Dane County Housing Initiative: Leadership and Policy Strategies for Workforce Housing Development

Olivia Parry, Sr. Planner
Dane County Planning and Development Dept.
Wisconsin Economic Development Association Academy, July 23, 2020
Dane County Housing Initiative (DCHI)

- Overview of Dane County, Housing Gap
- Dane County Housing Initiative Program
- Local leadership and policy strategies
- Community success stories
Dane County Housing Initiative (DCHI)

- Dane County Population 546,695 (2019)
- 61 municipalities (cities, towns and villages)
- 8 municipalities 11,000 +

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Dane County Housing Initiative (DCHI)

17 Dane County Villages - Population under 10,500

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Dane County Housing Initiative (DCHI)

What is Workforce/Affordable Housing?
Housing that costs no more than 30% of monthly income?

*Homeowner* housing cost calculation includes:
  Mortgage + real estate taxes + insurance + utilities

*Renter* housing cost includes:
  Rent and utilities

**Cost burdened**
Households that spend more than 30% of their income

**Extremely cost burdened**
Households spend more than 50% of their income
Dane County Housing Initiative (DCHI)

Overview of Dane County Housing Gap

What is a Housing Supply Gap?

Number of housing units needed at a certain price vs. the number of housing units available at that price
## Dane County Housing Initiative (DCHI)

### Number of Households Paying More than 50% Extremely Cost-burdened

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<thead>
<tr>
<th></th>
<th>2010</th>
<th>2015</th>
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<tbody>
<tr>
<td><strong>Renters</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>10,285</td>
<td>13,050</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+26.9%</td>
</tr>
<tr>
<td><strong>Homeowners</strong></td>
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<td>2015</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3,490</td>
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### Dane County Median Home Value (2014-2018) $252,300

### Dane County Median Home Sale Price June 2020 $320,000
Affordable Rental Housing Supply Gap for households 30% AMI, and under

Can We Close the Housing Gap?

2019 City County Affordable Housing Fund Programs
$11,825,000 in financing =

578 Workforce-Affordable Units

13,050 rental units X 578 units = 22.6 years
Dane County Housing Initiative (DCHI)

Started in 2015

Public-Private Partnership - Elected officials and local governments, residents, financial institutions, housing developers, non-profit housing agencies and interested stakeholders

Scope and Purpose - The Dane County Housing Initiative (DCHI), is a public-private partnership that works to develop a network of information and resources, facilitate communication and learning, and help build strategies that expand housing options in Dane County.

Geography – Dane County, with emphasis on communities outside the City of Madison
Dane County Housing Initiative (DCHI)

- **Data and Information**
  - Research (Housing Needs Assessment), Fact sheets, Dane County Employer Survey

- **Communication and Education**
  - Minding the Gap: The Housing Crisis in Dane County (7 minutes)
    - Primer on workforce housing and the housing gap
    - [https://danehousing.countyofdane.com/Housing-Film-and-Video](https://danehousing.countyofdane.com/Housing-Film-and-Video)

- DCHI Website - [danehousing.countyofdane.com](http://danehousing.countyofdane.com)

- DCHI E-News - Community updates and initiatives, articles, funding deadlines, meetings, training opportunities
Dane County Housing Initiative (DCHI)

- **Leadership, Capacity Building and Outreach**
  - DCHI Monthly Steering Committee Meetings
    - Open to all interested stakeholders
    - Networking and intros, information sharing, summit planning, topic presentations

- **Annual Housing Summit** - 2019 5th year

- **Technical Assistance** - with communities, organizations, meeting with individuals, residents
Dane County Housing Initiative (DCHI)

---Partnering to promote business retention, a stable workforce, and ensuring all Dane County residents have a place they can call home!

Dane County is home to a thriving economy, vibrant communities, abundant natural resources - and residents who enjoy a high quality of life! Yet, thousands of Dane County residents - our neighbors, co-workers and family members struggle to stay in their homes and afford the basic necessities such as food, health care and transportation to and from work.
Dane County Housing Initiative (DCHI)

Partnering to promote business retention, a stable workforce, and ensuring all Dane County residents have a place they can call home!

Minding the Gap: The Housing Crisis in Dane County

Volume 1 | January 2020

Dane County Housing Initiative (DCHI) Housing News

Partnering to promote business retention, a stable workforce and ensuring all Dane County Residents have a place they can call home!

