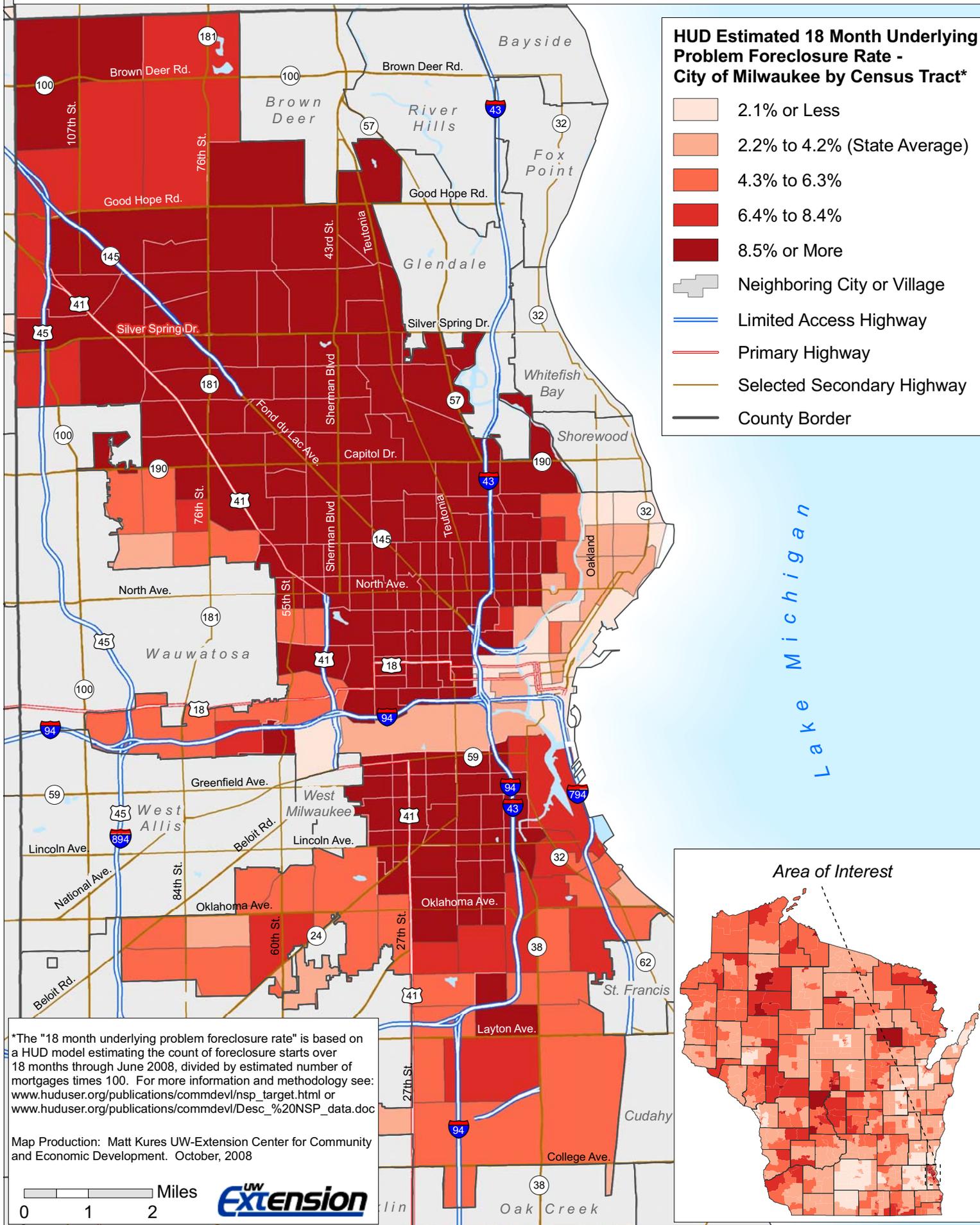


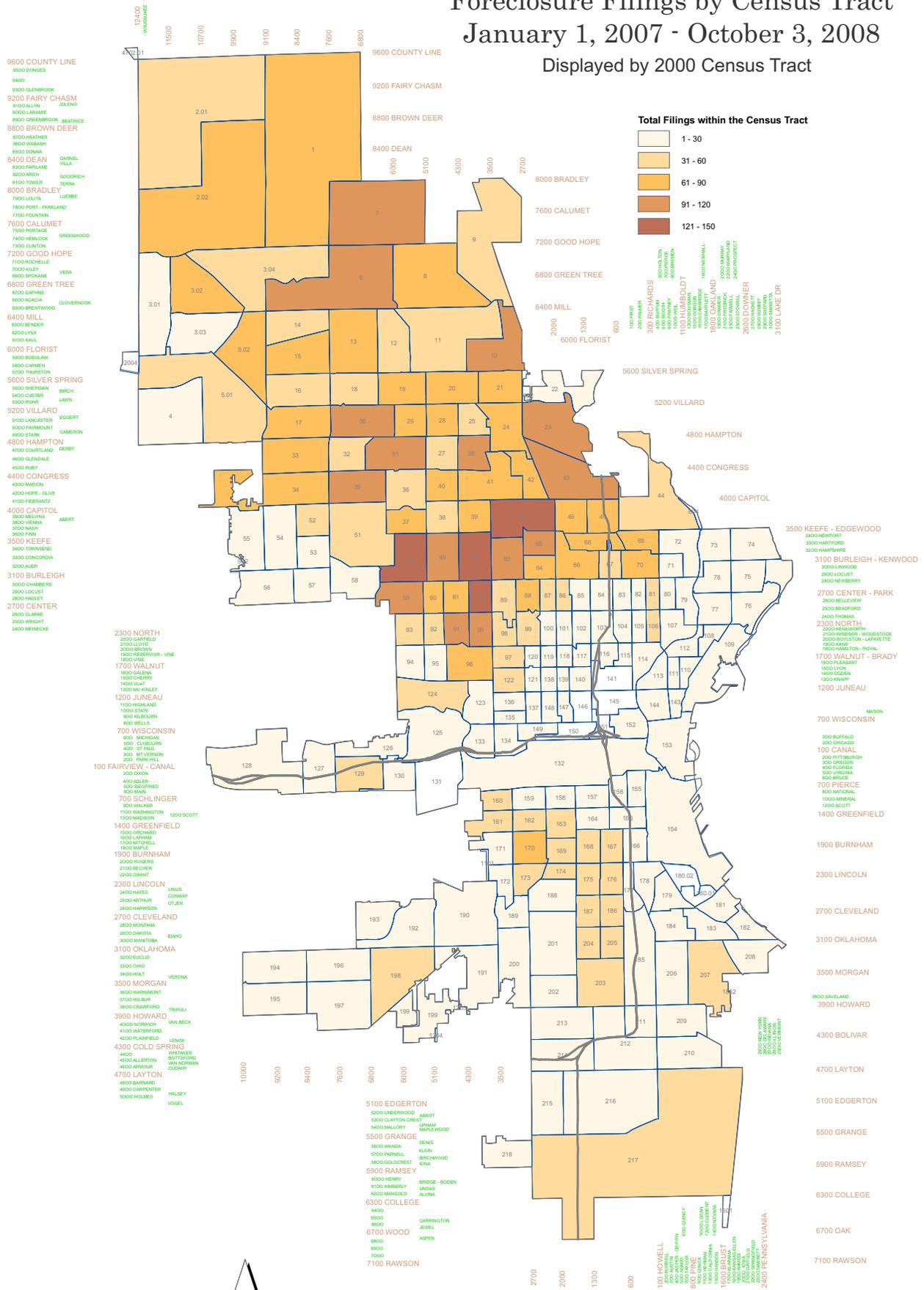
Appendix A

HUD Neighborhood Stabilization Program Targeting

City of Milwaukee Estimated 18 Month Underlying Problem Foreclosure Rate



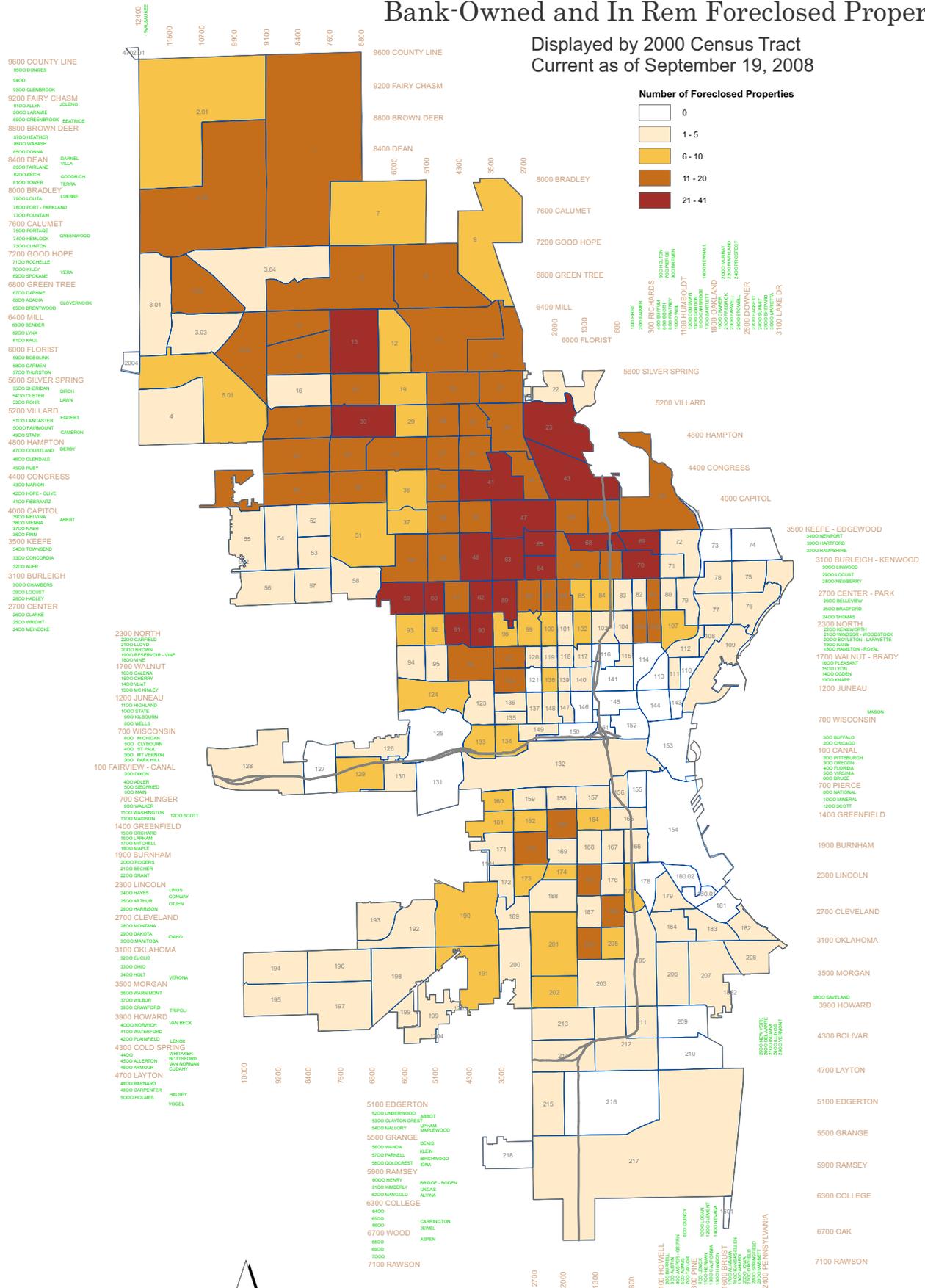
City of Milwaukee Foreclosure Filings by Census Tract January 1, 2007 - October 3, 2008 Displayed by 2000 Census Tract



Produced by:
Department of City Development Information Center, RTW
Project File:
W:\Map Requests 2008\City Overview\total filings 10 08.mxd
Map File:
W:\Map Requests 2008\City Overview\total filings 10 08.pdf
Generated: 30-October-2008, Scale = 1:32,000

