

BLOCK by BLOCK

MILWAUKEE'S AMANI HOUSING PILOT AS A MODEL FOR
HOUSING AND NEIGHBORHOOD REVITALIZATION



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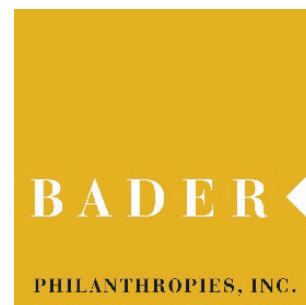
The Wisconsin Policy Forum was created on January 1, 2018, by the merger of the Milwaukee-based Public Policy Forum and the Madison-based Wisconsin Taxpayers Alliance. Throughout their long histories, both organizations engaged in nonpartisan, independent research and civic education on fiscal and policy issues affecting state and local governments and school districts in Wisconsin. The Wisconsin Policy Forum is committed to those same activities and to that spirit of nonpartisanship.

PREFACE AND ACKNOWLEDGMENTS

This report was undertaken to provide policymakers, affordable housing and community development leaders, philanthropic organizations, and residents with an understanding of the Amani Housing Pilot as one potential model for improving housing conditions and strengthening neighborhoods in Milwaukee. We hope community leaders will use the report's findings to inform plans for similar efforts on future blocks of Amani and other Milwaukee neighborhoods.

Report authors would like to thank the leadership and staff of the organizations that participated in our interviews, provided data and documents, and patiently answered our questions. Those organizations include Dominican Center, Ezekiel CDC, Legal Aid Society of Milwaukee, LISC Milwaukee, Milwaukee Christian Center, Northwestern Mutual Foundation, and the city of Milwaukee's Community Development Grants Administration (CDGA) office.

We would also like to thank the Northwestern Mutual Foundation for commissioning this study and for their grant that helped make this report possible. This report also was supported by a generous grant we received from Bader Philanthropies to support our general economic and workforce development research.





BLOCK BY BLOCK

*Milwaukee's Amani Housing Pilot as a Model for
Housing and Neighborhood Revitalization*

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INTRODUCTION

Over the past several years, the Wisconsin Policy Forum has devoted considerable research attention to affordable housing issues in Milwaukee. In 2018, we analyzed the [affordability and availability](#) of rental housing in the city and facilitated a group of local stakeholders working to [reduce evictions](#). We then conducted separate examinations of [Milwaukee city government's](#) housing programs and affordable housing efforts pursued by [nonprofit, philanthropic, and private sector](#) organizations. This research was designed to identify opportunities to strengthen coordination of public and private sector affordable housing initiatives and boost their collective impact.

After analyzing the city's affordable housing efforts and challenges through a systemic and citywide lens, in this report we turn to a neighborhood-based initiative to improve housing conditions in Milwaukee. That project is the Amani Housing Pilot, which was launched in 2019 and aims to take a comprehensive and community-engaged approach to improve housing on one block in Milwaukee's Amani neighborhood. The pilot involves partnerships between neighborhood residents, several community organizations, and the Northwestern Mutual Foundation and was created with the intention of helping to guide future housing efforts in Amani, other Milwaukee neighborhoods, and potentially other cities.

Our analysis of the Amani Housing Pilot is guided by the following key research questions:

- What are the pilot's precise objectives, how are its partnerships structured, and how is the work being financed?
- To what extent has the pilot met its objectives to date, where has it fallen short, and what specific challenges have arisen?
- What are the lessons learned so far and how might they impact the scalability of this approach or other similar efforts?

To answer these questions, we collected, analyzed, and synthesized documents and data about the pilot and conducted a series of interviews with 15 stakeholders. The interviews, in particular, shed light on the pilot's strengths, weaknesses, and potential for replication. We do *not* attempt to evaluate the success of the pilot, which is still in progress. Our primary objective, rather, is to present a case study that can help to inform and strengthen similar projects in the future.

Recent policy developments – including the creation of a [Rental Housing Resource Center](#), completion of a public-private [Collective Affordable Housing Plan](#), and prioritization of affordable housing in deliberations over [use of federal relief dollars](#) – demonstrate that this issue is increasingly viewed as one of Milwaukee's most pressing. We hope our analysis of the Amani Housing Pilot assists local leaders as they consider strategies for preserving and expanding the supply of affordable housing and strengthening city neighborhoods.

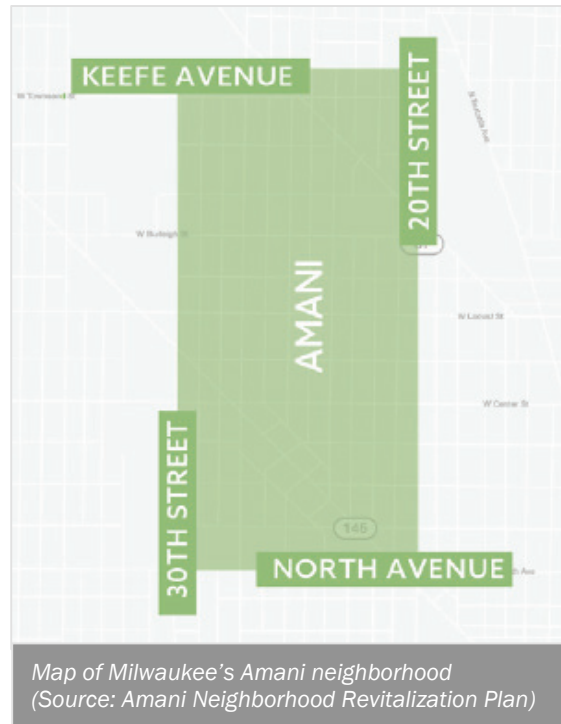


PILOT BACKGROUND & OVERVIEW

The roots of the Amani Housing Pilot reach back almost a decade to 2012, when the Milwaukee Police Department and Northwestern Mutual Foundation worked with community organizations in the city's Amani and Metcalfe Park neighborhoods to secure a grant from the federal Building Neighborhood Capacity Program. In addition to funding, the program provided extensive technical support for local initiatives that demonstrated a strong commitment to strengthening high-poverty neighborhoods through collaboration across organizations and sectors.

Dominican Center, a community organization already based in Amani, was identified as the neighborhood's anchor institution capable of leading local efforts while building internal capacity over time. A new neighborhood association, Amani United, was formed with the purpose of engaging residents to become leaders in shaping and driving neighborhood improvement.

Among other efforts, the Dominican Center facilitated a resident-driven process to develop a [neighborhood revitalization plan](#), which identifies housing as a key priority that affects many other important issues in the neighborhood. The plan notes, "Amani residents view housing quality and reducing neighborhood blight as a way to reduce crime, attract economic development and improve the quality of life for all." It also identified a "model block" strategy that focuses intensively on improving housing conditions on one block at a time – rather than scattered efforts throughout the entire neighborhood – as the best approach from an overall neighborhood stabilization perspective.



In 2018, Dominican Center worked with neighborhood residents to survey all 3,470 parcels in the Amani neighborhood and worked with partner organizations to develop the Amani Housing Strategy. That strategy lays out action steps to improve the existing and new housing stock in the neighborhood, block by block. The Northwestern Mutual Foundation (NM) and Local Initiatives Support Corporation (LISC Milwaukee) also helped develop the housing strategy.

In 2019, the Amani Housing Pilot officially launched with a focus on one block of N. 26th St. Dominican Center and Amani United chose the pilot block because it had a mix of owners and renters and a number of residents who were already engaged in neighborhood improvement efforts. As shown in **Figure 1**, the block also included three vacant, city- or bank-owned foreclosed homes in need of complete rehab

"Amani residents view housing quality and reducing neighborhood blight as a way to reduce crime, attract economic development and improve the quality of life for all."

