
FOR IMMEDIATE RELEASE



FOR INFORMATION CALL

December 16, 2015

Ald. Milele A. Coggs
(414) 286-2994

Pilot program will convert blight into affordable rental units

With its final approval Tuesday by the Common Council, a new city program co-sponsored by **Alderman Milele A. Coggs** and **Alderman Russell W. Stamper, II** will help turn city-owned foreclosed properties into remodeled rental units for residents with limited incomes.

“The wave of foreclosures that swept through Milwaukee left the city as the unwilling owner of more than a thousand abandoned homes,” Alderman Coggs said. “While efforts to sell these homes to new owners have met with some success, it is clear that there is value in exploring every means at the city’s disposal of stabilizing neighborhoods. With every abandoned house we repair and every responsible tenant who moves in, we are helping individual city blocks turn the corner.”

The **Rental Housing Rehabilitation Program** is intended to test the relative costs and benefits of maintaining city ownership of properties, renovating them and operating them as rental units, rather than selling them to private owners “as is.” Alderman Coggs and Alderman Stamper created it as an amendment to the 2015 city budget by redirecting \$1 million from other capital projects.

“Every opportunity we have to pull the boards off the windows, put new residents in houses and rebuild our neighborhoods is a win for every resident of the city,” Alderman Stamper said. “We are grateful for the support this proposal has received from our colleagues on the Council and the Mayor, and we look forward to the difference we anticipate it will make in some of our most troubled neighborhoods.”

-More-

Rental housing rehab program/ADD ONE

The Department of City Development recently reviewed applications from four companies that were interested in performing the renovations and managing the properties, and selected **Friends of Housing Corp.** as the contract recipient. DCD anticipates that the funding available will be enough to renovate between 20 and 30 one- and two-unit residential properties and make them available for rent.

Friends of Housing will now work with DCD to identify properties in the city's portfolio that are best-suited for the project, put together a plan for renovation, complete the construction work and manage the leasing of residential units. As property owner, the city will collect rent from residents, which could then be used to fund similar projects in the future.

At the end of the three-year trial period, the properties may be retained by the city; or, they may be marketed for sale, which includes the possibility of sale to tenants.

Alderswoman Coggs and Alderman Stamper also thanked the other Common Council members who signed on as co-sponsors of Tuesday's legislation—**Alds. Jim Bohl, Willie C. Wade, Nik Kovac, Robert Bauman and Ashanti Hamilton.**