



Attachment 1

# Give Me Shelter: Responding to Milwaukee County's Affordable Housing Challenges



Public Policy Forum

moving the region forward



# **Affordable Housing Rental Market Conditions**

# Low-Incomes, Not High Rents

Average gross monthly rent, year 2000

	County	Market	Rent	Rank
Most	San Mateo County	San Francisco	\$1,236	1
Midwest Peers	Cook County	Chicago	\$697	54
	Hennepin County	Minneapolis - St. Paul	\$683	58
	St. Louis County	St. Louis	\$646	76
	Marion County	Indianapolis	\$588	90
	Milwaukee County	MILWAUKEE	\$579	92
	Cuyahoga County	Cleveland	\$567	95
	Jackson County	Kansas City	\$564	96
	Wayne County	Detroit	\$551	100
	Alleghney County	Pittsburgh	\$544	102
	Hamilton County	Cincinnati	\$539	104
Least	Hidalgo County	McAllen	\$428	112



Average annual household income, year 2000

	County	Market	Income	Rank
Most	Fairfield County	Bridgeport, CT	\$103,255	1
Midwest Peers	Hennepin County	Minneapolis - St. Paul	\$69,580	32
	St. Louis County	St. Louis	\$68,436	37
	Cook County	Chicago	\$62,488	49
	Hamilton County	Cincinnati	\$57,933	63
	Cuyahoga County	Cleveland	\$53,657	84
	Wayne County	Detroit	\$53,154	86
	Alleghney County	Pittsburgh	\$52,734	90
	Marion County	Indianapolis	\$52,505	91
	Jackson County	Kansas City	\$50,544	99
	Milwaukee County	MILWAUKEE	\$48,868	103
Least	Hidalgo County	McAllen, TX	\$35,591	112



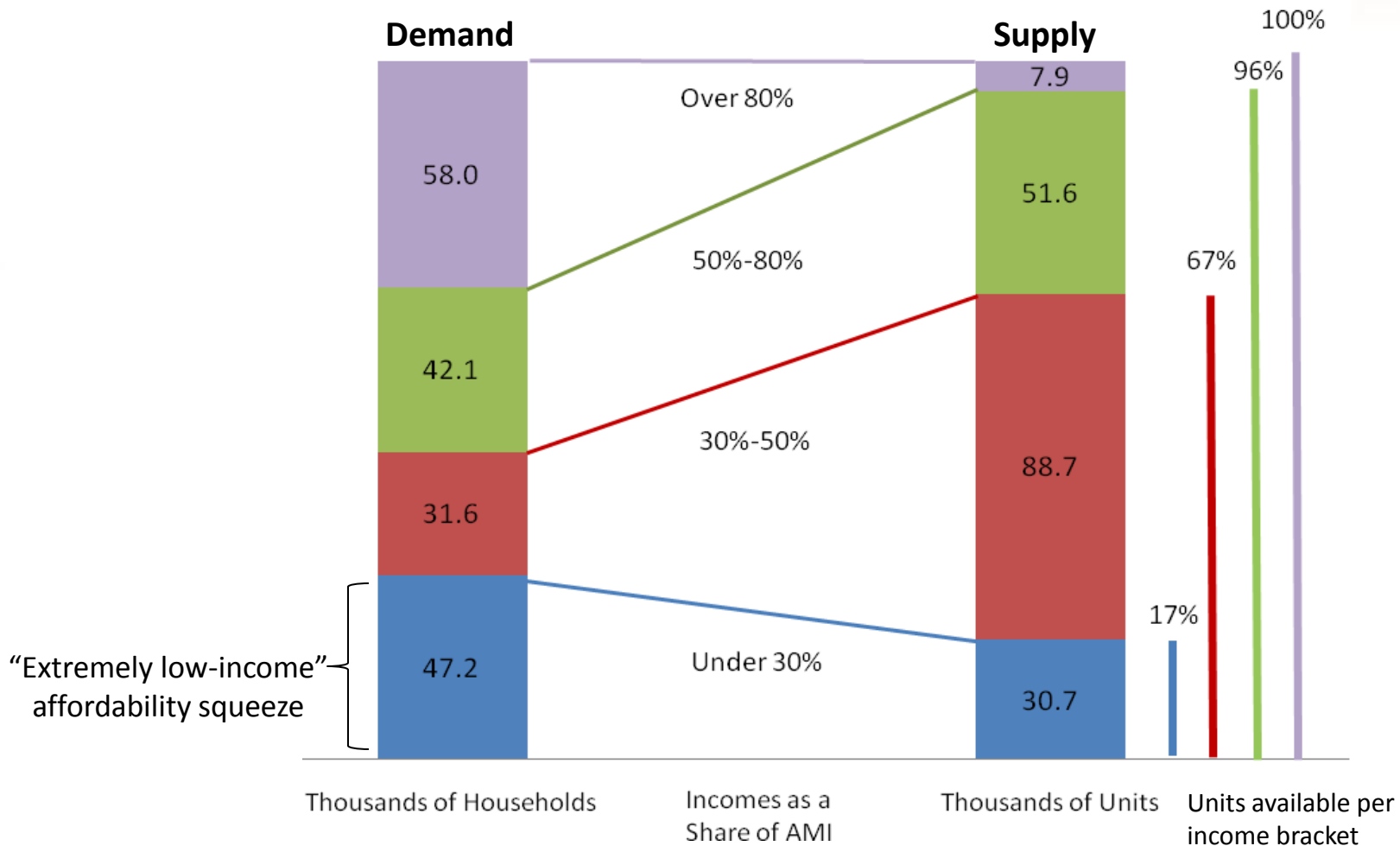
# Housing Burden on Extremely Low Income

