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Community Development Block Grant – Recovery Funds  
FY 2008 Substantial Amendment  
Amount Requested: \$375,485

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**Jurisdiction:** City of West Allis  
**Lead Agency:** Department of Development  
**Website:** [www.ci.west-allis.wi.us](http://www.ci.west-allis.wi.us)

**Contact for CDBG-R Administration:** Patrick Schloss

Community Development Manager  
City of West Allis  
City Hall, Department of Development  
7525 W. Greenfield Avenue  
West Allis, WI 53214  
T: (414) 302-8468 (F): 414-302-8401  
Email: [pschloss@ci.west-allis.wi.us](mailto:pschloss@ci.west-allis.wi.us)

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**1. ACTIVITY INFORMATION**

The City of West Allis will utilize Community Development Grant – Recovery Funds for two purposes:

- A. Administration – \$37,548.50
- B. Economic Catalyst Activity: 1960 S. 67 Place - \$337,936.50

Reporting spreadsheet is attached as **Attachment I**.

**2. ACTIVITY NARRATIVE**

**Administration – \$37,548.50 – 10% of award**

The federal notice provides communities the opportunity to use up to 10% for administrative purposes in conducting requirements and implementing activities associated with CDBG-R funds. The City of West Allis has allocated \$37,500 under the CDBG regulation 570.206. These costs are related to staff time in preparing the plan, public notification, reporting requirements, and oversight of the main activity. The Department of Development of the City of West Allis will provide the staffing and management of the CDBG-R funds.

**Economic Catalyst Activity – 1960 S. 67 Place - \$337,936.50**

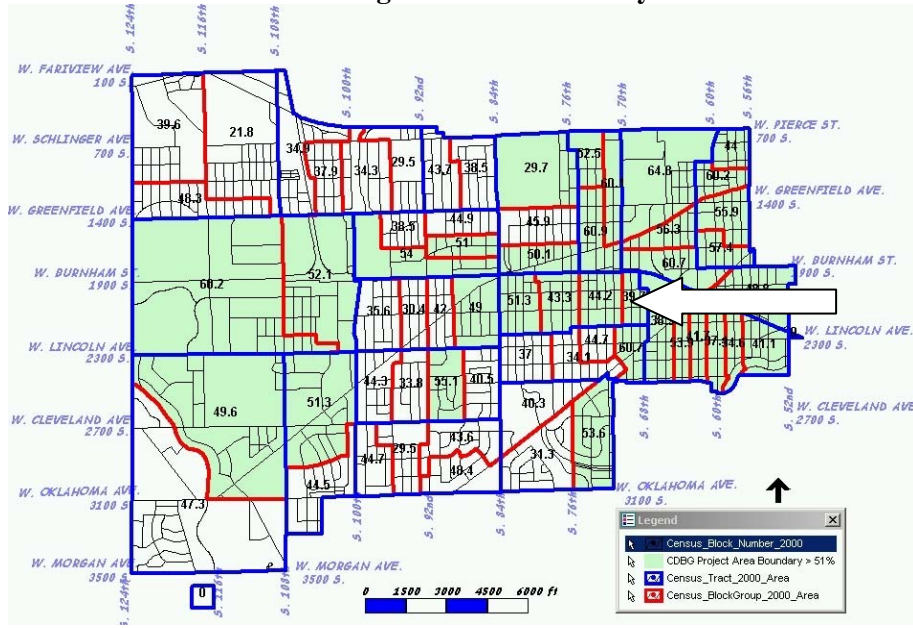
1960 S. 67 Place Industrial Park consists of 11.61 acres of land. The site has been used as a carbide gas manufacturing plant, a waste storage and transfer facility, an oil/hazardous waste trucking terminal, a salvage/junkyard, and a lime pit used to store lime slurry. The City acquired the site in 2006 to pursue redevelopment in a proactive approach to prevent the site from accumulating additional fill materials that cannot be developed upon, as well as to prevent discarded vehicles and further disinvestment of property. Pictured below is **Exhibit 1**, showing the prior conditions of the site.

