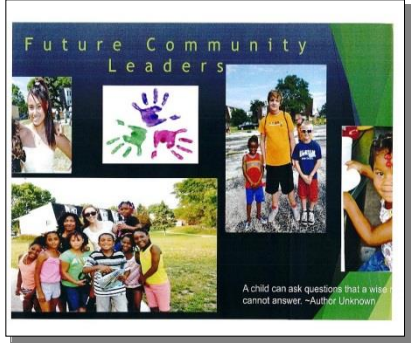


City of Milwaukee-
Community Development Grants Administration

Year 2017 Proposed
Funding Allocation Plan (FAP)

Date of Release: June 24, 2016

NOTICE OF POSSIBLE FUNDING REDUCTION

- This disclaimer serves as notice to all recipients of funding awarded under the City of Milwaukee- Community Development Grants Administration (CDGA).

  Should availability of federal funds:
  Community Development Block Grant (CDBG),
  HOME Investment Partnerships,
  Emergency Solutions Grants (ESG) Program
  Housing Opportunities for Persons with AIDS (HOPWA)
  be reduced, the City of Milwaukee's Community and Economic Development Committee can modify and reduce either the Grantee's and/or Sub-grantee's award compensation or the Grantee's and/or Sub-grantee's program year or both. In the event of such a modification or reduction the Grantee and/or Sub-grantee shall be notified in advance of the pending Community and Economic Development Committee meeting where such action shall take place.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant program was established by Congress in 1974 with the passage of the Housing and Community Development Act. This program provides funds to municipalities and other units of government around the country to develop viable urban communities. This is accomplished by providing affordable, decent housing, a suitable living environment and by expanding economic opportunities principally for low and moderate income persons. Local units of government develop their own programs and funding priorities, however all activities must be consistent with one or more of the following HUD national objectives:

- **Principally benefits low/moderate income persons**
- **Prevents or eliminates slum or blight**
- **Addresses an urgent need or problem in the community (e.g., natural disaster)**

As a Participating Jurisdiction (PJ) and entitlement community, the City of Milwaukee-Community Development Grants Administration (CDGA), receives annual funding allocations from the Federal government to fund activities to address these National Objectives.

As a recipient of these funds, the City of Milwaukee is required to submit to HUD an annual Funding Allocation Plan that describes how the City will utilize Federal funds to address the national objectives in a manner that will produce the greatest measurable impact on our community.

The statutes for the Federal formula grant programs set forth three basic goals against which the plan and the City's performance under the plan will be evaluated by HUD. The City must state how it will pursue these goals for all community development programs.

HUD statutory program goals are:

<u>DECENT HOUSING - which includes:</u>

- **Assisting homeless persons obtain affordable housing;**
- **Assisting persons at risk of becoming homeless;**
- **Retaining the affordable housing stock;**
- **Increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability;**
- **Increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence; and**
- **Providing affordable housing that is accessible to job opportunities.**

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

A SUITABLE LIVING ENVIRONMENT - which includes:

- **Improving the safety and livability of neighborhoods;**
- **Eliminating blighting influences and the deterioration of property and facilities;**
- **Increasing access to quality public and private facilities and services;**
- **Reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods;**
- **Restoring and preserving properties of special historic, architectural, or aesthetic value; and**
- **Conserving energy resources and use of renewable energy sources.**

EXPANDED ECONOMIC OPPORTUNITIES- which includes:

- **Job creation and retention;**
- **Establishment, stabilization and expansion of small businesses (including micro-businesses);**
- **The provision of public services concerned with employment;**
- **The provision of jobs to low-income persons living in areas affected by those programs and activities, or jobs resulting from carrying out activities under programs covered by the plan;**
- **Availability of mortgage financing for low-income persons at reasonable rates using non-discriminatory lending practices;**
- **Access to capital and credit for development activities that promote the long-term economic and social viability of the community; and**
- **Empowerment and self-sufficiency for low-income persons to reduce generational poverty in federally assisted housing and public housing.**