– Amani Neighborhood Revitalization Plan



that had been vacant for many years, raising safety concerns among residents.

Several other houses on the pilot block were owner- or renter-occupied but in need of repairs. The pilot was designed to offer a variety of improvements to both homeowners and landlords, including code violation correction, roof replacement, lead pipe replacement, electrical services, water filter installation, exterior beautification, sidewalk repair, and more.

In summer 2019, Ezekiel CDC – a local nonprofit that had been selected as the construction and training manager for the pilot – visited every

house on the block to meet residents and discuss the pilot. Ezekiel worked with residents to assess their specific home repair needs and then developed scopes of work for each home with timelines and budgets. Also in 2019, Ezekiel moved its headquarters to a vacant, foreclosed house on the pilot block that was slated for demolition and used it as a construction training house. The move gave Ezekiel a constant presence on the block, allowing the organization’s small staff of four (two of whom are volunteers) to interact with residents on a daily basis and allowing residents to witness the organization’s home rehab and training work firsthand.

To the extent possible, the plan for financing the work of the pilot was to tap available city of Milwaukee housing programs and funds – many of which are supported with federal block grant dollars from the U.S. Department of Housing and Urban Development (HUD). Additional financial support was to be provided by NM and other private sector partners.

The project was seen as an opportunity to implement the Amani Housing Strategy on a pilot basis on one block while building partnerships, gathering data, and engaging neighborhood residents, public officials, and additional funders. The foundation built through the pilot – and lessons learned – could then be applied to additional blocks throughout the neighborhood.

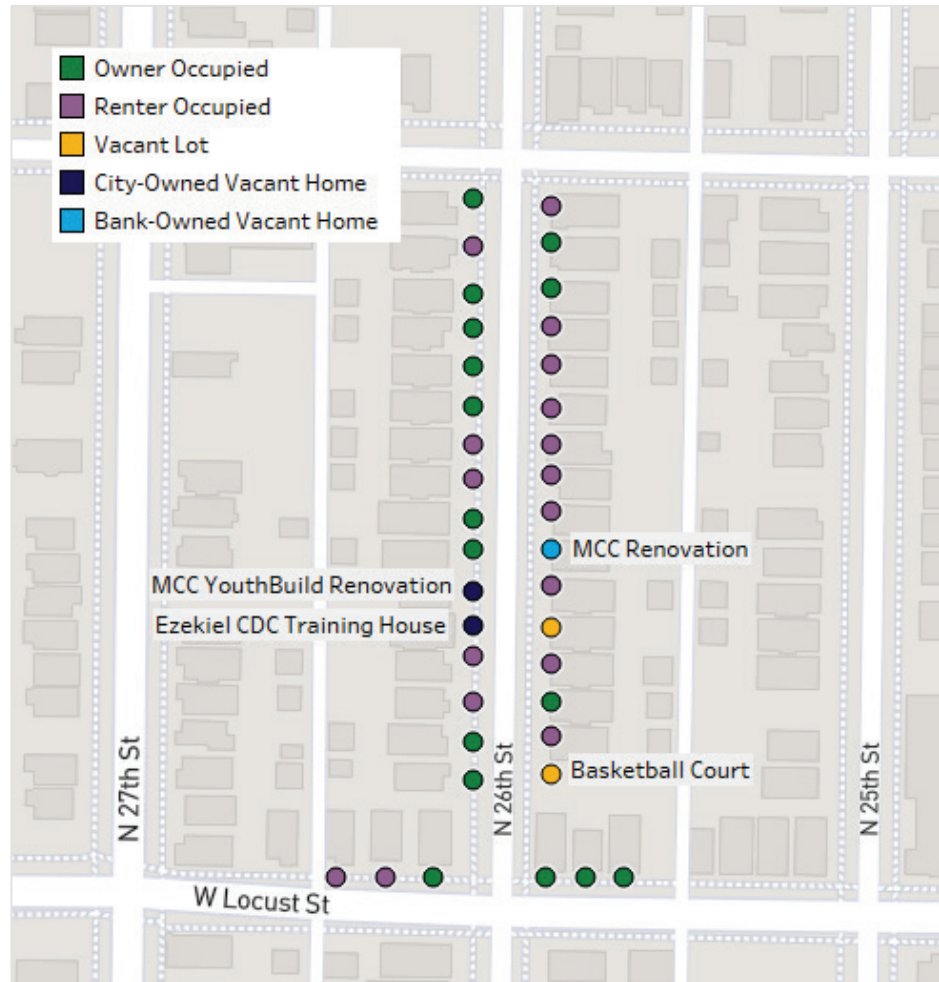


Figure 1: The pilot block included a mix of owner- and renter-occupied housing and several vacant homes.



Pilot Goals

The Amani Housing Pilot set specific goals for improving the existing housing stock on the block and also included objectives that reflect its multi-pronged approach to neighborhood revitalization. Additional components included on-site construction training for residents (including those with criminal records), capacity building of community organizations and local contractors, enhanced housing education for neighborhood residents, and efforts to boost homeownership. By improving every home, eliminating housing vacancies, and providing opportunities for residents to connect with one another, the pilot also aimed to build community pride and strengthen relationships among neighbors on the block. A summary of the pilot's specific goals and objectives is provided in **Figure 2** below.

The pilot's construction training component reflected a desire by project leaders to respond to the current shortage of workers in the skilled trades and also tackle issues of exclusivity in the trades that can create obstacles for workers of color. At the same time, by training individuals with criminal records (including those currently serving time at the Milwaukee County House of Correction), the pilot hoped to reduce recidivism by helping individuals develop a viable career path in a field that offers steady work and a family-sustaining wage.

Figure 2: Pilot Goals and Objectives

Houses
<ul style="list-style-type: none">○ Address safety concerns on 95% of the homes on the pilot block○ Acquire, rehab and sell two homes on the pilot block○ Decrease the number of tax delinquent parcels by 50%
People
<ul style="list-style-type: none">○ Train 30 city residents in construction<ul style="list-style-type: none">● Of the 30 trained, employ 20 (including five Amani residents)○ Successfully prepare 2 Amani residents for homeownership○ Complete pre and post assessment on pilot block
Neighborhood
<ul style="list-style-type: none">○ Install one speed bump and other slow down mechanisms on pilot block○ Install at least 20 video security doorbells on pilot block○ Design and implement one unifying block aesthetic
Organization
<ul style="list-style-type: none">○ Add capacity to Dominican Center such that at least one full-time housing staff person is responsible for the coordination and implementation of the Amani Housing Strategy



Partner Organizations

A number of organizations are involved in the Amani Housing Pilot. Below, we briefly introduce each of the main players and describe their roles.

Dominican Center – As previously noted, Dominican Center is the neighborhood development organization that facilitated the creation of the Amani Neighborhood Revitalization Plan, which led to the Amani Housing Pilot. Dominican Center is headquartered in Amani and serves as a lead agency for the pilot. The organization’s executive director serves as a liaison between neighborhood residents, other partner organizations, funders, and the city of Milwaukee.

Dominican Center is located near the pilot block and its strong relationships with community residents have been critical to the pilot’s success. Center staff help inform residents about home repair and worker training opportunities offered by the pilot and assist them in navigating city housing programs and completing required paperwork. Dominican Center’s executive director convenes biweekly meetings with a project leadership team comprised of representatives from all of the pilot’s partner organizations, maintaining records of the pilot’s progress and outstanding tasks. The director also meets with city of Milwaukee staff on a regular basis to facilitate work on the pilot.

Amani United is a neighborhood association comprised of neighborhood residents that has been instrumental in shaping the Amani Revitalization Plan and the pilot. Over the past several years, Amani United has developed several committees comprised of neighborhood residents. Its Housing and Economic Development Committee’s chair participates in the pilot’s leadership team and has been highly involved in its ongoing work.