Housing burden among Milwaukee County renters, 2000

Renters	Number	Share	% cost burden >30%	% cost burden >50%
Extremely low income	47,220	26%	75.9%	56.6%
Very low income	31,594	18%	59.3%	12.3%
Low income	43,143	24%	18.3%	2.0%
Moderate income	57,955	32%	2.2%	0.3%
<b>All</b>	<b>178,912</b>	<b>100%</b>	<b>35.4%</b>	<b>17.7%</b>

Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data

# Extremely Low-Income are Being Squeezed Out



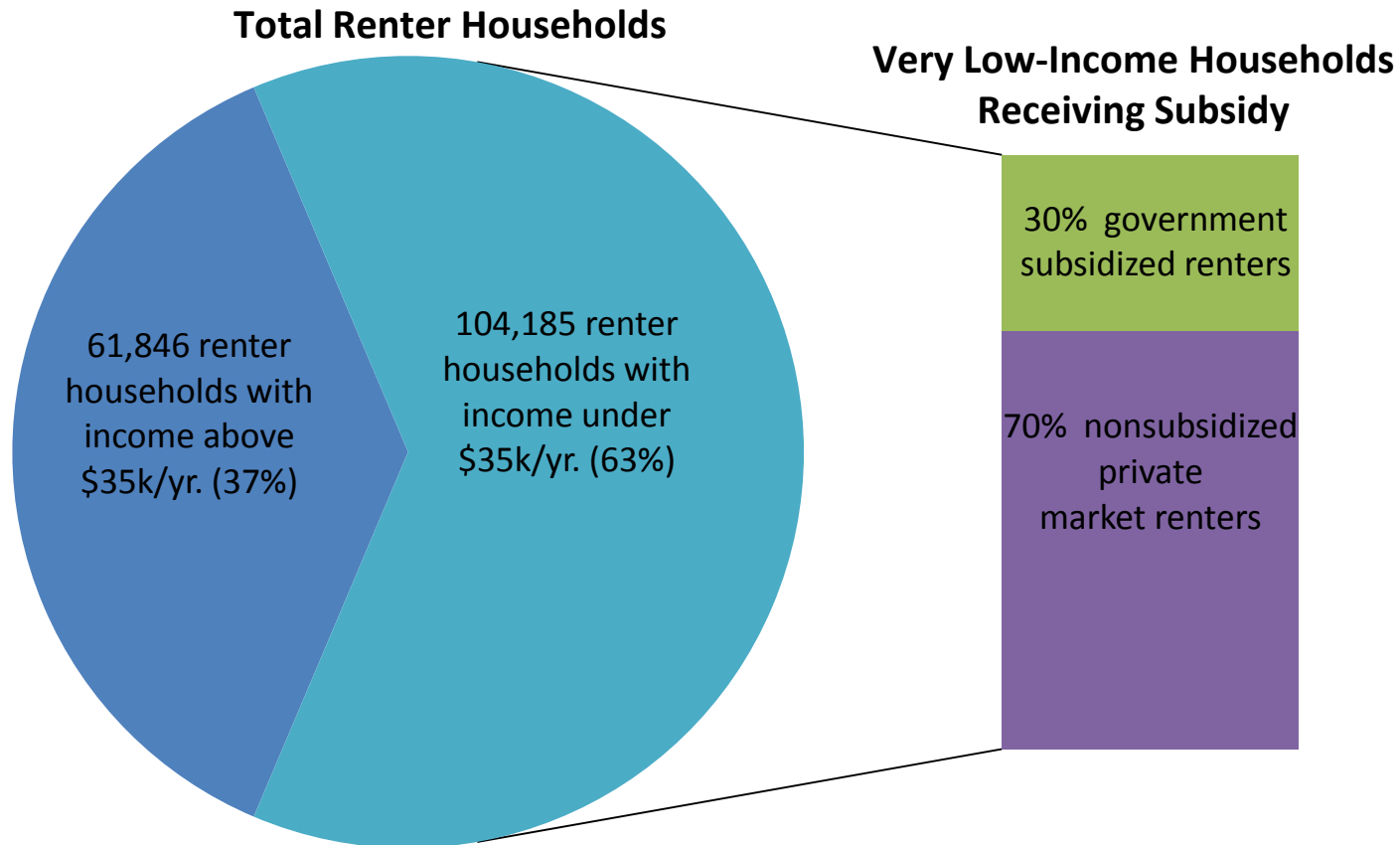
Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data