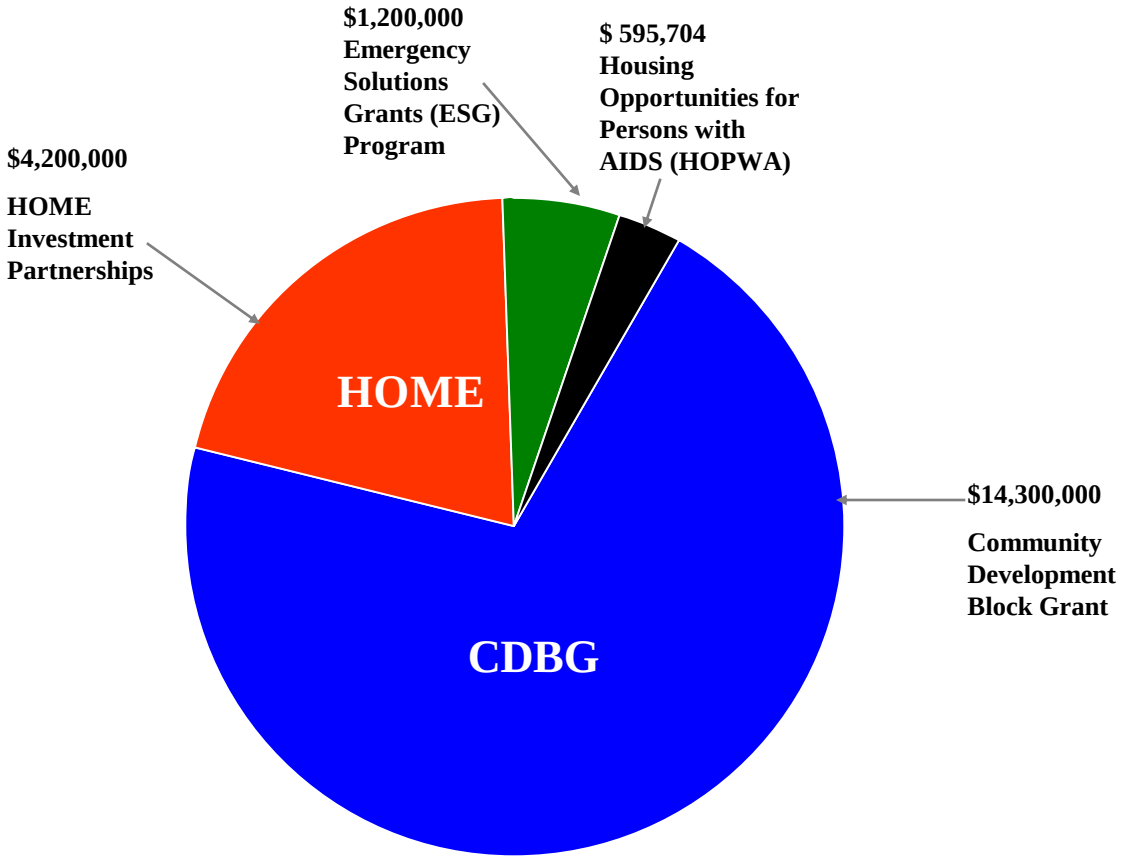
Long-term outcomes linked to these goals are:

- **Availability/Accessibility – This outcome relates to programs that make services, housing, infrastructure, public services, or shelter accessible or available to low or moderate income persons, include those with special needs and/or disabilities.**

- **Affordability – This outcome relates to programs that provide affordability to low or moderate income persons and can include affordable housing.**

- **Sustainability – This outcome relates to programs that improve communities and promote viability such as removing slum and blight or other services that sustain communities.**

2017 Proposed City of Milwaukee Block Grant Entitlement Allocation



2017 Proposed Federal Entitlement Allocation

Community Development Block Grant (CDBG)	$ 14,300,000
HOME Investment Partnership (HOME)	$ 4,200,000
Emergency Solutions Grants (ESG) Program	$ 1,200,000
Housing Opportunities for People with AIDS (HOPWA)	$ 595,704
Total	$ 20,295,704