Ezekiel CDC is another lead organization in the Amani Housing Pilot, serving as project manager, lead general contractor, and construction training program manager. Ezekiel had experience with home construction, renovation, and worker training primarily on Milwaukee’s north side prior to the creation of the pilot and also had general business capacity to handle paperwork and project management duties.

Ezekiel leads the pilot’s 12-week construction training program, which has involved working with the House of Correction to bring in trainees through the Huber work release program and recruiting other trainees primarily from Amani and nearby neighborhoods. Ezekiel also offers a state-certified pre-apprenticeship program that puts trainees on a path toward becoming electricians. The organization’s other roles include engaging with contractors, helping them strengthen their businesses, and tracking the project budget and construction work completed (including funding sources and amounts used for repairs to each home).

Northwestern Mutual Foundation is also a major partner in the pilot as its lead funder and a core member of the project leadership team. NM helped develop the Amani Housing Strategy and its facilitation and communication efforts have helped broadcast the work of the pilot to policymakers, civic leaders, and the broader community.

NM has contributed in unexpected ways, as well. For example, NM staff developed a manual for training workers in heating, ventilation, and air conditioning (HVAC) installation and repair and may develop other training manuals for other areas of construction. NM is also assisting efforts to bring in Milwaukee Area Technical College and high school students to train in a construction trade through work on the Amani Housing Pilot.



LISC Milwaukee was involved early in developing the Amani Housing Strategy and continues to be an active participant in the pilot's project leadership team, providing technical assistance as needed. LISC has also contributed funding to the pilot to support operations and administration.

With funding support from NM, LISC hired an independent contractor to serve as the construction project manager for the Amani Housing Pilot. The project manager reviewed city of Milwaukee housing program offerings, helped developed scopes of work and funding plans for each home, and worked with Ezekiel to manage request for proposal (RFP) processes when needed. The project manager was a student in LISC's Associates in Commercial Real Estate (ACRE) program, which trains people of color for careers in commercial real estate.

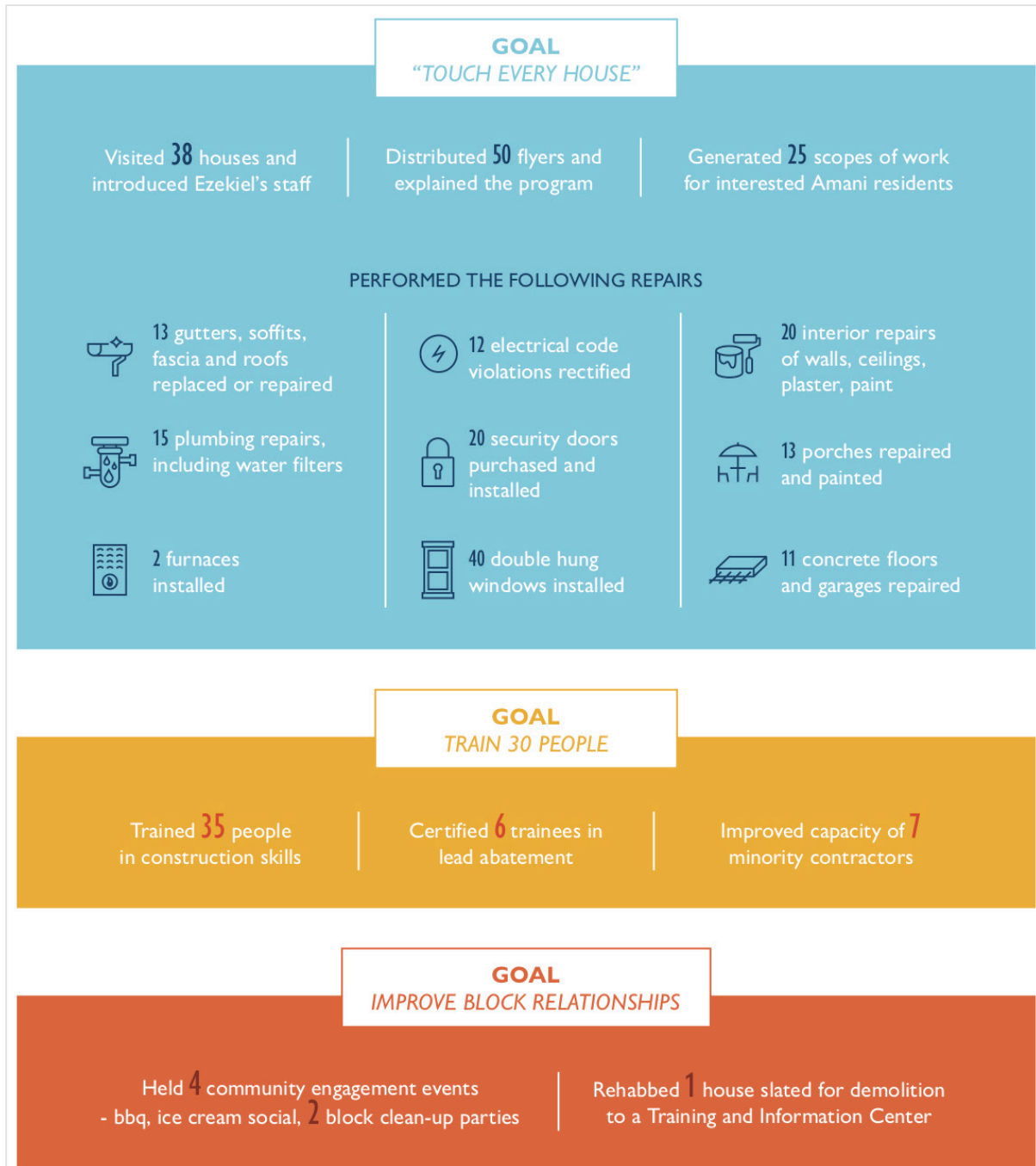
Legal Aid Society of Milwaukee learned about the pilot when it was underway and offered to provide support. The organization provides legal counsel and outreach to residents for housing, estate planning, and civil matters – especially as legal issues arise when residents are applying for city housing programs. Legal Aid also advises and assists the pilot team with contracts, permitting, legal issues, and legal research. It developed a landlord template for the pilot, which requires landlords who receive assistance through the pilot to refrain from “flipping” homes right after they are improved.

Milwaukee Christian Center (MCC) got involved in the pilot early on, acquiring two vacant, foreclosed homes on the block for \$1 each to renovate into new homeownership opportunities. One of the houses had been given to the Dominican Center and the other was owned by the city of Milwaukee. For one house, MCC utilized the city's federally funded HOME Investment Partnerships Program (HOME) funds, which involves working with contractors to build new affordable housing or renovate vacant homes for affordable housing. The organization is renovating the other house while training youth ages 18-24 in construction through the YouthBuild program, which is also supported by federal funding that flows through the city of Milwaukee. Once renovated, both houses will be sold to lower-income homebuyers.



PILOT ACCOMPLISHMENTS

Despite challenges stemming from the COVID-19 pandemic, which slowed down work on the pilot, considerable progress has been made over the last two years to renovate and repair homes on the block and to advance other pilot goals. In this section, we lay out the pilot’s accomplishments to date based on documents obtained from the pilot’s partner organizations and input from stakeholder interviews. The infographic below summarizes some of those accomplishments, which are further described and illustrated in the following pages.



Source: Northwestern Mutual Foundation



Renovation of Vacant Homes

Of the 38 parcels on the pilot block, three were vacant foreclosed homes when the pilot began. Ezekiel CDC has purchased and completely renovated one of those homes (see before and after photos on the following page) and now uses it as its headquarters, as well as for classroom space and as an information center for block residents. The home also served as a construction training house for new workers. A total of \$169,475 was spent on that renovation.

