

## Attachment 2

### *Housing Trust Funds* (insert on page IV-23 of Chapter III)

Housing trust funds can be established by local, county, or state governments to support the preservation and production of affordable housing through a dedicated source of public financing. As of 2009, about 600 local government, county, and state housing trust funds had been established across the Country. They have combined to dedicate about \$1.6 billion annually towards addressing affordable housing needs. Locally, housing trust funds have been established by the City of Milwaukee and Milwaukee County. The City of Milwaukee housing trust fund started with base funds of \$2.5 million in 2007 from bonding. Ongoing support is provided through the City's general purpose fund and ongoing bonding. The 2010 funding recommendation of \$818,395 could potentially leverage \$47,872,008 towards the development of affordable housing in the City. Community support for the trust fund was championed by the Milwaukee Housing Trust Fund Coalition, which was comprised of many faith and community based organizations such as the Interfaith Conference of Greater Milwaukee.

Milwaukee County also established a housing trust fund in 2007. The Milwaukee County Special Needs Housing Trust Fund provides funding for decent, safe, and affordable housing for persons with mental illnesses that have been in long term County supportive care. The County has received an annual loan of \$1,000,000 from the Wisconsin Board of Commissioners of Public Lands to fund the program. The County provides funding for requests of between \$100,000 and \$500,000, provided that the amount does not exceed more than 10 percent of the project cost. More than 260 affordable housing units for persons with mental illnesses have been constructed with the assistance of the special needs housing trust fund since 2007. All of the units are located in the City of Milwaukee.

As of 2010, an effort was underway to create a Waukesha County Housing Trust Fund. This effort was lead by the Waukesha County Affordable Housing Task Force, which is coalition of affordable housing advocates that represents several local faith-based, nonprofit, and for-profit organizations with an interest in affordable housing. The group has proposed a housing trust fund be established by Waukesha County that dedicates an ongoing source of revenue to support affordable housing. The group has proposed that funds be awarded through an application process to developers, non-profit organizations, and government agencies that propose projects for rent or ownership by prospective households that meet certain income requirements.