HUD OBJECTIVES & OUTCOMES FOR

2017 Proposed Neighborhood Initiatives

HUD Objective: Create Suitable Living Environment **HUD Outcome: Sustainability**	**HUD Objective: Provide Decent Affordable Housing** **HUD Outcome: Affordability**	**HUD Objective: Create Economic Opportunities** **HUD Outcome: Sustainability**
Community Organizing/Crime Prevention/NSP	Affordable Housing Production (includes CHDO)	Employment Services (Job Training & Placement/Job Placement)
Community Prosecution Unit	Neighborhood Improvement Program (NIP)	Special Economic Development – Assistance for Businesses
Community Partners	Owner-Occupied Home Rehab Loan Program	Emerging Business Enterprise Program
Driver's License Recovery/Employment Project	Tenant-Based Rental Assistance	Summer Youth Internship Program
Homeless Shelters	Homebuyer Counseling/Post Purchase Education	Brownfields Redevelopment
Continuum of Care Planning (Lead Agency Oversight)	Code Enforcement Program	Commercial Revitalization
Graffiti Abatement	Housing Accessibility Program	Transitional Jobs
Landlord/Tenant Compliance Program	Milwaukee Builds Program	
Youth Services	Lead Paint Abatement	
Milwaukee Fatherhood Initiative & Community Engagement	Fair Housing Enforcement/Equal Rights Commission	
Housing and Services for Persons with AIDS	Environmental Planning & Review	
Translation Services	FOCUS /Community Risk Reduction	
Milwaukee Promise		
Earn & Learn Program		

2017 Proposed Community Based Organizations' Initiatives

- Community Organizing * (NSP Areas 1-19)
- Community Prosecution Unit
- Community Partners
- Employment Services *
- Employment Services-Transitional Jobs
- Employment Services-Earn & Learn Program
- Economic Development *
- Fair Housing Enforcement
- Youth Services: General *
- Driver's Licenses Recovery/Employment Project
- Translation Services
- Milwaukee Promise
- Homebuyer Counseling *
- Technical Assistance for CBOs
- Homeless Shelters *
- Graffiti Abatement *
- Housing Accessibility Program *
- Housing: Neighborhood Improvement Program *
- Affordable Housing Production (includes CHDO) *
- Milwaukee Builds Program
- Housing Opportunities for Persons with AIDS *

**** Request for Proposal (RFP) required***

2017 Proposed CDBG Entitlement Allocation

(By Category)

I. Public Service

Community Organizing	
➢ Neighborhood Strategic Planning	$ 855,000
➢ Community Partners Initiative	$ 200,000
➢ Community Prosecution Unit	$ 311,809
➢ Translation Services	$ 25,000
Public Service- General	
➢ Youth Services: General	$ 895,000
➢ Driver's Licenses Recovery/Employment	$ 100,000
➢ Employment Services	$ 316,000
➢ Employment Services-Transitional Jobs	$ 339,341
➢ Employment Services-Earn & Learn	$ 150,000
➢ Milwaukee Promise	$ 100,000
Homebuyer Counseling	$ 300,000
Homeless Shelters	$ 1,100,000
Public Service Total	$ 4,692,150

2017 Proposed CDBG Entitlement Allocation

(By Category)

II.	**Planning**	
	➢ **Fair Housing Enforcement/Education/ Predatory Lending**	**$ 137,500**
	Planning Total	**$ 137,500**
III.	**Economic Development (ED)**	
	➢ **Special Economic Development/Large Impact Development**	**$ 900,000**
	ED Total	**$ 900,000**
IV.	**Capacity Building**	
	➢ **Technical Assistance to CBO's**	**$ 75,000**
	Capacity Total	**$ 75,000**

2017 Proposed CDBG Entitlement Allocation

(By Category)

V. Housing

➢ Housing Accessibility Program	$	40,000
➢ Neighborhood Improvement Program	$	787,850
➢ Milwaukee Builds Program	$	400,000
➢ Graffiti Abatement	$	80,000
Housing Total	$	1,307,850

2017 Proposed CDBG Entitlement Allocation

(By Category Summary)