# Public Assistance is Limited

## Stock of federally assisted rental units in Milwaukee County (2008)

Program	Unit ownership	Type of Assistance	Units in Milwaukee county		
			City	Suburbs	Total
Public Housing	Public	Project-based	4,300	60	4,360
Section 8 New Construction	Private	Project-based	7,166	2,964	10,130
Section 8 Vouchers	Private	Tenant-based	5,616	2,471	8,087
Section 42 Low-Income Housing Tax Credits	Private	Project-based	3,726	2,383	6,109
Section 202 Supportive Housing for the Elderly	Private	Project-based	980	1,145	2,125
<b>Total</b>			<b>21,788</b>	<b>9,023</b>	<b>30,811</b>

# Private Market Primary Housing Source for Extremely Low Income





# Housing Stock is Failing

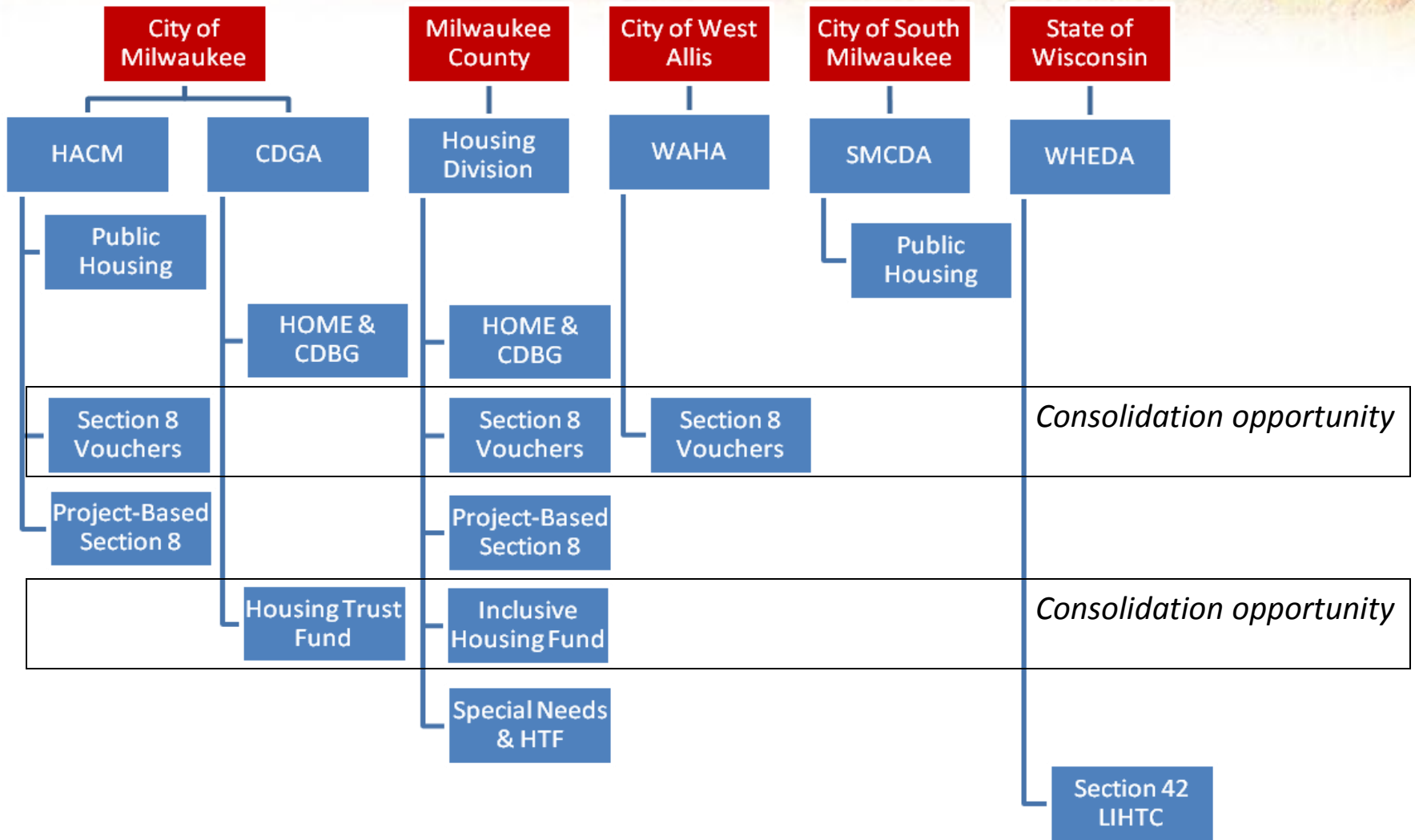
- Housing stock is aging
  - 46.7% of city and 40.9% of county housing stock built before 1950
- 40.5% of all Milwaukee renters face one or more conditions
  - Lack of complete plumbing and/or kitchen facilities
  - Overcrowding
  - Gross rent greater than 30% of household income