City of Milwaukee Bank-Owned and In Rem Foreclosed Properties

Displayed by 2000 Census Tract
Current as of September 19, 2008



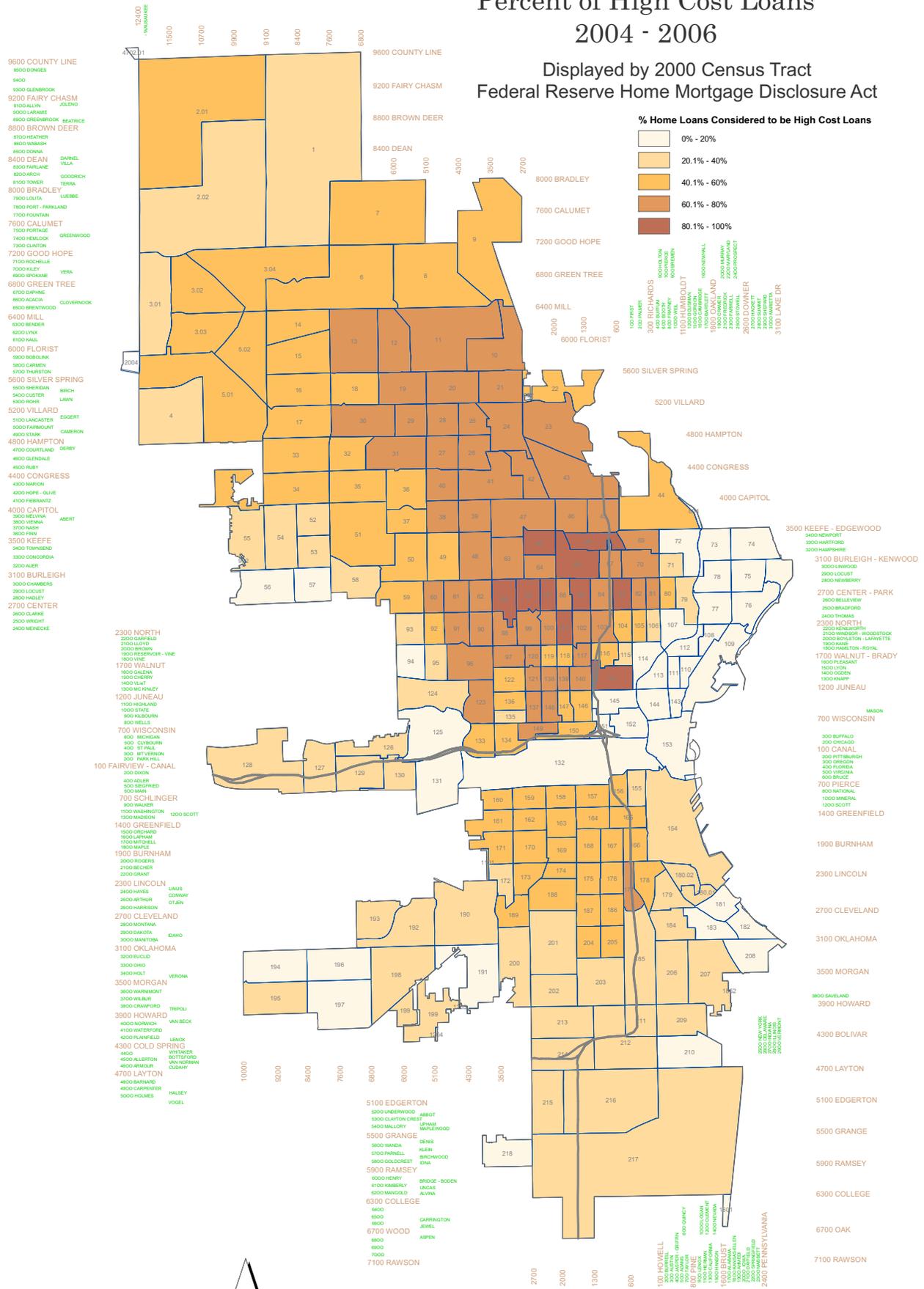
Number of Bank-Owned Foreclosed Properties: 1,619
 Number of City-Owned In Rem Foreclosed Properties: 138
 Total Number of Foreclosed Properties: 1,757

Produced by:
 Department of City Development Information Center, RTW
 Project File:
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 Map File:
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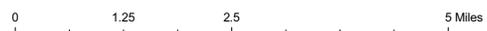
Appendix D