➢ **Public Service**	**$ 4,692,150**
➢ **Planning**	**$ 137,500**
➢ **Economic Development**	**$ 900,000**
➢ **Capacity Building**	**$ 75,000**
➢ **Housing**	**$ 1,307,850**
	$ 7,112,500
Proposed CITY CDBG Activities	**$ 5,623,000**
Mandated Administration (Financial & Programmatic Oversight & Accountability)	**$ 1,564,500**
2017 Proposed CDBG Entitlement Allocation	**$ 14,300,000**

Proposed 2017 City CDBG Activities

Mandated City Departments	Activity	2017 Proposed Allocation
Community Development Grants Administration	Administration	$ 885,000
Community Development Grants Administration	Continuum of Care Planning	27,500
Comptroller's Office	Administration	544,000
Dept. of Administration	Equal Rights Commission	80,000
RACM	Environmental Planning & Review	28,000
		$1,564,500
City Departments		
Dept. of Administration	Milwaukee Fatherhood Initiative & Community Engagement	50,000
Dept. of Admin-Office of Small Business Development	Emerging Business Enterprise Program	150,000
		$ 200,000
Department of City Development	Youth Internship Program	300,000
Department of City Development	Administration	334,500
Department of City Development	Owner-Occupied Home Rehab Loan Program	520,500
Department of City Development	Commercial Revitalization	126,500
		$1,281,500

Proposed 2017 City CDBG Activities

City Departments	Activity	2017 Proposed Allocation
Dept. of Neighborhood Services	Landlord/Tenant Compliance Program	$ 120,000
Dept. of Neighborhood Services	Code Enforcement Inspectors Targeted Enforcement	1,250,000
Dept. of Neighborhood Services	Code Enforcement-Housing	665,000
Dept. of Neighborhood Services	Demolition	350,000
		$ 2,385,000
Health Department	In-House Lead-Based Paint Prevention/Abatement	755,000
Health Department	Lead-Based Paint Prevention/Abatement Project (CDGA Housing Providers)	603,000
		$ 1,358,000
Milwaukee Fire Department	FOCUS/Community Risk Reduction	$ 229,500
RACM	Brownfield Initiatives	$ 169,000
Total 2017 Proposed Allocations for City Departments		**$7,187,500**

2017 Proposed HOME Entitlement Allocation

(By Category)

I. Housing

➢ Neighborhood Improvement Program	$ 1,921,000
➢ CHDO Affordable Housing Production	$ 730,000
➢ CHDO Operating Cost	$ 200,000
➢ Milwaukee Builds Program	$ 100,000
➢ Tenant-Based Rental Assistance	$ 150,000
	$ 3,101,000
Proposed CITY HOME Allocation	$ 1,099,000
2017 Proposed HOME Entitlement Allocation	$ 4,200,000

Proposed 2017 City HOME Activities

City Departments	Activity	2017 Proposed Allocation
Community Development Grants Administration	Administration	$ 352,000
Comptroller's Office	Administration	68,000
Dept. of City Development	Owner-Occupied Home Rehab Loan Program	554,000
Dept. of City Development	Rental Rehabilitation Loan Program	125,000
		$1,099,000

Total 2017 Proposed HOME Allocations for City Departments **$1,099,000**

Program Descriptions – City Departments

(CDBG Funds)

Community Development Grants Administration

Administration – Oversight and administration of all grant funded programs.

Continuum of Care Planning - Oversight and planning for the Continuum of Care grant in the role as lead agency for the grant.

Comptroller's Office

Administration - Fiscal oversight of all grant funded programs, including reviewing and approving project budgets, budget amendments, processing of cost reports and payment vouchers, A-133 auditing, all HUD OMB regulatory circulars, preliminary reviews of newly-funded groups, review and approval of cost allocation plans, preparing external reports, preparing financial reports, and fiscal site reviews of funded agencies.

RACM

Environmental Planning & Review - The program provides full environmental reviews of new and continuing projects. This is a HUD mandated activity. This project partially supports the salary of an environmental engineer who conducts National Environmental Policy Act (NEPA) compliance review for all HUD-funded activities undertaken by the City of Milwaukee and community partners.