Once work on the pilot block has been completed, Ezekiel plans to sell the renovated home for roughly \$50,000 to a lower-income homebuyer. The partner organizations involved in the pilot recently selected the next blocks in the neighborhood to focus on (the 2800 block of N. 22nd and N. 23rd streets); Ezekiel plans to purchase, renovate, and ultimately sell another home on one of those blocks, a process that can continue on additional blocks in Amani into the future.

Work continues on the other two previously vacant homes on the block, which MCC and its partners are renovating and expect to complete for sale to lower-income homebuyers in summer 2022. One of those homes is being renovated while MCC trains youth in construction through its YouthBuild program. For that home, contractors removed all lead before youth trainees were brought in. Since then, MCC has trained more than 20 youth in framing and drywall and will continue to train them in other areas as finish work is completed. MCC's YouthBuild program typically lasts about 10 months and generally corresponds with the academic year.

Repairs to Owner- and Renter-Occupied Homes

After visiting every home on the pilot block to speak with owners, renters, and landlords, Ezekiel developed scopes of work for repairs needed on 25 homes where residents and landlords were interested in pursuing home improvements.

To date, repairs have been completed on 16 homes with combined construction costs totaling roughly \$190,000. A variety of repairs have been completed based on the needs of each property and the desires of homeowners. As shown in the infographic on the previous page, those have included interior repairs to walls, ceilings, plaster, and paint in 20 homes, 13 roofs repaired or replaced, and 12 electrical code violations rectified.

Workforce & Business Development

A total of 35 adults have gone through Ezekiel's training program and gained new experience working in construction on the block, exceeding the goal of 30 that was set for the pilot. Six adults also completed Ezekiel's pre-apprenticeship electrician program and six others were newly trained in lead abatement work. Many of these individuals came to the pilot from the Milwaukee County House of Correction through the Huber work



*A construction team works on a roof replacement project on the Amani pilot block.
(Source: Ezekiel CDC)*



release program, while others were recruited from the neighborhood and surrounding area. Several project leaders noted that the life experiences of Ezekiel's staff were instrumental in helping the organization connect with neighborhood residents and trainees. In addition, more than 20 youth have been trained in construction through MCC's YouthBuild program.

The pilot also has helped bolster the businesses of seven minority construction contractors who have won bids to complete home repair and renovation projects on the block.



Before (left) and after: Ezekiel CDC's headquarters on the pilot block. Ezekiel renovated this previously vacant, foreclosed home while training new workers in construction. (Source: Ezekiel CDC)



Capacity Building

While Dominican Center and Ezekiel CDC were well-equipped to co-lead the pilot, the project required them and their partners to learn how to navigate the city's home repair programs and manage a complex project at a scale they had not done before. Perhaps the pilot's most important accomplishment is the development of a strong coalition of partner organizations that has worked through many challenges together (described in detail in the next section of this report) and that has now gained experience and knowledge that can be applied to future work on other blocks in Amani.

Community Development

According to pilot leaders – including a block resident who represents Amani United on the project leadership team – the pilot has helped build relationships between neighbors and strengthened community pride. In addition to the home repair and renovation work, the pilot has inspired smaller exterior improvements to homes, even among those who did not qualify for city home repair programs. The pilot also inspired partnerships with other community organizations, such as when Walnut Way brought flower pots for residents to place on their porches.

In addition, the partner organizations have organized four larger social events to bring residents of the entire Amani neighborhood together on the pilot block. Those have included two block parties, one barbeque, and one ice cream social. According to the organizers, those events brought the pilot to the attention of many neighborhood residents and raised interest and support for expanding the pilot to other blocks. Dominican Center and other partner organizations also have organized neighborhood cleanup events on the pilot block and on other blocks throughout Amani as a way to engage residents with one another while improving the community.



CHALLENGES & LESSONS LEARNED

An important set of objectives for our series of stakeholder interviews was to identify key challenges that have arisen during the Amani Housing Pilot, understand if and how they were overcome, and consider how future efforts on other blocks could learn from and improve upon the pilot. In this section, we share insights on those questions gleaned from interviews with 15 individuals representing all of the pilot's partner organizations, city of Milwaukee officials, pilot block residents, and construction trainees.

While the COVID-19 pandemic delayed progress on the pilot and created numerous other challenges (e.g. restricting inmates from the House of Correction from participating in the pilot's construction training program), we focus less on pandemic-related challenges and more on other issues likely to affect similar housing revitalization efforts in the future.

Community Buy-in

Virtually every stakeholder interviewed for this report cited community buy-in as a major challenge for the Amani Housing Pilot. Initially, when Ezekiel staff visited every house on the block, many residents were skeptical or distrustful of the pilot; this distrust was based, in part, on past experiences when other organizations had come to the neighborhood offering assistance that was not ultimately provided. One common question residents asked was, "How do we know you're going to stay and finish the job?"

There was also widespread distrust of working with the city of Milwaukee; many residents cited negative experiences with the city in the past and/or expressed reluctance to open up their homes and finances to scrutiny for fear of creating more problems than solutions. Also, paperwork required for the city's home repair programs seemed daunting to some residents who feared being locked into something they might regret later.

While Dominican Center was already well-established and trusted in the neighborhood, several other partner organizations had to build relationships with residents slowly over time to make the pilot viable. This was especially true for Ezekiel CDC, which was new to the block. As previously mentioned, Ezekiel showed its commitment to the effort and developed relationships with residents by acquiring and rehabbing a vacant home on the block for its new headquarters, which also involved training new workers in construction. During that renovation project and ever since, Ezekiel has been rooted in the community on a daily basis.

One common question residents asked was, "How do we know you're going to stay and finish the job?"

Legal Aid Society was another partner organization that had to build trust with neighborhood residents, who often needed assistance with estate planning or other types of legal assistance to qualify for city programs and strengthen the future finances of their families.

Lesson learned: *It is essential to have organizations at the table who have strong relationships with neighborhood residents and/or who are committed to building those relationships over time. Community engagement and trust take time and effort but are the foundation for success in a block-by-block housing revitalization effort like the Amani Housing Pilot.*



