



Department of Planning & Development  
**Inspection Unit**

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2 November 2005

To: Nan Fey, Chair  
Plan Commission

From: Thomas Hirsch, AIA, Chair  
Housing Committee

Re: 10% Set-Aside in TIF

During the Plan Commission's October 24 consideration of TIF Policy, I was asked to have the Housing Committee make specific recommendations on the 10% Set-Aside in TIF. At that time I suggested that due to our standard operating procedure of working out complex issues thru our subcommittees we might now report for several months. Tonight, I am pleased to say, the full Committee took on the subject and without dissent passed recommendations to report out:

"Motion to recommend to the Common Council and Plan Commission policy on TIF 10% Set-aside for Affordable Housing,

1. Budget authority - Establish a capital budget amendment that provide budget authority for the 10% set aside program in an amount that allows assistance to the demand for the budget year as estimated by the CDBG Office, or 20 dwelling units (@ \$40k = \$800,000), whichever is less.
2. District Committees – establish the set aside committee at the time each district is created by the Council, and include a representative from the neighborhood association on it.
3. Expenditure time – extend the period in accordance with recently changed State law from 7 to 20 years.
4. Consistency with Section 42 financing – define "affordable" as "30% of gross income based on area median income" for a given target group, and set maximum rents consistent with the Section 42 program.

5. Equity re-capture – recommend no change to the current policy that shares appreciation in proportion to the assistance rendered at the time of dwelling unit creation, and urge the same policy be carried over for IZ units.”

Members present were Brink, Ejercito, Hassel, Kerr, LeTourneau, Mandeville, Merrill, Sparer, Verveer, Wilcox, and myself. The motion passed unanimously.

If we can be of further service to you, please let me know.

c: Mayor Cieslewicz  
Brad Murphy, CED  
Hickory Hurie, CDBG