Dept. of Administration

Equal Rights Commission - The goals are to maintain the City's oversight, investigative and enforcement capabilities over discriminatory practices not addressed and protected by federal and state laws. The following are the broad functional responsibilities of the ERC: **Oversight/Accountability; Community Collaboration and Partnerships; Prevention, Education, and Training.**

Program Descriptions – City Departments

Dept. of Administration

Milwaukee Fatherhood Initiative & Community Engagement
This is a collaborative program that increases the number of children with involved, responsible and committed custodial and non-custodial guardians and/or parents. Custodial and non-custodial guardians and/or parents are taught effective skills for healthy relationships and child development to help foster family reunification.

Dept. of Administration-Office of Small Business Development

Emerging Business Enterprise Program - The Office of Small Business Development (OSBD) is a multi-faceted direct service provider that establishes internal and external relationships to increase the economic development, capacity and sustainability of the small business community and city of Milwaukee. The program provides contracting opportunities in commodity procurement, construction, service orders and professional services for small and emerging businesses.

Dept. of City Development

Youth Internship Program - The program provides high school juniors and seniors a variety of internship positions throughout City departments. The interns work 20 hours per week over the course of eight weeks and are connected to the real-life world of work. Team leaders mentor the interns who also receive training each week on personal and professional development.

Program Descriptions – City Departments

Dept. of City Development

Administration - DCD administers several CDBG and HOME funded programs and this program provides administration and oversight of these grant funded programs. Activities include voucher review and approval, budget preparation, analysis and cost reporting, accounts payable, and purchase requisitions.

Owner-Occupied Home Rehab Loan Program - The program provides loans and technical assistance to owner-occupants of one to four unit residential properties in need of repair. Loans are very low interest loans, ranging from 0% to 3% interest rates. The priority for program activity is to address code violations and fund energy conservation improvements.

Commercial Revitalization – This program's primary goals include marketing and administering programs that offer financial support to business owners and working with Business Improvement Districts to support their efforts in maintaining commercial corridors, including signage and streetscape improvements and connecting the disposition of tax-foreclosed commercial properties to commercial revitalization activities.

Dept. of Neighborhood Services

Landlord/Tenant Compliance Program- This program ensures that identified code violations on rental properties are addressed by allowing renters living in units with expired code repair orders to pay rent into a city-held account until repairs are made. The program provides renters with emergency relocation from condemned properties and emergency shelter when necessary. Rental proceeds may be used for repairs related to health, safety and welfare of tenants.

Program Descriptions – City Departments

Dept. of Neighborhood Services

Code Enforcement Inspectors/Targeted Enforcement - The program supports efforts to address designated blighted areas, including enhanced special enforcement activity and landlord training. The program includes an intern component that provides Milwaukee residents with on the job experience and classroom training to increase their ability to attain full-time employment as code enforcement inspectors.

Demolition- Demolition of City owned, tax foreclosed blighted properties for future redevelopment.

Code Enforcement – Housing - This is a collaborative project with community-based agencies receiving grant funding for housing programs. DNS staff conduct required inspections for code violations, screen applications, prepare work and scope estimates, and sign off on completed housing rehabilitation work. This is a mandatory activity that must be conducted to ensure that groups using grant funds for housing projects are in compliance with all grant requirements

Health Department

Lead-Based Paint Prevention/Abatement - This program provides lead risk assessments, testing of units for lead based paint, and prevention and abatement of lead based paint. The program also works with Federally-funded housing groups to comply with HUD mandatory regulations. Also includes abatement of units involving children with elevated blood lead levels.

Program Descriptions – City Departments

Milwaukee Fire Department

FOCUS/Community Risk Reduction - Smoke detectors are installed and fire prevention information is provided to residents in targeted CDBG areas and neighborhoods determined to be most at-risk of residential fires. Other services are provided, including fire inspections, blood pressure tests, stroke screening and referrals for additional social services.