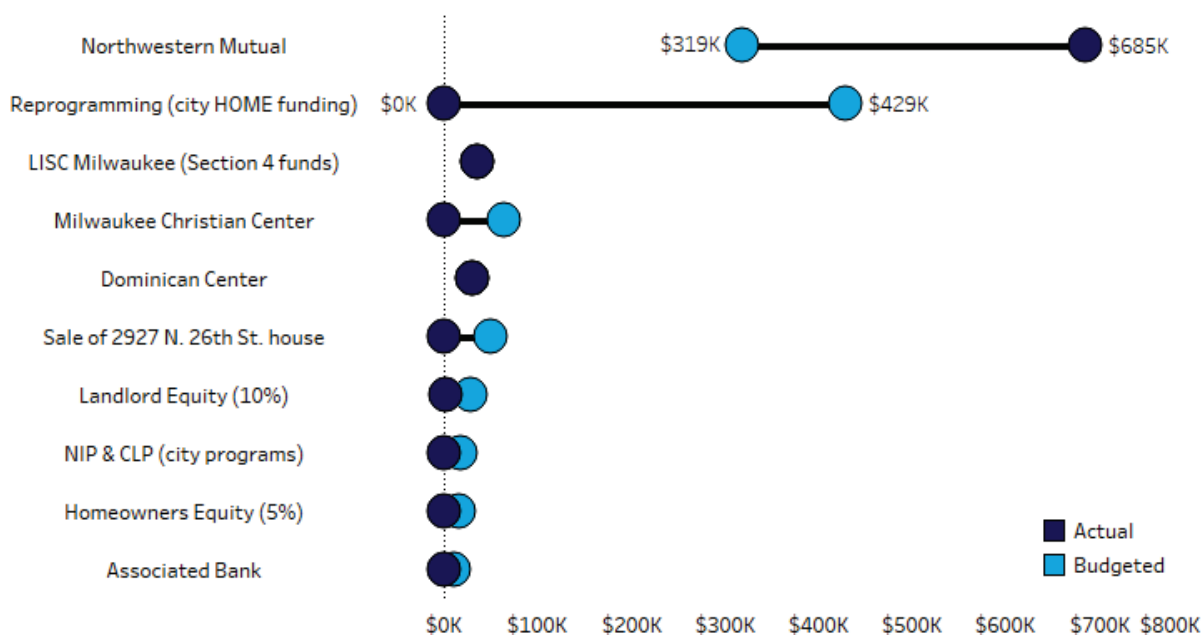
Project Funding

To the partner organizations, a major strength of the pilot was that it was designed to address multiple neighborhood challenges simultaneously on a block with a mix of vacant, owner-occupied, and renter-occupied housing. The pilot’s non-traditional design and multiple overlapping objectives made it difficult to align with existing city of Milwaukee housing programs and funding sources, however. For example, city funding typically is used to help cover the cost of repairing/renovating individual properties and usually cannot support a construction training component.

Dominican Center applied for funding from the city’s Community Development Grants Administration (CDGA) office for the pilot. In July 2020, it was awarded \$500,000 in “reprogramming” dollars from the federal HOME program, which is a block grant program that supports creation of affordable housing for low-income households. Reprogramming dollars are federal funds allocated to the city in past years that either were not used or came back to the city from projects that never materialized. These funds could be drawn down by Dominican Center as it submitted qualifying project expenses to the city.

To date, however, no reprogramming dollars have been secured for home repair work on the pilot block for reasons we will discuss below. That, in turn, has contributed to the need for Northwestern Mutual to contribute more than twice as much to the pilot as originally budgeted. **Figure 3** shows budgeted and actual revenue figures for the pilot compiled by Ezekiel CDC. Other than the funding support from NM, \$35,000 in federal Section 4 funds was provided by LISC Milwaukee to help cover staffing costs at Ezekiel; a \$30,150 grant from Impact100 Greater Milwaukee was received by Dominican Center and supported lead abatement work; and \$1,700 in equity was contributed from landlords on the block. Homeowners also have contributed sweat equity by helping with renovations to their homes, and organizations like Legal Aid Society have made in-kind contributions through their efforts.

Figure 3: Amani Housing Pilot budgeted vs. actual revenues as of September 2021



Source: Ezekiel CDC



Additional data provided by Milwaukee Christian Center shows the revenue sources supporting its rehabbing of two houses on the pilot block. The agency has received a combined total of nearly \$240,000 in federal HOME funds from the city of Milwaukee to support that work, with an additional \$104,000 coming from construction mortgages and \$50,000 from proceeds it has generated as a community housing development organization (CHDO). MCC is the only organization involved in the Amani pilot that has extensive experience working with the city's housing programs.

One reason several other home repair projects on the pilot block could not be covered by the city's HOME dollars or other city home repair programs was that pilot leaders had initiated work on them well before being awarded the HOME funds. Projects could only qualify for reimbursement if they had not yet been initiated and met other requirements. For example, lead inspections are mandatory, but according to city leaders, the Milwaukee Health Department was not contacted for lead inspections for homes where work had begun on the pilot block.

Pilot leaders did initial home repair work on the block using private funds from NM, which did not require some of the safety checks that HOME and other federally-funded city programs mandate. At the time, they were eager to get the work going and unaware that initiating the projects would make them ineligible for the HOME dollars the pilot had been awarded. In retrospect, pilot leaders say they should have first exhausted every opportunity to tap the HOME funds and other city home repair programs before beginning to use the much more flexible funding NM was providing.

Another major issue was that HOME dollars typically only cover hard construction costs for things like materials and labor but they do not cover expenses tied to administration, training, or community engagement, which were core parts of the Amani Housing Pilot's design. Additionally, homes must be code compliant at the end of each project supported by HOME and there are caps on the amount of funding that can be used for repairs on a single home. Those can be limiting factors as some houses need expensive repairs to become code compliant.

Cash flow also has been a challenge and would be particularly difficult if the Amani partners were relying on HOME funds alone. Ezekiel has contracted with small construction companies to do home repair work on the block, with contractors also agreeing to train workers. The contractors asked for some payment up front for training and also started buying building materials right away, with Ezekiel providing reimbursement. (Contractors were paid for their labor at the end of each project.)

To access HOME funds, Ezekiel has to submit invoices for work completed by licensed contractors to the city's CDGA office. CDGA would then approve the expenses and send them to the city's comptroller for reimbursement to Ezekiel. The problem is that this process takes weeks to complete, so even if the expenses were covered by the city, an upfront source of funding would be required to cover initial project expenses. Consequently, Ezekiel has been that upfront source and NM has reimbursed it for these expenses.

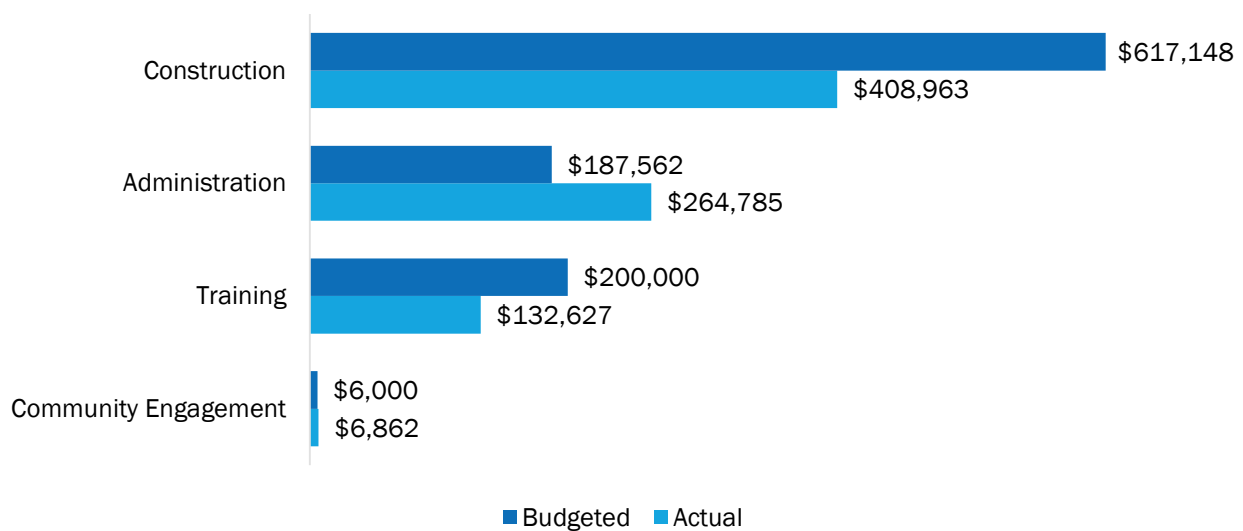
Pilot leaders also have realized that a combination of HOME and federal Community Development Block Grant (CDBG) funds would have provided the pilot with greater flexibility than HOME funds alone to cover a wider range of activities and expenses. CDBG can be used for a broad set of activities beyond construction and, like HOME, is sometimes available as reprogramming dollars. Dominican Center applied for CDBG funds to cover operational costs of the pilot and was awarded \$170,000 in fall 2021, which they plan to use for work on the next blocks. They are also considering how to pursue state and private funding sources that could help pay for administration and training for work on future blocks.



