offered for sale to eligible owner occupant families with incomes at or below 120% of area median income who have completed eight hours of homebuyer counseling.

NSP funds will be used to provide (no interest) financing for these projects and a portion of the funds will be "left in" the projects as development subsidy to bring the ultimate purchase price down to the current market value of the property.

For properties assisted under the City's acquisition/rehabilitation program, resale requirements (as opposed to recapture) will be utilized in cases where the buyer receives no direct assistance. These resale requirements will be consistent with requirements utilized in the City's HOME program.

This program will target homes in the NSP3 target neighborhoods which are in need of substantial rehabilitation, which may exceed the capacity of a homeowner to tackle on their own. These properties are generally priced significantly below assessed values and, if not addressed through the NSP program, are targets for speculative purchasers active in these areas who are not prepared to invest in needed rehabilitation. In NSP1 and NSP2, the City has utilized this program to target homes which are having significant impacts on the surrounding area as a way to remove negative influences and protect neighborhood housing values.

It is expected that at least nine units of foreclosed housing will be purchased and rehabilitated under this activity initially. Program income generated by the sale of properties will allow the City and its partners to carry out additional acquisition and rehabilitation projects in the NSP3 target neighborhoods.



Location Description:

NSP3 Target Neighborhoods

Activity Progress Narrative:

During the 1st Quarter of 2013, the Department continued to work to identify properties in the NSP3 neighborhoods to rehabilitate through this activity.

Construction was ongoing at two projects which were being rehabilitated under this activity during the 1st quarter. So far, partner developers have experienced fast sales in the NSP3 program, which is a positive sign moving forward. These projects are all occurring in the City's NSP3 target neighborhoods of Layton Boulevard West and Sherman Park.

NSP staff continue to work with NSP development partners to identify additional properties in these target areas which meet the criteria for the acquisition/rehab program. Two projects were in the pre-development stage at the conclusion of the quarter and work could begin on both during the 2nd quarter.

All purchasers of properties rehabilitated through this activity are required to receive a minimum of eight hours of face-to-face homebuyer counseling. Outreach continues with local homebuying counseling agencies, including promoting awareness of the expanded NSP 3 target areas. The City's annual large homeownership fair is scheduled to take place during the 2nd quarter, and NSP properties will be heavily marketed at this event.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/9

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/9
# of Singlefamily Units	0	0/9

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/0	0/4	0/9	0
# Owner Households	0	0	0	0/0	0/4	0/9	0

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number: NS462020000A

Activity Title: RENTAL DEVELOPMENT

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

NS4600000000

Projected Start Date:

03/07/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

RENTAL DEVELOPMENT- ELIGIBLE USE B & E

Projected End Date:

03/07/2011

Completed Activity Actual End Date:

Responsible Organization:

Department of City Development

Overall

	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$880,000.00
Total Budget	\$0.00	\$880,000.00
Total Obligated	\$0.00	\$529,831.00
Total Funds Drawdown	\$509,959.46	\$516,868.52
Program Funds Drawdown	\$509,959.46	\$516,868.52
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$400.00	\$400.00
Total Funds Expended	\$509,271.19	\$516,868.52
Department of City Development	\$509,271.19	\$516,868.52
Match Contributed	\$0.00	\$0.00

Activity Description:

This activity will help address the loss of quality affordable rental housing for low income families resulting from the foreclosure crisis and ensure that the City is able to meet NSP requirements that at least 25% of NSP3 funds be spent to create housing for households at or below 50% of area median income. It will also help the City comply with NSP3 program requirements to prioritize the creation of affordable rental housing.

This activity will provide NSP assistance to developers and responsible landlords who are working in the target neighborhoods to create high-quality affordable housing for low-income families.

Eligible projects could include the scattered site acquisition and rehabilitation of vacant, foreclosed or abandoned homes, or redevelopment of vacant property as housing in the areas. The City has utilized NSP1 and NSP2 funds to assist with these types of projects and will continue to do so in the NSP3 target neighborhoods. Developers participating in the program will have to commit to income and rent restrictions consistent with those required for the federal HOME program. Mortgages and/or restrictive covenants are used to secure the required period of affordability. Assistance will generally be structured as gap financing, with NSP funds utilized to make projects feasible or to match developer contribution to rehab costs.