**Exhibit 1**



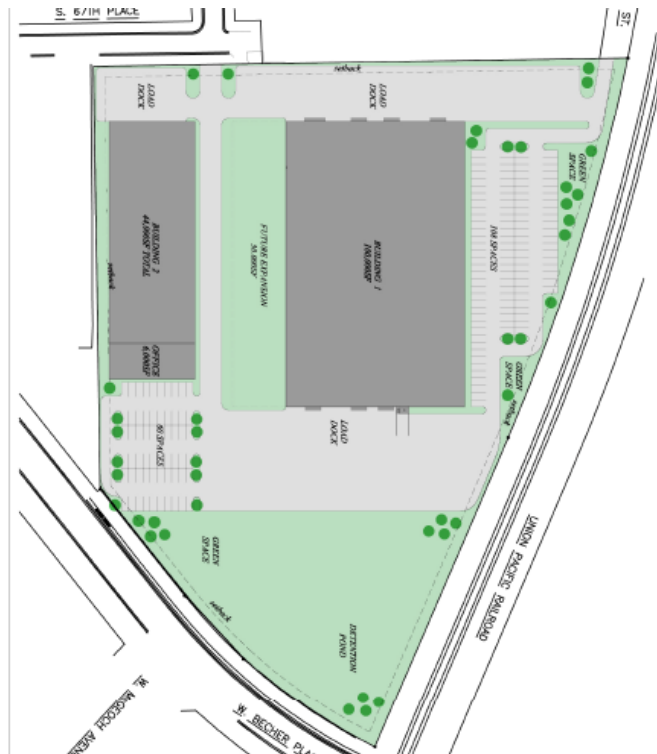
To date, the City has implemented a Tax Increment Finance District to finance the conducted clearing and environmental testing. CDBG-R funds have been identified as essential to prepare the site for marketability and to improve the vast geotechnical soil stability issues. The property is located in Census Tract 1016 and abuts 1003 and 1002. Pictured below is **Exhibit 2**, indicating the location for the CDBG-R activities within the City's CDBG project area map. With 90% of funds programmed to assist low-to-moderate income (LMI) persons, one should note the site is within an area with percentages of LMI in excess of 60%. There will not be a public service allocation or activity with the use of these funds.

## Exhibit 2: CDBG Program Area of the City of West Allis



The conceptual redevelopment drawing is pictured below as **Exhibit 3**.

## Exhibit 3: Redevelopment Conceptual Drawing



- Preserving and creating job opportunities.** Funds will be used for site preparation at 1960 S. 67 Place industrial park. Being a brownfield, the conditions of the site require improvements to foster redevelopment in late

2009 or 2010. In to accommodate an industrial use, work will include soil compaction, storm water management, scrubbing, and overall site grading. The budget for the site preparation is estimated at \$600,000 and is scheduled for August 2009 and will be completed this year.

As a community and region, unemployment has increased to 9.2%. Creating job opportunities for low- to moderate-income individuals remains a primary goal. The City has prospective businesses considering the site for expansion needs. The businesses have represented job retention figures ranging from 45 to 100 jobs and the creation of family supporting jobs of up to 100 new positions over a three-year period from completion.

- **Impacted by recession.** West Allis has a long history of being impacted by corporate decisions, financial constraints, and economic conditions of recessions. The former Allis-Chalmers Manufacturing Co. went bankrupt in 1987 causing the loss of thousands of jobs. In a broader view of the City's economic health, from 1979 to 1989, West Allis lost 8,500 manufacturing jobs, experienced a decline of 10,000 residents, as well as a 25% drop in the average wage within the City, all while the property tax burden was dramatically shifted from industrial to residential. Further, recent statistics from the health department have indicated 35.6% of children in West Allis are living in poverty and the regions unemployment rate continues to escalate. Last month, the unemployment rate was 9.2%. West Allis has seen a steady increase in foreclosures with 160 in 2008 and average of 30 per month since January. Redevelopment of the underutilized and environmentally impacted site will improve the vitality of the neighborhood.

- **Investment needed to increase economic efficiency.**

The tight credit markets and limited number of companies and developers have greatly diminished with the downturn in the economy. The CDBG-R funds would help the City deliver the site to market conditions and assist in the attraction of an interested company or investor.

The City has been successful in leveraging dollars to the site. The City received a Wisconsin Dept. of Commerce – 2005 Brownfield Grant in the amount of \$675,000. DNR approved three Site Assessment Grants in the amount of \$29,900 in 2003, \$29,900 in 2004 and \$29,900 in 2005. The U.S. Environmental Protection Agency (EPA) approved a Clean-up Grant in the amount of \$200,000 in 2005

- **Avoiding reduction in essential services.** As a landlocked community, the growth of the tax base is essential to preserving essential City services. The businesses in discussion with the City, presented building footprints of up to 130,000 sq. ft. with values exceeding \$6 million. Projected amount of incremental taxes generated by redevelopment would be \$140,000. These costs would not only benefit the City's tax base but regional taxing jurisdictions.
- **Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits.**

Engineering controls are in the final stages of design and are associated with controlling groundwater seepage and storm water management. The WDNR agreed that site grading is sufficient to control sheet flow runoff in conjunction with a French drain system, which was the preferred option to address the groundwater seepage for the site and provide storm water clarification and management. The seepage has some low-level ph impacts.