Another opportunity of which the Amani partners did not take full advantage early in the pilot was to assist homeowners and landlords to apply for funds from other city of Milwaukee home repair programs. Since the pilot was awarded the reprogrammed HOME dollars early on, applying for other city programs seemed unnecessary. Pilot leaders now realize this approach should be one of the first strategies pursued on future blocks.

That said, when pilot leaders did begin working with residents and landlords to apply for city home repair programs, they found the process more difficult and time consuming than expected. The COVID-19 pandemic also had struck Milwaukee, delaying all aspects of the pilot’s work. These factors meant additional funding was needed to support Ezekiel in its role as project manager, which resulted in higher-than-anticipated administration costs (Figure 4).

Figure 4: Budgeted vs. Actual Pilot Expenses through September 2021



Source: Ezekiel CDC

Note: This chart does not include the roughly \$90,000 MCC has spent so far on its home rehab projects on the pilot block.

Since March 2021, no additional home repair work has been completed on the block as the pilot partners work with the city to try to get remaining homes and residents to qualify for HOME funds or other city home repair programs. According to pilot leaders, one or two more homes on the block are slated for improvements.

Lessons learned: It is important to use the most restrictive funds you can secure first and save more flexible funds to fill gaps and pay for activities that otherwise would not be covered. In future efforts, before starting work on any houses, project leaders should work with the city of Milwaukee to make sure planned projects can qualify for available funding and with residents and landlords to complete required paperwork. Available non-city programs, such as Habitat for Humanity, also should be considered.

Multiple funding sources may be needed to pay for different components of a multi-faceted neighborhood revitalization effort like the Amani Housing Pilot. For example, a combination of HOME and CDBG dollars would provide more flexibility than HOME alone, and other city home repair programs also should be considered early on. Other public, private, and philanthropic funding



sources also could help pay for specific components of the project, such as worker training and project administration. It is important to develop a business model that estimates the costs of each program component (construction, administration, training, etc.) and identifies funding sources that will help pay for them.

New or expanded sources of funding also may be needed to support projects like the Amani Housing Pilot. For example, a new seed fund or revolving loan fund could help get such projects started by covering upfront project expenses that are not immediately reimbursable even when city/federal funding has been secured. A flexible local source of public and/or private sector funding (such as the city of Milwaukee's Housing Trust Fund) also could facilitate block-by-block housing revitalization efforts by covering project components that cannot be covered by federal funds.

City Housing Programs

Interwoven with the Amani Housing Pilot's funding challenges are a number of difficulties the partner organizations and pilot block residents have experienced in trying to access the city of Milwaukee's home repair programs.

One challenge has been simply understanding which programs are available and whether homeowners on the pilot block are eligible. Pilot leaders say there is no easy way to apply for home repair assistance across city departments and described the process of trying to navigate the city's array of programs as confusing and frustrating for themselves and for residents.

Our 2020 [report](#) on the city of Milwaukee's housing programs and investments came to similar conclusions, finding a fragmented set of programs spread across several city agencies, with limited coordination occurring system-wide. We noted that "while each of the city's housing programs has somewhat distinct policy objectives and target populations, the sheer number of programs and agencies involved may create inefficiencies and may be difficult for individuals and families to navigate."

Pilot leaders suggested that the city simplify and streamline the application process so people only have to fill out one document that, once complete, can be analyzed to determine their eligibility for all city housing programs. They suggested that such an application could possibly even be expanded eventually to include not only city of Milwaukee programs but also those offered by other public and nonprofit organizations.

When efforts to access the HOME dollars awarded to the pilot proved difficult, pilot leaders began to work with residents and landlords on the block to apply for city programs that provide home repair loans, which are often forgivable or partially forgivable. Despite assistance from Dominican Center and Ezekiel CDC staff, however, it has proven far more difficult than expected for projects to qualify for these programs for a variety of reasons. First, both the house and the owner have to qualify for a given city program. Based on federal regulations, the city can only provide home repair assistance to a homeowner if significant time has passed since a previous owner received assistance on the house. The owner also has to be income-eligible and in strong enough financial standing to be able to cover their expenses. In many cases, either the homeowner or the property did not qualify for assistance for one of these reasons. Others could not qualify because they owed back property taxes to the city, lacked homeowner's insurance (which in

"Accessing the city's housing programs should be streamlined. There should be one single application that once completed will tell you what programs you are eligible for."



some cases they had difficulty acquiring), had extremely low credit, or could not produce the paperwork required by HUD.

A number of unusual cases have occurred as well. For example, one resident inherited a second home when a parent died and then could not qualify for city programs on either home because owning a second home made him ineligible. Another resident qualified for the city's Neighborhood Improvement Program (NIP) and died after work had started on her home; at that point, the city terminated work on the house, though her children who inherited the house were alive and living elsewhere. In the latter case, city leaders say that per HUD requirements, a new income-eligible client was needed to complete the project, but no family member applied for NIP or confirmed that an owner-occupant would be living in the home.

Cases like these have generated frustration among residents and pilot leaders alike, but city leaders pointed out that in most cases, they are merely following rules proscribed at the federal level by HUD. As one CDGA leader put it, "City programs are designed to check all the boxes for HUD compliance. If there is something the city (rather than HUD) has made a requirement, we can have a conversation about that and consider changing it, but in general there is no shortage of households who qualify for city programs with the current requirements."

Pilot leaders noted that for certain types of city services, there is a designated place to go for information and assistance, but that is not the case for home repair services or home buying assistance. They suggested that having a housing office with case managers or program navigators could make available city programs more accessible to the public. City leaders noted that several nonprofit organizations in Milwaukee (e.g. Housing Resources Inc. and ACTS Housing) assist residents with housing counseling services and may be natural partners in efforts like the pilot.

City leaders have made considerable efforts to support the pilot beyond awarding it the HOME funds. In the early stages, the city's CDGA office steered pilot leaders to home repair organizations and housing producers experienced with the city's HUD-funded housing programs. CDGA staff also met with the other city departments that administer housing programs (the Departments of City Development (DCD) and Neighborhood Services (DNS) and the Milwaukee Health Department – collectively referred to as the "development team") to review whether each home and homeowner had received prior assistance and to try to match each homeowner and landlord with programs for which they may be eligible. However, as previously discussed, the Amani Housing Pilot's strong emphasis on construction training (which is not covered by many programs) limited the effectiveness of this approach.

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Consequently, CDGA decided to establish a new set of eligibility criteria on a special basis for two city home repair programs to make it easier for projects on the pilot block to qualify. Among other modifications made for pilot block homeowners, CDGA increased the maximum income eligibility for the Neighborhood Improvement Program from 60% of the area median income to 80% and waived the program's five-year ownership requirement. For landlords on the pilot block, CDGA developed a modified version of the TIN Rental Rehab Program by reducing the required landlord match from 50% to 10% and increasing the maximum amount of funding available per home from \$14,999 to



\$40,000, while requiring that the units remain affordable for at least 10 years. To date, two houses on the pilot block have been approved for NIP (though both were approved before CDGA modified the program eligibility criteria for the pilot and only one has been completed) and two are currently working through the process of applying for the Rental Rehab program.

In addition, a CDGA staff member and two housing inspectors from the city's Department of Neighborhood Services participate in ongoing weekly meetings with the project team to assist with the process of qualifying residents and projects for city programs and provide additional guidance, which has involved a significant investment of time for the office.

CDGA leaders stated that they remain supportive of the Amani Housing Pilot and indicated the agency is likely to provide financial backing for work on other Amani blocks in the future. They noted, however, that modifying city programs to align with a community initiative is an atypical practice and that similar efforts on other blocks of Amani or in other neighborhoods will need to follow the guidelines of existing programs.