City of Milwaukee Percent of High Cost Loans 2004 - 2006

Displayed by 2000 Census Tract
Federal Reserve Home Mortgage Disclosure Act

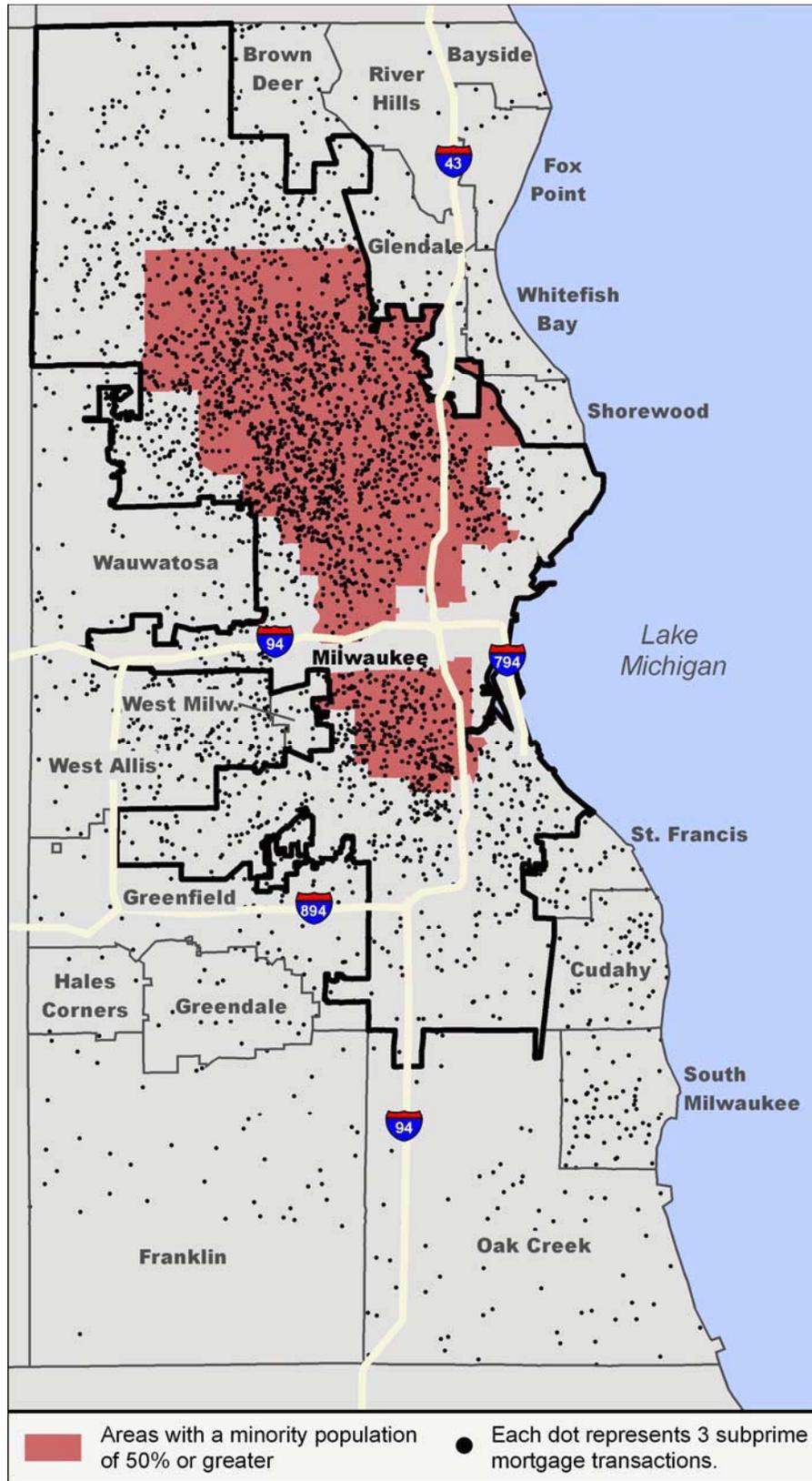


Produced by:
Department of City Development Information Center, RTW
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Generated: 22-October-2008, Scale = 1:32,000



Appendix E

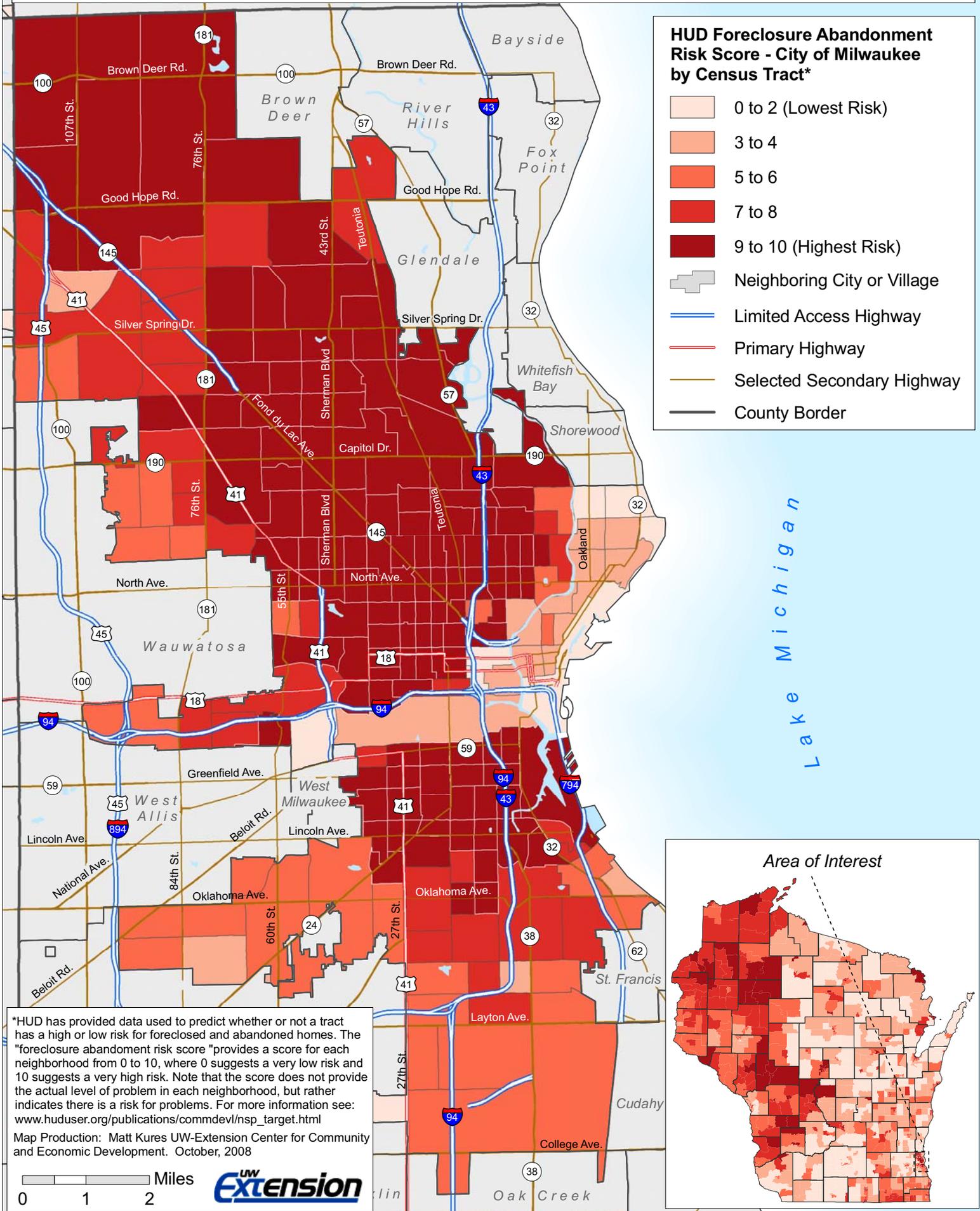
Subprime Transactions in Milwaukee County: 2004 and 2005