In addition to the creation of affordable rental housing, this activity will address local market conditions by targeting properties which may not be attractive homeownership candidates (especially duplex properties with smaller living units and larger multi-unit buildings) and ensuring that they are rehabilitated to a high standard. These properties are generally priced significantly below assessed values and, if not addressed through the NSP program, are targets for speculative purchasers active in these areas who are not prepared to invest in needed rehabilitation.

It is expected that at 22 units of foreclosed housing will be purchased and/or rehabilitated under this activity.



Location Description:

NSP3 Target Neighborhoods

Activity Progress Narrative:

The Layton Boulevard West Neighbors Lease-To-Own project was under construction in the first quarter. The project is being jointly developed by Layton Boulevard West Neighbors ("LBWN") and Impact 7, Inc. LBWN is a non-profit southside neighborhood organization gaged in neighborhood revitalization activities, grass roots leadership development and housing and economic development. Impact 7 is a community development corporation with considerable experience in housing development in Wisconsin, managing over 850 housing units. The 24 units in the project include 23 city and bank owned foreclosures. 17 units are targeted to families earning under 50% of AMI. The project is a Low Income Housing Tax Credit Project and at the end of the tax credit compliance period, homes will be sold to existing tenants for home ownership. The project involves a combination of NSP 2 and NSP 3 funding.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# ELI Households (0-30% AMI)	0	0/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/22
# of Multifamily Units	0	0/8
# of Singlefamily Units	0	0/14

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/22	0/0	0/22	0
# Renter Households	0	0	0	0/22	0/0	0/22	0

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	



Grantee Activity Number: NS480010000A

Activity Title: DEMOLITION

Activity Category:

Clearance and Demolition

Project Number:

NS4800000000

Projected Start Date:

03/07/2011

Benefit Type:

Area Benefit (Census)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

DEMOLITION - ELIGIBLE USE D

Projected End Date:

03/07/2014

Completed Activity Actual End Date:

Responsible Organization:

Department of Neighborhood Services

Overall	Jan 1 thru Mar 31, 2013	To Date
Total Projected Budget from All Sources	N/A	\$274,794.00
Total Budget	\$0.00	\$274,794.00
Total Obligated	\$132,405.00	\$145,417.00
Total Funds Drawdown	\$0.00	\$1,480.00
Program Funds Drawdown	\$0.00	\$1,480.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$1,480.00
Department of Neighborhood Services	\$0.00	\$1,480.00
Match Contributed	\$0.00	\$0.00

Activity Description:

A large percentage of the foreclosed properties in the City of Milwaukee are blighting influences on the City's neighborhoods and are undermining neighborhood confidence and stability. Many of these properties have been on the market for a period of six months or more, and have been the target of significant vandalism and "cannibalization" of building components and materials.

The cost of rehabilitating these properties to the standards prescribed for the NSP3 program would be far in excess of their market value. As a result, NSP3 funds will be used to selectively demolish those structures that are the most severely blighted and detrimental to neighborhood stability and which are not appropriate candidates for rehabilitation. The City will be proactive in its strategies for neighborhood supporting reuse of the vacant land resulting from demolition.

The removal of these blighting properties will complement other NSP3 activities by removing those properties which are having the most detrimental impacts on neighborhood property values and are an attractive nuisance for crime or vandalism. It is expected that the City will demolish 16 blighted housing units under this activity.

Location Description:

NSP3 Target Neighborhoods

Activity Progress Narrative:

DNS did not meet the 50% expenditure deadline due to a lack of qualified candidates in the original census tracts defined for this grant. Those tracts were expanded to include surrounding areas that impact the original tracts. Two bid openings with NSP 3 funded parcels were conducted in this 1st quarter 2013. Recent set-ups for this grant now total \$145,417. Upon



completion of those demolitions we will exceed the 50% expenditure requirement. We are aggressively pursuing other qualified candidates in this district to help us meet the deadline established by the grant.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/18

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/30
# of Singlefamily Units	0	0/30

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

Address	City	County	State	Zip	Status / Accept
			Wisconsin	-	Not Validated / N

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