Lessons learned: As previously noted, leaders of future projects similar to the Amani Housing Pilot should meet with the city of Milwaukee's "development team" early in the project planning process to discuss program feasibility. Adjustments may be needed to help align planned work with available programs and funding.

Even if this coordination occurs, however, the city of Milwaukee's fragmented housing programs and lack of a universal application process for housing assistance create challenges for city residents and community organizations seeking services. A streamlined system of programs and a simplified process of applying for home repair assistance that includes all programs regardless of agency administrator may help to improve access. A designated housing office with program navigators available to assist residents in accessing city housing programs also may be needed. Adding a nonprofit housing agency partner to efforts like the Amani Housing Pilot to provide guidance in navigating city home repair programs also may be a possible solution. Last, to the degree that city officials share some of the Amani project's goals such as training new workers, the city may wish to investigate whether it could adjust its programs to accommodate or even support those goals.

At the same time, most of the city's home repair funds are federal dollars from HUD, and the city is required to comply with HUD's regulations in spending those dollars. This creates challenges beyond the city's control for many residents who do not fit every program eligibility requirement or cannot provide all documentation needed to qualify for assistance.

Capacity Needs

A number of challenges that have surfaced during the Amani Housing Pilot have revealed the need for specific capacities to make a comprehensive, block-by-block housing revitalization effort successful. As previously discussed, involving organizations that have the community's trust in leadership positions and/or having strong ***resident engagement*** skills is a foundational necessity of this work. Other essential capacities include the following:

Project management/coordination – Dominican Center and Ezekiel CDC both have played lead roles in the pilot, and for a while, LISC contracted for a construction project manager who helped develop scopes of work and estimated costs for each home. Pilot leaders have determined that a construction project manager only is needed on an ad-hoc basis, however, and realized that the project management/coordination role played by Dominican Center requires a full-time, dedicated

staff member who can oversee the entire project and coordinate all of the partners involved on a continuous basis.

Experience with HUD-funded city housing programs – Having partners at the table who are experienced with city programs and HUD regulations is important, and capacity-building may be needed to increase the number of individuals and organizations that can play such a role.

Accounting is another important skillset within this work, as city/ HUD-funded programs require detailed bookkeeping and reporting.

From the perspective of the city and some pilot partners, the organizations leading the Amani Housing Pilot did not have enough experience working with HUD-funded city programs when the pilot began. Pilot leaders got ahead of themselves by starting work on home repair projects before determining whether the homeowners and project expenses could qualify for city funding, and they were not aware that projects already underway would not qualify for city support.

Legal support – One unexpected set of challenges that arose during the pilot were legal issues that have made it difficult for residents to qualify for city home repair programs. For example, many elderly people do not have a will or financial power of attorney or have designated multiple family members to inherit their homes, which complicates matters when a resident dies or when one of their children lives in the home but is not the sole homeowner. Cases like these have made Legal Aid Society a key partner in the Amani Housing Pilot – not just to help households qualify for home repair loans but also to help put their families on better financial footing for the future.

Pilot leaders got ahead of themselves by starting work on home repair projects before determining whether the homeowners and project expenses could qualify for city funding, and they were not aware that projects already underway would not qualify for city support.

Other types of legal issues have cropped up in many cases on the pilot block, often with unique circumstances. For example, in one case, a tenant who qualified for the city’s NIP program died and his girlfriend remained in the house but was not the owner. The brother of the deceased owns the home and wants to improve it, but the girlfriend does not want to leave and is not contributing financially. The home is badly in need of repairs, but the current situation is stalling the ability of the homeowners to access city funds fix the house. Legal Aid is involved and is trying to assist both the homeowner and the girlfriend.

Legal Aid also was at the table when it came to defining what was expected of residents and landlords who received assistance through the pilot. As “skin in the game,” homeowners were generally expected to contribute 5% of the cost of the home repair projects and could do so via sweat equity, while landlords were expected to contribute 10%.

Worker training – Involving a partner like Ezekiel CDC with experience training new workers in construction – including those with barriers to employment – is another important capacity need illustrated by the Amani Housing Pilot. The pilot’s training and state-certified pre-apprenticeship program were universally lauded by those interviewed for this research.

Some individuals suggested, however, that a different approach may allow for training to be provided while also making it easier for residents to qualify for city home repair programs and funding. One option would be to take greater advantage of existing training programs like Milwaukee Builds and YouthBuild on future blocks, while another would be to create a standalone training program that could be funded separately but that ties into the larger revitalization project. Another suggestion



from city officials was to focus training programs on vacant (rather than occupied) homes. As one city official put it, “The best experience for an owner-occupant is for you to be in and out. Not to go through a lengthy training experience with new workers. That takes longer and there are more mistakes.”

If a comprehensive housing revitalization program like the Amani Housing Pilot were to focus on a block with more vacant houses that can be renovated more slowly while training new workers, the goal would be to sell the renovated homes at an affordable price to new homebuyers. That model would require enhanced capacity for *homebuyer education and support*, which may mean an additional partner organization would need to be involved.

Communications – Another skill set that has proven important to the Amani Housing Pilot is the ability to share the story of the work being done with potential supporters and advocates. Amani partners have given tours of the block to elected officials, funders, and others, and NM has produced and shared compelling videos about the pilot, which has helped generate support beyond the pilot’s partner organizations.

Lessons learned: *The Amani Housing Pilot illustrates the range of capacities needed to manage a complex block-by-block housing revitalization effort. Some, like resident engagement and project management and coordination, were areas pilot leaders knew were important from the beginning but required much more work than expected. Others, like legal support, were not considered to a great extent early on but revealed themselves to be critical.*

“The best experience for an owner-occupant is for you to be in and out. Not to go through a lengthy training experience with new workers. That takes longer and there are more mistakes.”

The pilot leaders’ limited experience working with the city of Milwaukee’s HUD-funded home repair programs proved to be a considerable challenge. This is one area where capacity building may be needed for similar efforts in other neighborhoods to be successful.



MODEL FOR FUTURE BLOCKS?

To help guide planning and resource development for similar efforts on future blocks of Amani, two of the pilot’s partner organizations (Dominican Center and Northwestern Mutual Foundation) have developed a model that estimates the potential cost of doing this work for the average block in the neighborhood. The model estimates a total cost of just under \$2 million per block (see **Figure 5**) while providing estimates for each component of the project and for specific expenses within each of them. Pilot leaders stress that these estimates are likely at the high end and that this work may cost less on some blocks.

Figure 5: Estimated Costs per Block by Focus Area	
Community Engagement – 25 homes	
○ Program awareness:	\$1,380
○ Housing program enrollment/paperwork:	\$5,750
○ Resident legal support:	\$10,000
○ Resident engagement events:	\$10,000
○ Total cost:	\$27,000
Training Program – 30 trainees	
○ Contractor recruitment & capacity building/support:	\$10,000
○ Training/pre-apprenticeship program:	\$376,000
○ Trainee support services:	\$10,000
○ Total cost:	\$400,000
Administrative Support	
○ Project administration:	\$75,000
○ Specialty services & support (scoping, projections, estimations, and access to additional capital):	\$50,000
○ Total cost:	\$125,000
Home Repair/Renovation/Development – 25 homes	
○ Repairs to eight owner-occupied homes:	\$316,000
○ Repairs to 17 renter-occupied homes including eight duplexes (25 total units):	\$500,000
○ Total renovation of training house:	\$180,000
○ Total renovation or new construction of 2 other homes:	\$400,000
○ Total cost:	\$1,396,000
Overall Block Total: \$1,948,000	

Cost estimates for the project’s community engagement, training, and administrative support components (a combined \$552,000 in the figure above) are largely based off of the pilot. Funding sources to help cover those costs have not yet been determined, but pilot leaders have begun to identify possibilities for each. For example, potential sources of support for the training component include state programs administered by the Wisconsin Department of Workforce Development and federally funded programs administered locally by Employ Milwaukee.



