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FOR INFORMATION CALL

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Ald. Robert J. Bauman
(414) 286-2886

Proposed legislation targets city's worsening affordable housing crisis

Common Council legislation sponsored by **Alderman Robert J. Bauman** proposes using \$150 million in federal American Rescue Plan Act (ARPA) funding to dramatically ramp up affordable housing options across Milwaukee, including rehabilitating approximately 700 city-owned properties that could become homes for at least 1,000 families and individuals.

The legislation – **file #210341** – would allocate \$105 million of the \$150 million initiative to the Department of City Development (DCD) to rehabilitate approximately 700 city-owned one- and two- family in-rem properties (properties foreclosed on because of unpaid property taxes), at an average cost of \$150,000 each, for a total of approximately 1,000 housing units.

The ARPA funds provided to the city total more than \$394 million, and to date the city has received an initial infusion of more than \$197 million in ARPA funding.

Additionally, the file proposes allocating \$35 million of the \$150 million to the Housing Trust Fund to develop new and renovated affordable housing in partnership with private developers, non-profits, and other entities. Another \$9 million in ARPA funds would be allocated to the DCD to increase capacity within the DCD's affordable housing programs, including the Housing Infrastructure Preservation fund, the STRONG Homes Loan program, the Targeted Investment Neighborhood Down Payment Grant program, the Milwaukee Employment/Renovation Initiative, the Rental Rehabilitation program, the Homebuyer Assistance program, the Live/Work Duplex Conversion program, and the Bronzeville Homeownership programs.

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Affordable housing file/ADD ONE

Alderman Bauman, chair of the Public Works Committee, said the legislation is meant to help Milwaukee residents who have been devastated by the COVID-19 pandemic and the related and worsening affordable housing crisis.

“There are thousands of Milwaukeeans struggling to pay their rent and mortgages, and members of the public frequently expressed their support for the city to invest in and expand affordable housing throughout Milwaukee during three recent town hall-style ARPA virtual listening sessions hosted by members of the Common Council,” Alderman Bauman said.

“The ARPA funds are meant to be transformative, to be used for helping communities recover by addressing vital needs. In my view, directly addressing our affordable housing crisis and providing shelter is absolutely what the funding is meant for,” Alderman Bauman said.

The legislation notes that the city owns a substantial inventory of one- and two-family residential structures that have been acquired through in rem foreclosure, and the properties taken through the in rem process are mostly vacant and in various states of disrepair, yet are largely intact and candidates for renovation at a fraction of the cost of building new one- and two-family homes given the cost of lumber and shortages of other building materials.

According to the file, rehabilitated in- rem one- and two-family properties could be sold at affordable prices to owner-occupants or be retained by the City as part of an affordable housing rental portfolio, while income from sales and rentals could be rolled over to fund ongoing in-rem rehabilitation projects.