- Fostering energy independence.** The new construction will include energy efficiency standards for mechanicals and materials as well as incorporate possible use of solar photovoltaic cells for energy generation, onsite reuse of contaminated spoils generated during construction versus landfill and trucking, recycling of concrete and asphalt, etc. An added bonus for the project is that the City already has existing infrastructure (i.e. streets, water, sewer, etc) and public transportation for employees. Lastly, the redevelopment of an urban brownfield site promotes sound growth principles in the sense of creating jobs in close proximity to residences (reducing the need for fossil fuels) and sustainable growth by reusing an impacted property (instead of a farm or green space.)

### 3. JOBS CREATED

Phase of Site Development	Category of Work	Classification	Number of Jobs	Retained	New
Site Preparation	Excavation	Heavy Equipment Operator	12		
		Truckers	10		
		General Laborers	12		
		Skilled Trades	12		
	Design and Geotechnical Consultants	Engineers	10		
		Surveyors	3		
		Laboratory/Soil Testing	2		
Construction	Included categories: General Labor, Equipment Operators, Carpentry, Masons, Electrical, Plumbing, Telecommunications, HVAC, landscaping, and Asphalt		100-150		
Operation of Business	Permanent		150	114	36
<b>Estimated Total Jobs = approx. 300</b>					

**4. ADDITIONAL ACTIVITY INFORMATION: DESCRIBE HOW THE ACTIVITY WILL PROMOTE ENERGY CONSERVATION, SMART GROWTH, GREEN BUILDING TECHNOLOGIES, AND REDUCED POLLUTION EMISSIONS.**

The new construction will include energy efficiency standards for mechanicals and materials as well as incorporate possible use of solar photovoltaic cells for energy generation, onsite reuse of contaminated spoils generated during construction versus landfill and trucking, recycling of concrete and asphalt, etc.

The project adheres perfectly to smart growth principles and the development and future business will utilize the existing infrastructure of the City (i.e. streets, water, sewer, etc) and employees will receive the advantage of affordable housing opportunities in close proximity and ample public transportation routes within walking distance of the business's front door. The redevelopment of an urban brownfield site promotes sound growth principles in the sense of addressing environmental issues of the site, improve the vitality of a disinvested property within a neighborhood, and creating jobs in close proximity to residences (reducing the need for fossil fuels). Added benefits of redeveloping the site include sustainable growth by reusing an impacted property instead of a farm or green space and the fact the site has rail access pictured below in **Exhibit 4**.

**Exhibit 4 - Sustainable Growth**



## 5. RESPONSIBLE ORGANIZATION.

Contact Information for Grant Administration:

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7525 W. Greenfield Avenue  
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John F. Stibal  
Director of Development  
City of West Allis  
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City Hall  
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[jstibal@ci.west-allis.wi.us](mailto:jstibal@ci.west-allis.wi.us)

## 6. PUBLIC COMMENT

As proof to the public comment period, attached are two items as Attachment II, which includes: (a) an affidavit for publication of the public hearing relative to the Substantial Amendment for the FY 2008 Annual Action Plan; and, (b) minutes from the April 30, 2009 Citizen Block Grant Committee meeting. The public comment period exceed regulatory requirements.

During the hearing, the Metro-Milwaukee Fair Housing Council inquired about possible funding from CDBG-R to address fair housing issues. Following the meeting, Staff contacted the Regional HUD Office and shared that such an activity was not eligible.

**Attachment I –Spreadsheet**

Attachment II – Public Comments and Publication Record

COM

COMMUNITY  NEWSPAPERS

AFFIDAVIT OF PUBLICATION

0003313631

WEST ALLIS CITY OF-LEGALS  
CLERK/TREASURER'S OFFICE  
7525 W GREENFIELD AVE

West Allis, WI 53214

Patti Guerrero hereby states that she is authorized by Journal Sentinel Inc. to certify on behalf of Journal Sentinel Inc., publisher of Community Newspapers, public newspapers of general circulation, printed and published in city and county of Milwaukee; was published in the My Community Now- Midwest on 4/16/2009 and 4/23/2009; that said printed copy was taken from said printed newspaper(s).