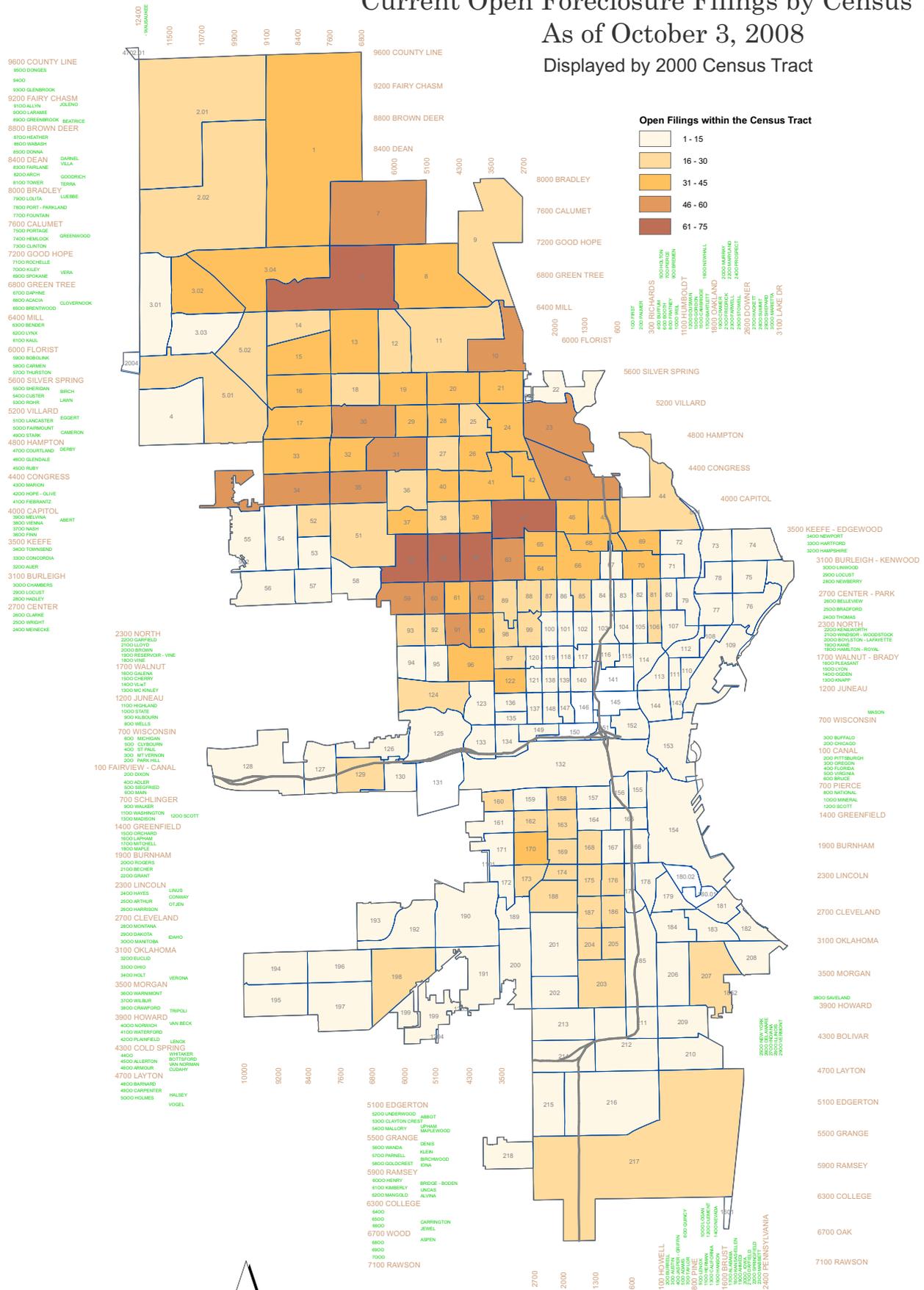
Source: UWM Employment and Training Institute analysis of HMDA data.

Appendix F

HUD Neighborhood Stabilization Program Targeting City of Milwaukee Home Foreclosure Abandonment Risk by Census Tract



City of Milwaukee Current Open Foreclosure Filings by Census Tract As of October 3, 2008 Displayed by 2000 Census Tract



Produced by:
Department of City Development Information Center, RTW
Project File:
W:\Map Requests 2008\City Overview\open filings 10 08.mxd
Map File:
W:\Map Requests 2008\City Overview\open filings 10 08.pdf
Generated: 30-October-2008, Scale = 1:32,000