# Public and Private Market Response

# Public Efforts Fragmented



# Section 8 Vouchers— Opportunity for Coordination

	Housing Authority City of Milwaukee	Milwaukee County Housing Division	City of West Allis Community Development Authority
Program costs (Vouchers)	\$27,000,000	\$10,792,548	\$2,300,000
Admin costs	\$2,960,000	\$1,231,698	\$286,000
<b>Total Costs</b>	<b>\$29,960,000</b>	<b>\$12,024,246</b>	<b>\$2,586,000</b>
Housing Assistance Payments	\$27,000,000	\$10,792,548	\$2,300,000
Admin fees	\$2,800,000	\$1,050,000	\$256,000
Tax levy funding	\$0	\$181,698	\$0
Program fees	\$45,000	\$0	\$0
Interest income	\$115,000	\$0	\$0
Operating reserve	\$0	\$0	\$30,000
<b>Total Revenue</b>	<b>\$29,960,000</b>	<b>\$12,024,246</b>	<b>\$2,586,000</b>
<b>Total served</b>	<b>5,616</b>	<b>2,014</b>	<b>457</b>



# Housing Trust Funds

- Funds in the Milwaukee region
  - Milwaukee County Special Needs Housing Trust Fund
  - Milwaukee County Inclusive Housing Fund
  - City of Milwaukee Housing Trust Fund
- Lack stable, dedicated revenue source
- Opportunity to consolidate and coordinate



# Community Development Financial Institutions

- Regulated financial intermediary
- Serves disadvantaged communities and customers
- May also provide technical assistance
- Few of Milwaukee's CDFIs fund affordable housing
- Missing opportunity to attract private investment for affordable housing



# Other Private Market Entities

- Community Development Corporations
- Investor-owners (landlords)



# Promising Practices

- Financing—Chicago's Community Investment Corporation
- Building Capacity—City of Milwaukee
- Housing Trust Funds
  - Columbus/Franklin County, Ohio
  - King County, Washington



# Policy Options

1. Convene a permanent intergovernmental planning committee
2. Establish an infrastructure to coordinate private investment capital for affordable rental housing
3. Milwaukee County contract with City of Milwaukee to administer the Sec. 8 program



# Policy Options Cont.

4. Secure a stable funding source for a consolidated city/county housing trust fund
5. Create a local rental subsidy program



**GIVE ME SHELTER:**  
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affordable housing challenges*