RACM

Brownfield Initiatives - Program revitalizes properties that are vacant or underutilized and often suspected to be environmentally contaminated. The program's goal is to turn these blighted sites into economically productive properties. Site evaluations are conducted for brownfield properties, apply for federal and state evaluation and clean-up grants, and work with buyers of such properties to ensure compliance with state and federal environmental regulations.

Program Descriptions – City Departments

(HOME Funds)

Community Development Grants Administration

Administration – Oversight and administration of all grant funded programs.

Comptroller's Office

Administration - Fiscal oversight of all grant funded programs, including reviewing and approving project budgets, budget amendments, processing of cost reports and payment vouchers, A-133 auditing, all HUD OMB regulatory circulars, preliminary reviews of newly-funded groups, review and approval of cost allocation plans, preparing external reports, preparing financial reports, and fiscal site reviews of funded agencies.

Dept. of City Development

Owner-Occupied Home Rehab Loan Program - The program provides loans and technical assistance to owner-occupants of one to four unit residential properties in need of repair. Loans are very low interest loans, ranging from 0% to 3% interest rates. The priority for program activity is to address code violations and fund energy conservation improvements.

Rental Rehabilitation Program - Provides forgivable loans for the rehabilitation of residential rental units, of one or more bedrooms, for occupancy by low-moderate income households. Eligible improvements include code and safety items, energy conservation, lead hazard reduction, roofs, siding, electrical, plumbing, heating, kitchen and bathroom updates and more. The property must meet City of Milwaukee code requirements upon completion.

Program Descriptions–Community-Based Agencies
(CDBG Funds)

Community Organizing/Crime Prevention/NSP	Programs are a coordinated, pro-active approach to neighborhood stability combining organizing efforts with public enforcement efforts (DNS, Health , Police and City Attorney) as a tool in dealing with crime, neighborhood clean ups, nuisance properties, block club formation and other neighborhood issues.
Community Partners	Collaborate with the High Intensity Drug Trafficking Area program (HIDTA) on crime reduction and neighborhood improvement activities; door-to-door contacts with residents in high-crime areas; block club creation, community meetings on issues, resources and referrals.
Community Prosecution Unit	Collaborate with the Milwaukee Police Department and the District Attorney's office to abate criminal activity and nuisance properties and nuisance behavior in neighborhoods.
Community Organizing-Translation Services	Translation services provided to residents at community meetings or community engagement encounters including schools and door to door contacts.
Youth Services	Social, educational and recreational activities and services for low-moderate income youth safe havens, school-community initiatives, truancy abatement and teen pregnancy prevention.
Driver's License Recovery/Employment Project	Assist low income persons with driver's license recovery, employment & other supportive services.

Program Descriptions–Community-Based Agencies
(CDBG Funds)

Employment Services	Skilled trades, industry specific job training and placement opportunities boosting employment and living wage jobs for low-moderate income individuals.
Employment Services/Transitional Jobs	This program supplements the collaborative efforts of the City of Milwaukee to address the disproportionate underemployment of city residents. Individuals employed in the City's Transitional Jobs Program receive the skill training, certification and experience needed to connect with permanent employment. Services are provided to low-income unemployed residents and those aging out of foster care to assist in transitioning into the workforce through subsidized employment.
Earn & Learn	Summer youth employment program in partnership with local business, non-profit, and community- and faith-based organizations. The program assists young people from Milwaukee in making a successful transition from adolescence into adulthood through job skills and work experience.
Homebuyer Counseling	This program provides homebuyer counseling and other activities to facilitate mortgage loan closings for first-time low-income homebuyers. Besides pre-purchase counseling and mortgage loan assistance, non-profit agencies provide budget counseling and assistance with credit repair. Services also include assistance to residents in obtaining home improvement/repair loans, refinancing,, post purchase, tax default and mortgage default counseling. In addition, the homebuyer counselors act as a liaison between homebuyers, lenders and real estate professionals.