0 1.25 2.5 5 Miles

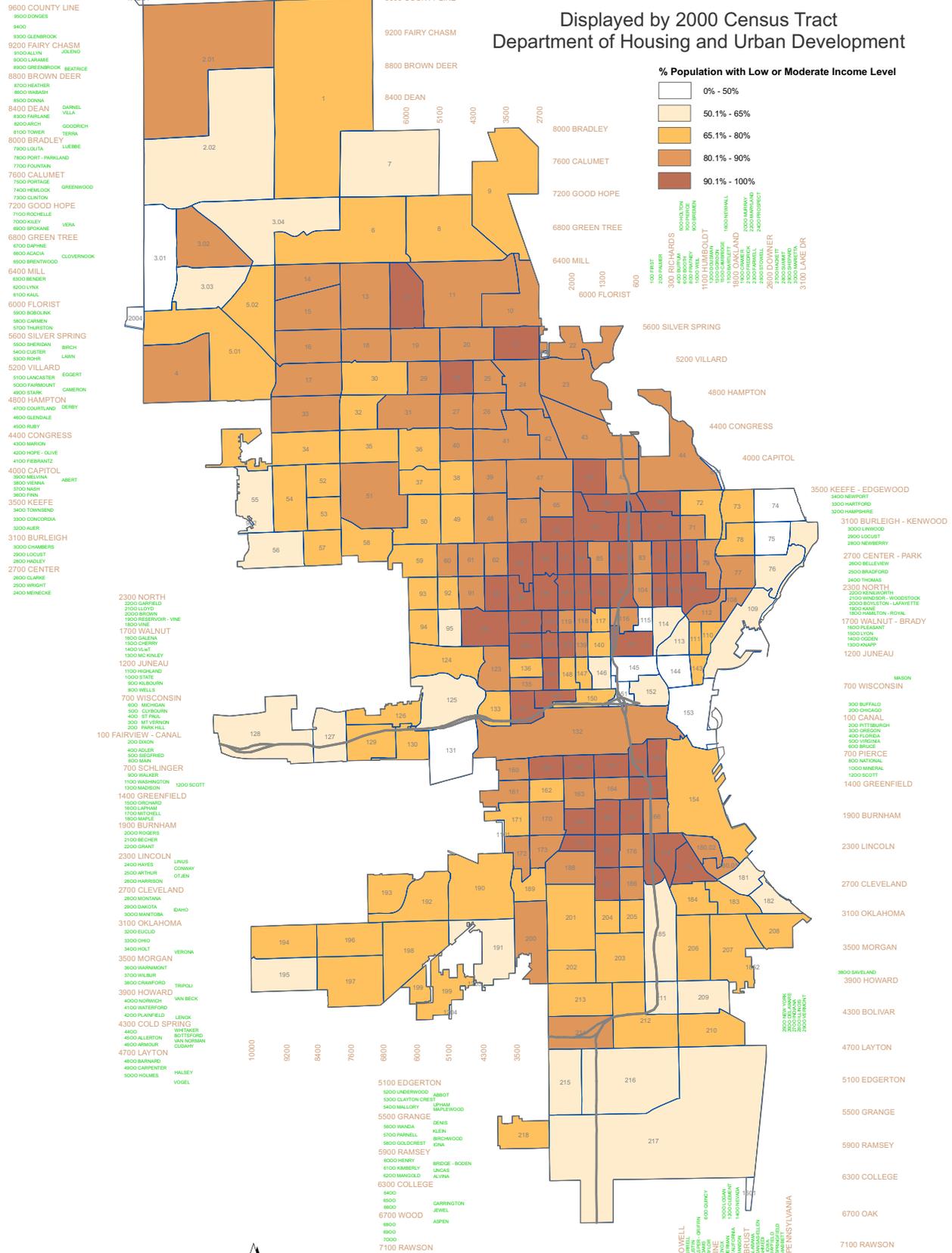
City of Milwaukee
Bank Owned Property Sales by Aldermanic District
Summary Statistics

Source: Department of City Development analysis of sales of bank owned foreclosed homes during the second and third quarters of 2008

Aldermanic District	Bank Owned Foreclosures as of 9/19/2008	Average Assessed Value	Average Sale Price of Foreclosed Homes as a Percentage of Assessed Value	Average Days from Sherriff Sale to Subsequent Sale
1	156	\$93,804	51.2%	203
2	161	\$118,379	58.4%	237
3	22	\$194,214	85.3%	135
4	37	\$105,445	29.1%	159
5	78	\$147,686	74.5%	167
6	216	\$85,533	38.2%	196
7	250	\$94,768	45.0%	182
8	79	\$113,108	54.1%	191
9	91	\$120,097	62.4%	189
10	101	\$132,988	56.4%	192
11	34	\$159,479	66.0%	111
12	49	\$92,486	48.2%	165
13	38	\$140,611	66.8%	212
14	51	\$124,481	66.4%	196
15	256	\$82,872	32.2%	188
City-wide	1619	\$105,107	50.2%	192

City of Milwaukee Percent of Population with Low and Moderate Income < 120% Area Median Income

Displayed by 2000 Census Tract
Department of Housing and Urban Development





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CITIZEN
COMMENTS



November 4, 2008

Ms. Darlene Hayes

CDBG NPS: Get the Facts:

Remember: Inspection Fees, Appraisals, Radon- Lead Evaluation Costs, Re-Inspection fees DO NOT Count towards Administrative Fees!

Perform Inspections before appraisals, the house may not have any pipes, plumbing and the basement has a huge crack! Repair "estimates" can be provided within an inspection, such it can be accounted for in an appraisal - don't get stuck with a with an un-saleable house! Expect all of these damage issues as normal with a blighted foreclosures home. If you can't turn the heat or flush the toilet, is it a house, or was it a house? We are here to make housework again, and assist you in the process. Lead, Radon, Engineering, Basement inspection services also available.

I am contacting you to again introduce our business as female owned Home Inspection and Radon measurement Service Company for the last 13 years here in Wisconsin. Under the new Emergency Community Development Block Grant (CDBG) funds, appropriated for the new Neighborhood Stabilization Program (NSP), home inspections for the foreclosed properties you are to be purchasing has funding allocations.

As a former Executive Director for Neighborhood Reinvestment / Neighborhood Housing Services, and administrator for some CDBG funds, I have an appreciation of the system and the current dramatic and changing nature of this unusual new program. If we can be a resource for this program, or you have questions, feel free to email us, as we will try to work out and research answers to any questions you may have.

I want you to remind you of the prudent and good-business benefits of a home inspection, and that home inspections are an *allowable expense* under the NSP program, if they are included in **your plan** to HUD CDBG NSP to be submitted by December 1, 2008, for January 1, 2009 funding.

To know the benefits of a home inspection, choose and share information from American Society of Home Inspectors press releases; from the Purpose and Scope of a Home Inspection section of the ASHI Standards of Practice and from FAQs on Home Inspections.

We encourage you to act -now- to ensure home inspections are included in the plans that you will bring funding to your community, and to follow up to be considered for the inspections. If you have questions, contact us at scot.mclean@sbcglobal.net.

Sincerely,

Bonnie and Scot W. McLean
Towne & Country Building Inspection, Inc.
scot.mclean@sbcglobal.net
Metro: 414-228-6573
Office: 262-238-1880

<http://www.tandcinspection.com>
Scot W. McLean, ASHI Certified,
Towne & Country Building Inspection, Inc.