  
Patti Guerrero

State of Wisconsin )  
                                  ) SS:  
County of Milwaukee)

Subscribed and sworn before me this 24 day of Apr, 2009.



Notary Public State of Wisconsin

My Commission Expires 2-20-11



activities of HPRP funds include four categories: financial assistance, housing relocation and stabilization services, data collection and evaluation, and administrative costs.

2) Substantial Amendment to the Community Development Block Grant Consolidated Annual Action Plan, B-08-MC-55-0011, to add approximately \$375,485 in additional funding from the American Recovery and Reinvestment Act of 2009 (CDBG-R). These funds are to be used for projects that emphasize job creation and economic benefit.

The American Recovery and Reinvestment Act of 2009 (Recovery Act) was signed into law by President Obama on February 17, 2009. The City of West Allis expects to receive \$574,434 in HPRP funds and \$375,485 in CDBG-R funds. The federal department of Housing Urban Development (HUD) requires the City to make substantial amendments to its FY 2008 Annual Action Plan which outlines the City's uses of CDBG funds for one year.

From the hearing, the Block Grant Committee will review eligible activities for HPRP and CDBG-R funds and form a recommendation of an amendment to the FY 2008 Annual Plan. The recommendation will be submitted to a meeting of the Common Council of the City of West Allis on Tuesday, May 5, 2009.

In addition, written comments may be submitted to the City of West Allis Department of Development prior to the hearing on April 30, 2009. Information of the City's CDBG program is available for public review at the City of West Allis website [www.ci.west-allis.wi.us](http://www.ci.west-allis.wi.us) or a written copy is available for public review in the City of West Allis Department of Development at 7525 W. Greenfield Ave., West Allis, WI.

The purpose of this public hearing is to provide interested citizens an opportunity to express their views on the allocation of CDBG funds for the current program year and to provide citizens with information on how these funds are to be utilized. For further information, examination and/or copying of this proposed amendment, please contact the Director of Development of the City of West Allis at 7525 West Greenfield Avenue, West Allis, Wisconsin 53214. Dated at West Allis, Wisconsin, this 9 day of April 2009.

vs Paul M. Ziehler  
Paul M. Ziehler  
City Administrative Officer  
Clerk/Treasurer

**Non-Discrimination Statement**

The City of West Allis does not discriminate against individuals on the basis of race, color, religion, age, marital or veterans'

status, or any other legally protected status in the admission or access to, or treatment or employment in, its services, programs or activities.

**Americans with Disabilities Act Notice**

Upon reasonable notice the City will furnish appropriate auxiliary aids and services when necessary to afford individuals with disabilities an equal opportunity to participate in and to enjoy the benefits of a service, program or activity provided by the City.

**Limited English Proficiency Statement**

It is the policy of the City of West Allis to provide language access services to populations of persons with Limited English Proficiency (LEP) who are eligible to be served or likely to be directly affected by our programs. Such services will be focused on providing meaningful access to our programs, services and/or benefits.

Publish: April 16, 2009  
April 23, 2009

**NOTICE OF PUBLIC HEARING  
TO AMEND THE CONSOLIDATED  
PLAN OF THE  
COMMUNITY DEVELOPMENT  
BLOCK GRANT PROGRAM  
Thursday, April 30, 2009,  
6:00 P.M.**

NOTICE IS HEREBY GIVEN that the Community Development Block Grant Committee will conduct a public hearing in the Common Council Chambers of West Allis City Hall, 7525 West Greenfield Avenue, West Allis, Wisconsin, on Thursday, April 30, 2009, at 6:00 p.m., or as soon thereafter as the matter may be heard, upon:

1) Substantial Amendment to the Community Development Block Grant Consolidated Annual Action Plan, B-08-MC-55-0011, in the amount of \$574,434 for the incorporation of the Homelessness Prevention and Rapid Re-Housing Program (HPRP) from the American Recovery and Re-

**MINUTES  
BLOCK GRANT COMMITTEE  
THURSDAY, APRIL 30, 2009  
6:02 P.M.**

**COMMON COUNCIL CHAMBERS - CITY HALL - 7525 WEST GREENFIELD AVE.**

- PRESENT:** Ald. Thomas Lajsic; Ald. Vince Vitale; Anthony LaRosa, Frederick Kuolt (First District); Catherine Narloch, Chair; Michael May, Vice-Chair (Third District); Sr. Paula Marie Jarosz, Jamie Vallejo (Fourth District); Rebecca Murray, Michael Plicka (Fifth District); Paule Kolff, League of Women Voters; Susan Stuckert, School Administration Liaison; Diane Brandt, President, West Allis Chamber of Commerce; Debbie Plantiko, Beautification Committee
- EXCUSED:** Caroline Thomas (Second District)
- STAFF:** Patrick Schloss, Community Development Manager  
Diane Malinger, Principal Secretary
- OTHERS:** Chuck Unger, West Allis Police Department; William Tisdale, Felita Daniels-Ashley and Carla Wertheim, Milwaukee County Fair Housing Council

The meeting was called to order by Chair Narloch at 6:02 p.m.