A majority of the total funding needed (nearly \$1.4 million) would be used for home repair/renovation/development work. Beginning with an estimate that each block in Amani contains approximately 30 homes, the model aspires to have 25 homeowners or landlords (83%) participate in home repair work on each block. Census estimates show that roughly two-thirds of occupied housing units are renter-occupied and the remaining third are owner-occupied in the census tracts that make up Amani, so the model estimates that eight owner-occupied houses and 17 renter-occupied houses would be improved. An estimated three homes would be completely rehabbed or built new on each block.

The model estimates the cost of home repairs with an assumption that each home will qualify for a city home repair program, with additional private funding provided as a “bonus” to encourage participation. Using the city’s NIP program as a model, the model estimates that each owner-occupied home could qualify for \$24,500 in forgivable loan funds from the city and that an additional \$15,000 in private sector funding would be provided. Using the city’s TIN Rental Rehab program as a model, it estimates that each rental unit could qualify for \$15,000 in forgivable loan funds from the city, with an additional \$5,000 per unit added in private funding. Pilot leaders believe the bonus funding from the private sector also could help to cover additional repairs that are needed or desired but that go beyond what city programs could cover.

Under this model, the city would provide a majority of the funding needed for the home repair, renovation, and development work through its various housing programs. In cases where participating homeowners and landlords cannot qualify for city support, however, additional private funding would be needed. Another possibility to consider that could add city resources to home improvement efforts on future blocks is to establish Amani as a Targeted Investment Neighborhood (TIN); the city of Milwaukee already has established programs that provide forgivable home repair loans exclusively targeted to homes located within its other TINs.

Construction cost estimates for homes that require total rehab or that would be built on vacant lots are based largely on the cost of renovating the first house on the pilot block that now serves as Ezekiel CDC’s headquarters. On future blocks, those projects may qualify for support from city programs such as those MCC tapped to rehab two homes on the pilot block.



OBSERVATIONS & CONCLUSION

Since launching the Amani Housing Pilot in 2019, project leaders have experienced a number of challenges but have made substantial progress toward the pilot's stated goals. Housing conditions have improved on the pilot block, while new workers with barriers to employment have been trained in construction.

The partner organizations have learned a great deal from their involvement and collaboration on the pilot, which should make similar efforts on future blocks easier. Indeed, the Amani partners plan to replicate the pilot next on two blocks simultaneously (the 2800 block of N. 22nd and N. 23rd streets) and eventually to scale up the effort further, with the ultimate goal of improving every block in Amani and potentially inspiring similar efforts in other Milwaukee neighborhoods and beyond.

The pilot's distinct design shows the promise of concentrating housing revitalization efforts within a targeted geography and layering in goals that extend beyond housing quality to areas like workforce and community development. It also illustrates the complexities of such a model and the many skills and resources needed to make it successful. In light of that finding, a potential need emerges to consider changes to city programs and services and to build capacity for this type of work among community organizations in Milwaukee if the pilot is to be replicated and brought to a larger scale.

Another potential need is for Northwestern Mutual to expand its role to encompass more policy advocacy and coalition-building. As one of the most prominent corporate entities in Wisconsin, it is uniquely positioned to do so. NM has the standing to bring needed policy changes to the attention of policymakers as well as to attract other leading civic and corporate entities to participate in project expansion. That participation might involve not only financial contributions, but also pro bono assistance to neighborhood residents and project stakeholders in areas like financial, legal, and construction services.

Specific key takeaways from our analysis include the following:

Resident engagement and a strong understanding of the city of Milwaukee's housing programs are critical to housing and neighborhood revitalization efforts like the Amani Housing Pilot. Capacity building may be required to foster this work in Milwaukee neighborhoods.

When the pilot launched, Dominican Center was designated as a lead organization due its deep roots in the neighborhood, and Amani United (a neighborhood association) also was engaged to play a guiding role. Despite this foundation, pilot leaders found many residents initially were skeptical of both the pilot and the idea of seeking assistance from the city of Milwaukee. It took a great deal of outreach and the relocation of Ezekiel CDC to the pilot block to build relationships with neighborhood residents, which ultimately led to strong participation in the pilot.

If the pilot is replicated on other blocks of Amani, it likely will require a similar investment of time in community outreach and engagement involving the same or a similar set of partner organizations. To replicate the pilot in other Milwaukee neighborhoods, anchor organizations like Dominican Center will be needed. This could make it more difficult to extend this strategy to some neighborhoods than others, as not all neighborhoods have an obvious organization who could play that anchor role and some groups may be more willing and able to do so than others. The record of initial success on the first block, however, may help to demonstrate the project's potential to organizations in other neighborhoods.



The complexity of the city's HUD-funded housing programs has been another major challenge for the pilot. Those programs are highly regulated and require a great deal of documentation, and the Amani partners had limited experience with them before the pilot began. Several individuals interviewed for this report noted that relatively few community organizations in Milwaukee have experience working with the city's housing programs.

Consequently, to the extent that philanthropic organizations who are active in community revitalization efforts in other neighborhoods wish to pursue the Amani Housing Pilot model in those communities, they may first need to invest in new anchor organizations and/or in capacity building for existing organizations as a precursor to such efforts.

Financing a block-by-block housing revitalization effort with related workforce development objectives requires careful pre-planning and development of either multiple or flexible funding sources, and most likely both.

Perhaps the biggest challenge of the pilot has been its financing. Pilot leaders hoped to tap available city of Milwaukee housing programs and funding to pay for a large portion of the work, but for a variety of reasons, almost all pilot expenses have been covered by Northwestern Mutual.

One major reason is that most city programs are supported by federal funding sources that are restricted to certain uses, which did not align well with the pilot's multi-faceted design and emphasis on worker training. Another is that pilot leaders initiated home repair work on the block using flexible funding provided by NM before securing available (but more restrictive) funding from city programs and before working with block residents to complete required paperwork.

Given the multiple objectives and complexities associated with the Amani Housing Pilot, extensive replication may require the creation of flexible sources of financial support by both philanthropic organizations and the city. Barring the establishment of such support, the pilot demonstrates the need to develop a business plan, secure funding sources that can cover each component of the plan (community engagement, training, construction, and administration), and use those resources at the right time in a project's evolution.

Pilot leaders and block residents found it very difficult to access city housing programs and funding, which suggests the need for the city of Milwaukee to simplify access to its home repair programs and the process of applying for them.

To facilitate the pilot, the city's Community Development Grants Administration staff convened leaders from other city agencies to identify home repair programs for which each homeowner or landlord on the pilot block could potentially qualify. When it became evident that the pilot's emphasis on worker training made it incompatible with most existing city home repair programs, city staff established new eligibility criteria on a special basis for two programs to make it easier for homeowners and landlords on the block to qualify for assistance.

Despite this assistance, pilot leaders and block residents found the city's fragmented home repair programs and lack of a universal application process for housing assistance confusing and frustrating. Streamlining those program offerings and simplifying the process of applying for them could help to improve public access. The city also could consider establishing a housing office with navigators available to assist residents (and community organizations like those involved in the pilot) in accessing city housing programs.

Overall, community leaders and organizations in other Milwaukee neighborhoods can learn a great deal from the Amani Housing Pilot. We hope our analysis of this case study sheds light on one promising model for housing and neighborhood revitalization and that city, community, and philanthropic leaders will use our analysis and findings should they pursue opportunities to replicate, modify, and improve it for future blocks.