**Residential, Condos, Multi-family, Commercial, Historic Preservation &
New Construction Consulting**

Scot.McLean@sbcglobal.net <http://www.tandcinspection.com>
Metro: 414-228-6573, Office: 262-238-1880

Mahan, Steven

From: Dan.Bitenc@ARCW.org
Sent: Tuesday, November 18, 2008 4:58 PM
To: Mahan, Steven
Subject: Regarding Neighborhood Stabilization Program

Attachments: 11.18.08 NSP Public Comment (Milw.).doc



11.18.08 NSP Public
Comment (M...

Steve,

Thanks again for talking to me about the program last week. We look forward to working with the City to meet the housing needs of people living with HIV in Milwaukee.

Attached is a public statement from ARCW regarding the program.

Thanks,

Dan

Dan Bitenc
Grant Writer
ARCW
(414) 225-1597
Fax: (414) 273-2357

(See attached file: 11.18.08 NSP Public Comment (Milw.).doc)

Neighborhood Stabilization Program – Public Comment AIDS Resource Center of Wisconsin

As the major provider of housing services for HIV-positive individuals and their families in Milwaukee, the AIDS Resource Center of Wisconsin (ARCW) is very excited by the potential housing solutions that can be reached through the City of Milwaukee Neighborhood Stabilization Program.

The mission of ARCW's housing services program is to provide all persons in Wisconsin affected by or living with HIV disease stable and affordable housing while they maintain complex drug regimens to live healthy, safe lives and to prevent the spread of HIV disease among people who are homeless, near homeless or engaging in HIV high-risk behaviors to obtain housing or life support. ARCW has provided housing to HIV-positive individuals since 1991, offering a range of services that meet an individual's needs.

According to data from the State of Wisconsin AIDS/HIV Program, as of December 2007, there were 2,809 people living with HIV in the City of Milwaukee, an all time high. The record level of HIV cases is a result of deaths among persons reported with HIV infection declining from its historic peak and the number of new HIV infections in the City of Milwaukee continuing at approximately 151 per year. The cumulative number of diagnosed cases of HIV in the state has reached 4,390 individuals.

A lack of affordable housing, greater longevity among HIV-positive individuals, and the increasing numbers of new infections has created a significant challenge to obtaining long term housing for individuals living with HIV.

Housing is health care for people living with HIV disease. Many people with HIV cannot maintain independent living due to low incomes and poor rent histories. Ninety percent of ARCW's clients have incomes below 200% of the Federal Poverty Level. Unstable housing creates stress on an already impaired immune system, deprives people of needed rest and nourishment, and impairs adherence to complex medical and medication regimens. Stability of housing will reduce the stress on their impaired immune system which will lead to more manageable HIV and improved longevity and quality of life. Clients will also experience reduced risk of homelessness and reduced risk of new infections resulting from survival behaviors that contribute to the spread of HIV.

Stable housing helps HIV-positive clients maintain life-saving drug regimens. It also acts as a prevention mechanism by reducing the likelihood that homeless clients will engage in high-risk behaviors to secure housing. ARCW's housing program is designed to provide safe, healthy, and affordable housing to Wisconsin residents living with HIV/AIDS. ARCW housing services include outreach, intake, assessment, counseling, advocacy, emergency shelter, short-term tenant-based rent assistance, and supportive short or long-term housing opportunities.

Because the majority of ARCW housing clients have extremely low incomes and poor health, ARCW develops programs that make long-term commitments to client maintenance of housing.

With funding from the Neighborhood Stabilization Program, ARCW will find and refurbish a foreclosed property to be used for long-term housing for people living with HIV and their families. This project will provide a safe environment for families living with HIV/AIDS who would otherwise face homelessness. Housing stability will afford HIV-positive clients with the opportunity to stabilize their lives and concentrate on treating their disease. HIV-positive residents of the proposed facility will have access to the ARCW's extensive cadre of health and social services, including medical, mental health, and dental care, individualized case management, support groups, legal services, transportation assistance, food pantry services, and financial assistance.

Stable housing will help HIV-positive individuals maintain their health and reduce risk behaviors that spread HIV, including trading sex for shelter. Most importantly, this project will give families the ability to stay together without the fear of impending homelessness.

November 10, 2008

CDGA

2008 NOV 18 PM 4:19

Johanna Linton

P.O. Box 05715

Milwaukee, WI 53208

Director, Mr. Steven Mahar

Community Development Grant Administration

City Hall

200 East Wells Street

Milwaukee, WI 53202

Dear Mr. Mahar:

I would like to comment on the Proposed Action Plan for the City of Milwaukee Federal Funding for the Neighborhood Stabilization Act

First I would like to say that I am glad that such a program is about to be set in place. Even before the problem with the economy and the housing crisis spiraled out of control, there existed a need to have our community revitalized.

I am a small start up property management company (Jo-Terr Property Management Company) Jo-Terr Property Management Company would like to partner with other community agencies as this plan is developed. I would like to play an active role in helping in the redevelopment of abandoned and foreclosed homes.

Any response to my comments can be mailed to: Jo-Terr Property Management Company; P.O. Box 05715; Milwaukee, WI 53205

Sincerely,

Johanna Linton

CDGA

2008 NOV 19 PM 12

November 18, 2008

Milwaukee Housing Coalition
c/o IndependenceFirst
540 S 1st Street
Milwaukee, WI 53204

Mr. Steven L. Mahan
CBGA Directory, City of Milwaukee
200 East Wells Street, Room 606
Milwaukee, WI 53202

Re: Comments on Draft NSP Substantial Amendment

- 1. Intervention Areas should be defined more specifically to ensure that NSP funds are being spent in neighborhoods with the greatest need, and not with the most vocal inhabitants.**

The Milwaukee Housing Coalition appreciates the City's prioritization of NSP funding for areas with the greatest need as determined by the criteria provided in HERA. Intervention areas, however, are of some concern because they imply that some NSP funds will be used in stable neighborhoods with specific problem properties. Given the extent of need in Milwaukee's hardest hit neighborhoods and HERA's requirement that the funding must go to the areas in greatest need, use of HERA funds in a stable neighborhood to be used to rid the neighborhood of undesirable properties may be inappropriate. This concern could be addressed by providing a more specific definition of an intervention area – for example, the City could require objective proof of declining property values and increased crime and could refuse to rely on negative neighborhood perceptions or reduced neighborhood confidence. In addition, the City could set a neighborhood income floor – requiring that a census tract receiving NSP funds must have a certain percentage of inhabitants with income below 120% (or less) of the AMI.