Program Descriptions–Community-Based Agencies
(CDBG Funds)

Fair Housing Enforcement/Education/Predatory Lending

Fair Housing: Public Education - Public education program that includes presentations on fair housing laws, programs for homeowners on discriminatory homeowner's insurance practices, fair housing training seminars, technical assistance on fair housing compliance.
Fair Housing Enforcement - Through walk-ins & referrals, counseling and testing services are provided for persons alleging violations of fair housing in rental, sale, insurance, financing and home appraisals.
Fair Lending - Advocates for the removal of institutional barriers to private sector investments in Milwaukee neighborhoods. Monitors compliance with lending laws and promotes partnership development activity with financial institutions to reduce the patterns of segregation and to increase minority lending practices in metro Milwaukee.

Special Economic Development/Large Impact Development

Community-based agencies provide technical assistance to businesses to help spur new job creation and job retention. Assistance includes: business plan development, financial accounting, loan underwriting, legal and tax consulting and contract procurement.

The Large Impact Development Fund (LID) is designed to foster new economic development projects in underserved Milwaukee neighborhoods. The goals for eligible LID Projects are the re-use of vacant, blighted property or physical expansion, provide new or increased City tax revenues, and to create jobs. Turning blighted or underused sites into economically productive properties.

Milwaukee Promise

Multi-faceted City effort to address poverty, joblessness, health issues, diversity, crime and violence and low educational achievement in Milwaukee neighborhoods.

Program Descriptions–Community-Based Agencies
(CDBG Funds)

Homeless Shelters	Housing and services for homeless individuals and families, victims of domestic violence and troubled youth, including assistance with obtaining appropriate supportive services, permanent housing, transitional housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living.
Housing Accessibility Program	Housing accessibility improvements for income eligible persons with physical, visual and hearing disabilities. Improvements can include handicap accessible ramps, bathroom, kitchen, bedroom and living room modifications and safety enhancements.
Housing-Neighborhood Improvement Program (NIP)	Administered by several community-based housing organizations. Forgivable housing rehabilitation loans for repairs based on interior and/or exterior municipal code violations. NIP clients must be owner-occupants of the property for a minimum of five years before applying for assistance; agree to remain an owner occupant for at least five years following the completion of the housing rehabilitation work and household income must be at or below 60% of county median income.
Milwaukee Builds Program	This program provides on-site housing construction and rehabilitation training and work experience, off-site academic classes and supportive services for at-risk youth and adults. The program provides young people with education, employment skills and career direction leading to economic self-sufficiency while also creating affordable housing opportunities in the community. Non-profit community-based agencies are funded to undertake this program.
Graffiti Abatement	Removal of graffiti from residential structures; public education.

Program Descriptions–Community-Based Agencies
(CDBG Funds)

Technical Assistance for Community-Based Agencies	Provide technical assistance to community-based organizations to help strengthen their administrative capabilities, board development and organizational strength to promote efficient services to community residents

Program Descriptions–Community-Based Agencies
(HOME Funds)

Housing-Neighborhood Improvement Program (NIP)	Forgivable housing rehabilitation loans for repairs based on interior and/or exterior municipal code violations. Clients must be owner-occupants of the property for a minimum of five years before applying for assistance; agree to remain an owner occupant for at least five years following the completion of the work and household income must be at or below 60% of county median income.
Affordable Housing(Acquire/Rehab/Sell & New Construction (CHDO)	Rehabilitate distressed properties in the Target Area focusing on deteriorated, boarded and vacant properties . Electrical, plumbing and heating systems are upgraded or replaced. New doors, windows and related hardware are also replaced if needed. The properties are weatherized and insulated to Wisconsin Gas Company standards and energy efficient furnaces or boilers are installed. At completion, the properties are code compliant and energy efficient and are marketed to income eligible residents.
Milwaukee Builds Program	This program provides on-site housing construction and rehabilitation training and work experience, off-site academic classes and supportive services for at-risk youth and adults. The program provides young people with education, employment skills and career direction leading to economic self-sufficiency while also creating affordable housing opportunities in the community. Non-profit community-based agencies are funded to undertake this program.
Tenant-Based Rental Assistance	Rental assistance to income eligible applicants transitioning from shelters to permanent housing.