Financing News! Workforce and Affordable Housing Development

In 2019 Dane County and the City of Madison funded new affordable workforce housing with their largest awards to date. Projects varied in size and location. Dane County included new location criteria in their request for proposals to help avoid clustering of workforce housing, as well as incentives for the use of solar energy in developments.

In 2020, County and City budgets are similarly large, but also aim to diversify target populations, and include different strategies to increase flexibility in their approach to addressing the housing crisis.

Find out more here.
5th Annual Dane County Housing Summit
The Next Generation of Housing
Thursday, October 10, 2019
Monona Terrace Convention Center, Madison, WI
celebration-10×8-web-copy
Leadership and Policy Strategies

Sun Prairie, WI pop. 34,288

Workforce Housing Coalition 2016

Initiated by SP Chamber Director, Ann Smith - partner with City of Sun Prairie, Mayor, area businesses

- Facilitated Sun Prairie, Council Member
- Monthly meetings rotated between area manufacturer, temp agency, communications plan

Comprehensive Plan Update - Housing Chapter update to identify recommendation and direct policy changes
Leadership and Policy Strategies

Sun Prairie Comprehensive Plan Update

The Community Development Authority (CDA) has primary responsibility as the City entity to lead local housing policy and programs.

Continue to communicate with the business community about workforce needs and the need for housing types that will help attract people to live and work here.

Continue to engage with the community regarding housing needs and issues.

Actions 1. Prepare a Housing Study to evaluate housing market conditions and advise City actions to address housing mix and affordability.

The Community Development Authority (CDA) should form a Housing Advisory Committee or similar appointed body to help evaluate and advise on housing issues.

As appropriate, use the CDA to buy and assemble property as a technique to proactively improve neighborhoods.

Explore opportunities for co-housing, cooperatives, community land trust model.

Create an Affordable Housing Fund that can be used to support a variety of affordability initiatives.
Leadership and Policy Strategies

Leadership - Oregon, WI pop. 10,520

Started by Karin Victorson, resident, 2017
Leadership and Policy Strategies

Background and Process

Connection and Conversation

- Volunteered in schools and community for years
- Contacted key community leaders—Village Board, Chamber of Commerce, pastors, school district social workers
  - Contacted DCHI for help and resources
  - Village board members secured meeting space
  - First meeting March 2017
Leadership and Policy Strategies

- Structure and Roles
  - President, Vice-President, Secretary
  - Committees
    - Land/projects, Education/Advocacy, Policy
- Meetings
  - 1x/month for one hour at Village Hall, informal, anyone can come
Goal

Through education and advocacy, our goal is to develop 200 housing units (rental and home ownership) for extremely cost-burdened Oregon residents, and those making 0-50% of the Area Median Income.
Leadership and Policy Strategies

Outcomes

- 2018 became one of the first Dane County community to extend TIF closure and captured $400,000 for workforce and senior housing

- 2020 - Two new developments are in the pipeline, one senior affordable housing, the other Habitat cluster development
Leadership and Policy Strategies

City of Middleton Housing Task Force 2015

1. Encourage the establishment of a revolving loan fund (RLF) for smaller projects serving families earning less than 80% of the County Median Income (CMI), such as rehabilitation of owner occupied housing and/or down payment assistance loans for new home owners.

3. Incentivize housing developers to include workforce housing units in new developments, through the use of TID 3 and 5 funding, through impact fee waivers, through the deferral of parkland fees, and through possible reductions in required number of parking spaces for affordable units.

4. Develop a program that will assist low-income seniors to stay in their homes longer (providing energy efficiency upgrades, assistance with home repairs, etc.).
Leadership and Policy Strategies

City of Middleton Housing Task Force 2015

4. Work with developers to provide support for affordable housing projects (including recommendations for available land, financing sources, and letters of support).

5. Promote and support the Dane County Housing Authority’s programs and services.

6. Explore small lots and flexible design standards to encourage smaller, more affordable, homeownership opportunities.
Dane County Housing Initiative (DCHI)

Lessons for leadership

1. Every community is unique - no right answer!
2. Much harder to attract and develop workforce housing without dedicated leadership/support
3. One person in a community cannot support this work, it’s a community effort, across stakeholder groups
4. A leader doesn’t have to be an expert, can be an interested individual, resident, trustee or council member, community group or church, willing to learn, and bring people together
5. Gather regularly to learn together, educate yourselves, commission study
6. Housing study or needs assessment will provide blueprint for action

1. County level or municipal level
6. Change is uncomfortable, acknowledge and appreciate each perspective, community, and different approaches.