1. Approval of the Minutes of the March 13, 2009 meeting.

A motion was made by Ald. Vitale and seconded by Ald. Lajsic to approve the minutes of March 13, 2009.

The motion carried unanimously.

2. Public Hearing to Amend the Fiscal Year Annual 2008 Consolidated Plan of the Community Development Block Grant Program in the amount of \$574,434 for the incorporation of the Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds from the American Recovery and Reinvestment Act of 2009 and to add approximately \$375,485 in additional CDBG-R funding from the American Recovery and Reinvestment Action of 2009.

At the request of the Chair, the Secretary read the public hearing notice as follows:

Notice of Public Hearing to Amend the Fiscal Year Annual 2008 Consolidated Plan of the Community Development Block Grant Program in the amount of \$574,434 for the incorporation of the Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds from the American Recovery and Reinvestment Act of 2009 and to add approximately \$375,485 in additional CDBG-R funding from the American Recovery and Reinvestment Action of 2009.

### **Homelessness Prevention and Rapid Re-Housing**

Mr. Schloss stated that the City has been informed by HUD that under the American Recovery and Reinvestment Act of 2009 it will receive \$574,434 in Homelessness Prevention and Rapid Re-Housing (HPRP) funds. The main premise of these funds are to provide financial assistance and services to either prevent individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housed and stabilized. HPRP funds are to provide financial assistance and housing relocation and stabilization services to individuals and families who are at-risk households of becoming homeless or would be homeless if not for this assistance. He added that those receiving any assistance from the HPRP program must meet the definition of homeless as defined by section 103 of the McKinney-Vento Homeless Assistance Act.

Mr. Schloss informed the Committee that a meeting was held with other communities receiving these funds and discussed how they would be utilizing these funds. He added that a majority of funds are for homelessness prevention and focused on financial assistance. Based on the scale of foreclosures in West Allis, staff expects as an activity the need for short-term rental assistance (up to 3 months) or medium-term rental assistance (4 to 18 months). Rental assistance as an activity would involve providing security deposit and utility payment assistance. Housing Relocation and Stabilization Services will involve the arrangement and coordination of services provided to those participants or beneficiaries obtain housing. Activities under this category of funding will include, outreach, promoting, counseling, monitoring, and evaluating program participants and certifying that families and individuals are “at-risk” of being homeless.

Mr. Schloss stated that to perform activities under the Housing Relocation and Stabilization Services, the City of West Allis would seek subgrantees that have experience in coordinating homeless prevention activities and have worked with the areas Continuum Care program. A majority of the HPRP funds within the amendment are associated with financial assistance activities. The coordination of outreach, case management, data evaluation and collection through the Homeless Management Information System, and overall monitoring will be performed by subgrantees. The City expects either subgranting all the services through the Continuum of Care or conducting a request for qualifications to identify organizations or businesses that have experience in meeting the needs of homeless or near-homeless individuals or families. The City of West Allis expects to work with the Continuum of Care because of proven administrative capacity to be able to assist with HPRP and currently counsels citizens at risk of homelessness. This process will be completed prior to September 30, 2009 and will be based on the substantial amendment approval and funding from HUD. Following the submittal of the substantial amendment, the City will begin initial marketing of the program to collect data necessary to start immediate consultation with possible parties in need or at risk relative to housing. Mr. Schloss further stated that after the submittal of the recommended substantial amendment and HUD approval and notice, the proposed estimated HPRP budget and the Performance Measurement table that outlines programs goals are both achievable and quick to implement. He stated that the notice was sent out to over sixty organizations, such as food pantries and other social services agencies to make them aware that these funds will be available.