- 2. The creation of affordable rental housing should not be concentrated in the poorest neighborhoods. The City must use NSP funds to affirmatively further fair housing.**

The Amendment states that programming will be targeted to best address the impact of foreclosures on specific neighborhoods. Then, the Amendment describes an emphasis on development of rental properties in the hardest hit areas and an emphasis on home ownership in the more stable areas as examples of targeted programming. Unfortunately, this type of targeting is likely to keep the poorest families (tenants) in the poorest neighborhoods and it is likely to keep wealthier, homeowner families out of the poorest neighborhoods. Given that in Milwaukee lower income persons are disproportionately persons of color, and that persons of color are less likely than non-Hispanic whites to own their own homes, setting up the program in this way is very likely to have an adverse and racially disproportionate impact on persons of color.

Instead, NSP funds should be used to affirmatively further fair housing, including furtherance of the goals of desegregation and mixed-income neighborhoods. NSP funds should be used to increase affordable rental housing in more stable neighborhoods and to increase homeownership percentages in the poorest neighborhoods.

3. Affordable rents should be defined so they are *actually* affordable to extremely low-income families.

Milwaukee's proposed Substantial Amendment defines affordable rents as those rents consistent with the limits prescribed by HUD in conjunction with the HOME program. For families with incomes at 50% of AMI, "affordable rents" are calculated at 30% of 50% of AMI. Milwaukee Housing Coalition is concerned that this definition of affordable rents will result in rents that are only affordable for those families making near 50% of AMI (for example, a family of four could make \$33,850 and qualify as very low-income). A family whose only source of income is W-2 makes \$7,536 per year, or \$628 per month. A program that places affordable rent for a three bedroom home at \$727 is not helpful to the most vulnerable families within Milwaukee. For that reason, the Coalition recommends defining "affordable rents" for families with incomes of 50% of AMI or below as 30% of the family's income, with adjustments as the family's income changes.

If the above-described definition of affordable rents is not possible, we would ask the City to use a percentage (perhaps 20%?) of NSP funding to target families with extremely low incomes – 30% or less of AMI. Affordable rents for these families could be defined as 30% of 30% of AMI. The most vulnerable Milwaukee families need help the most, and the long waiting lists for Milwaukee's public housing and rent assistance programs prove the incredible need for affordable housing for Milwaukee's extremely low income families.

4. Relocation plans for low-income families displaced by acquisition and demolition must be more specific and more proportional.

Milwaukee's proposed Substantial Amendment anticipates demolition of 75 *properties* in census tracts where at least 51% of the residents have incomes less than 80% of AMI. This estimate does not indicate the number of dwelling *units* for low-income persons that the city intends to demolish. Additionally, the City intends to replace these 75 properties with only 40 *units* benefiting families with incomes less than 80% of AMI (only 20 *units* will benefit families with incomes less than 50% of AMI). The creation of affordable rental units is disproportionate to the destruction of affordable rental units, and the Amendment fails to specify any specific plans for relocation of tenants currently living in properties the City intends to demolish.

5. The City should require non-discrimination certifications by developers and landlords benefiting from NSP funds. Additionally, landlords benefiting from NSP funds should certify that they will not deny potential tenants just because their credit histories include a foreclosure or an eviction due to foreclosure.

The City is required to use its NSP plan to affirmatively further fair housing. Landlords and developers benefiting from NSP funds should be required to certify that they will not

discriminate against potential tenants or homeowners based on any status protected under Wisconsin's Open Housing law.

Additionally, NSP does not prevent foreclosures, and it is too late to assist many families affected by the foreclosure crisis. Unfortunately, these families may have difficulty finding adequate housing, and may face discrimination because of their credit histories. The Housing Coalition believes it is fair to require landlords benefiting from NSP funds to certify that they will not deny housing to otherwise qualified potential tenants just because they were evicted due to a landlord's foreclosure or because they were foreclosed upon. With over 4,000 open foreclosure filings that are likely to result, in addition to the 1,757 foreclosures that have already occurred, that is nearly 6,000 households that will be searching for alternative residences, most often rental.

NSP requires that the City comply with its Analysis of Impediments to Fair Housing in allocating funds. The Housing Coalition is interested in how the City plan to use the Analysis of Impediments to implement the NSP funding.

6. The City must recognize that 22.2% of the population of City of Milwaukee has a form of disability, with many neighborhoods having a significantly higher percentage of people with disabilities.

When mapped, many census tracts having a minimum of 37.5% (mapped by block group, some areas have more than 41.5%!), very similar to the census tracts targeted by the NSP program. Many households affected by this crisis, and are looking for alternative housing, contain persons with disabilities. Yet that fact is not recognized in the NSP Substantial Amendment.

The City should ensure that:

- a) The Rental Rehabilitation includes Visitability or accessibility as activity options for landlords.
- b) The Acquisition/Rehab Program, when possible, create at least one fully accessible home and as many Visitable homes as possible.
- c) The Rental Development for Affordable Housing-Large Projects maximizes Visitability and accessible housing. As this activity will focus on vacant properties (whenever possible), there is no reason why housing developed on those properties cannot have, at a minimum, Visitability.
- d) The Acquisition/Rehab Program, when possible, should evaluate the needs of the homebuyer's household during the rehabilitation process to incorporate any accessibility needs.
- e) New housing opportunities created through Demolition and Vacant Land Initiative should have Visitability required for new homes constructed on them.
- f) Land Banks should also have a Visitability requirement for new housing.

Additionally, the City should work with the Housing Authority of City of Milwaukee and non-profits to identify housing to be used to comply with the *Olmstead* mandate that

communities assist their residents in living in the most integrated setting possible. This housing would be used for people with disabilities transitioning from nursing homes.

We appreciate the opportunity to comment on the NSP Substantial Amendment.

Sincerely,

The Milwaukee Housing Coalition