7. Steep learning curve, everyone learns differently, utilize different tools and opportunities, approaches, be patient.

8. Stakeholder engagement - be open and inclusive of all stakeholder groups, you never know who will emerge as a leader.

9. **Best practices** - dedicated committee of local gov’t body to facilitate the work, oversee the study, comprehensive plan update, liaison with community.
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### Dane County Municipalities Working on Housing
#### 2020 - Outside Madison

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<td>Mazomanie</td>
<td>Discussion with NP developer re: affordable Senior housing</td>
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<tr>
<td>Fitchburg</td>
<td>Conducted a housing study, and housing plan, new WF New Housing Plan, Housing Advisory Committee, new MIMF Development</td>
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<tr>
<td>DeForest</td>
<td>UW Real Estate Dept. to discuss &amp; plan rental &amp; SF Pocket Neighborhood</td>
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<tr>
<td>Middleton</td>
<td>Workforce Housing Strategy Task Force, 2 new WH developments, missing middle development 2021</td>
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<tr>
<td>McFarland</td>
<td>Reviewed two developments with WF housing 2019; 2020 LITHC Award for new MIMF</td>
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<td>Mount Horeb</td>
<td>Workforce housing initiative MHED, new 45 unit development in the village</td>
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<td>Oregon</td>
<td>Oregon Housing Coalition; Affordable Housing Fund, New Senior development, Habitat Development</td>
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<td>Sun Prairie</td>
<td>Workforce Housing Committee, 2 new WH developments, updating their comp plan</td>
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<tr>
<td>Waunakee</td>
<td>New Waunakee Housing Study, New MF Development 2020 LITHC award</td>
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<td>Monona</td>
<td>UW students updated housing plan, conducted site analysis.</td>
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<td>Cottage Grove</td>
<td>New effort by local trustees, new MF housing development in process</td>
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Dane County Affordable Housing Development Program Fund

Projects Funded 2019

- Huxley Street
  Developer: MSP Real Estate
  Total Units: 111
  AU Units: 94
  DC Funding: $1,187,550.00

- Elderberry Place
  Developer: German
  Total Units: 97
  AU Units: 73
  DC Funding: $450,000.00

- Landisby Ridge
  Developer: German & Company
  Total Units: 58
  AU Units: 53
  DC Funding: $1,350,000.00

- Glen Grove Apartments
  Developer: Move Out
  Total Units: 100
  AU Units
  DC Funding: $1,1

- The Axe
  Developer: Move Out
  Total Units: 70
  AU Units
  DC Funding

- Lomework Ridge
  Developer: J.T. Nash
  Total Units
  DC Funding

- Landisby Ridge
  Developer: German
  Total Units
  DC Funding
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<tr>
<th>Year</th>
<th>Total Awards</th>
<th>Inside Madison</th>
<th>Outside Madison</th>
<th>Total Units</th>
<th>Affordable Units</th>
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<tr>
<td>2015</td>
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<td>154</td>
<td>140</td>
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<tr>
<td>2016</td>
<td>$1,750,000</td>
<td>$515,000</td>
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<td>2017</td>
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<td>$867,200</td>
<td>$882,780</td>
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<td>2018</td>
<td>$3,173,508</td>
<td>$2,476,374</td>
<td>$697,134</td>
<td>503</td>
<td>442</td>
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<tr>
<td>2019</td>
<td>$7,237,550</td>
<td>$2,287,550</td>
<td>$4,950,000</td>
<td>559</td>
<td>461</td>
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<tr>
<td>TOTAL</td>
<td>$15,849,038</td>
<td>$8,084,124</td>
<td>$7,764,914</td>
<td>1,570</td>
<td>1,374</td>
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| Percentages | 51% | 49% | 100% | 87.5% |
Dane County Housing Initiative (DCHI)

Next Steps - Dane County Regional Housing Strategy

Purpose

The purpose of developing the Dane County Regional Housing Strategy (RHS) is to work together and build on these efforts, and foster a sense of regional identity and shared purpose.

Develop a deeper understanding of the housing crisis and its impacts, explore the opportunities and obstacles to increasing the supply of housing, and more equitably shared resources and create a vision for the future of housing in Dane County.
Dane County Housing Initiative

Thank you!

Olivia Parry, Sr. Planner, Dane County Planning and Development Dept.

Contact information: 608-266-4270, parry@countyofdane.com