### **CDBG-R**

Mr. Schloss stated that these are additional funds offered under the American Recovery and Reinvestment Act. He added that the regulations on the fund use have not been published as of yet. He stated that HUD has encouraged running the comment period to coincide with the HPRP Public Hearing. He stated that the funds are to be used for an economic development

activity that creates job and is a “shovel ready” project. Staff will focus the use of these funds for a redevelopment project at 1960 S. 67 Place, an 11-acre property that the City has purchased and currently is in the bidding process to have the soils compacted to facilitate development. Staff is in negotiation with a developer to construct a 130,000 sq. ft. building on the property. He stated that this would meet the guidelines as being a “shovel ready” project. Placing the CDBG-R funds into this site would aid in alleviating the public burden and relieving pressure on the TIF District.

Ms. Narloch invited audience members to address the Committee with any comments or questions.

Mr. Tisdale of the Metropolitan Milwaukee Fair Housing Council (MMFHC) spoke in regards to the HPRP and CDBG-R funds. He stated that the MMFHC is present to ask for consideration to assist the City to meet its obligations by providing intake of fair housing complaints, investigative services, case management, and counseling on options for administrative or judicial remedy for clients facing housing discrimination. He added that MMFHC would provide housing technical assistance to organization operating transitional homeless shelters.

Mr. May informed Mr. Tisdale that subgrantees would need to apply through a Request for Proposal process that would not be selected by the Committee.

Ms. Narloch asked for any comments/questions from the Committee.

Mr. Plicka questioned what the process would be to for a homeless person to apply.

Mr. Schloss replied that Staff is required to submit a substantial amendment to HUD by May 18, 2009. HUD will have until September 1, 2009 to approve the plan and then report back to the City by September 30, 2009 on when the City will have the funds made available to it. He added that by fall the City hopes to promote the program to food pantries or other agencies to direct people who are experiencing difficulties with housing.

Ms. Narloch questioned the selection process of the subgrantees.

Mr. Schloss responded that based on the regulations, the subgrantees need to meet certain criteria. He stated that a scope of services would need to be established and then a contract would be drafted between the City and the subgrantee.

Ms. Murray questioned if the funds would be assisting current West Allis residents.

Mr. Schloss responded that would be Staff’s goal but added that funds may go directly to persons needing to secure housing outside of the City as well.

Mr. May questioned if 100 percent of the CDBG-R funds would be applied to the 1960 S. 67 Place project and if a goal of the funds is to create new jobs.

Mr. Schloss replied that 100 percent of the funds would go to this project. He stated that the main focus is that the City has to have a project that is ready to go within 120 days. He added the City has already been negotiating with a developer and this is considered to be “shovel ready” project.

Ms. Murray questioned how other communities are using these funds.

Mr. Schloss stated that a meeting was held with other communities and plans on using the funds for various programs included rent assistance, eviction prevention, working with homeless shelters, and community advocates.

Mr. May questioned what the selection process for choosing recipients would be.

Mr. Schloss stated that would be developed in consultation with the subgrantee based on their experience.

Ms. Plantinko questioned if we would be working directly with landlords.

Mr. Schloss stated that this would need to be looked at more closely and that money can not be directly handed to the recipient but must go through a third party.

Ald. Lajsic addressed the Committee stating the subgrantee will be charged with administering the program and making decisions on behalf of the City.

Ms. Murray questioned if there are other agencies that would be considered to be a subgrantee.

Mr. Schloss stated that there are other social services agencies that would have to make a proposal to the City but they would have to meet the scope of services that staff outlines in order to fulfill what HUD is requesting the City do with the funds. The agencies must have some sort of affiliation with the homeless management information systems and be able to track and certify that persons are homeless.

A motion was made by Mike May and seconded by Jamie Vallejo to close the public hearing.

The motion carried unanimously.

3. Consideration of a Substantial Amendment to the FY 2008 Annual Consolidated Plan relative to the incorporation of \$574,434 HPRP funds and \$375,485 in CDBG-R.

A motion was made by Mike May and seconded by Ald. Lajsic to recommend Common Council approval of a Substantial Amendment to the FY 2008 Annual Consolidated Plan relative to the incorporation of \$574,434 HPRP funds and \$375,485 in CDBG-R.

The motion carried unanimously.

4. Any other business that may properly come before the Committee.

Mr. Schloss informed the Committee of upcoming meetings on Thursday, July 30, 2009 and Thursday, August 6, 2009 for the FY2010 Community Development Block Grant Program recommendations.

There being no additional business to come before the Committee a motion was made by Michael May and seconded by Susan Stuckert to adjourn at 6:37 p.m.

The motion carried unanimously.

Respectfully submitted,

Diane Malingier  
Principal Secretary