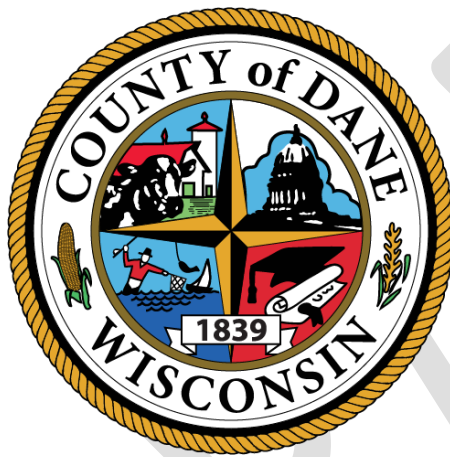


DRAFT

DANE COUNTY

**Pathways to Reducing Obstacles to Housing (PRO Housing)
FR-6800-N-98**

**County of Dane, Department of Human Services
Division of Housing Access & Affordability**



D A N E C O U N T Y

**Community Development Block Grant
Home Investment Partnerships**

For Submission to the U.S. Department of Housing and Urban Development.

PUBLIC HEARING: Tuesday, October 1, 2024 at 5pm

Public comments on the PRO Housing Grant Application must be submitted by noon on October 1, 2024 at cdbg@danecounty.gov with Subject: "PRO Housing Grant Application Comments".

Table of Contents

Exhibit A: Executive Summary 3

Exhibit B: Threshold Requirements and Other Submission Requirements 5

Exhibit C: Need 8

 Progress and Commitment to overcoming local barriers to facilitate the increase of affordable housing production and preservation, primarily by having enacted improved laws and regulations 9

 Improved laws, regulations, or land use local policies 9

 Other recent actions taken to overcome barriers to facilitate the increase of affordable housing production and preservation..... 10

 Key Barriers and Needs Addressed to Produce and Preserve More Affordable Accessible Housing 18

Exhibit D: Soundness of Approach..... 21

 Dane County’s Mission and Vision 22

 Proposed Activities Tie-Back to Need and Applicant Capacity 22

 Geographic Scope 25

 Key Stakeholders and Engagement..... 25

 Outreach in Development of Proposal and Continued Outreach During Period of Performance..... 26

 Specific Actions Taken to Solicit Input From and Collaborate with Stakeholders 27

 Incorporation of Input from Stakeholders into Proposal..... 27

 Strategies to Encourage Public Participation, Build Support, and Engage Community Members..... 28

 Alignment with Requirements to Affirmatively Further Fair Housing..... 28

 Removing Barriers to Affordable Housing in Well-Resourced Areas..... 30

 Expected Beneficiaries and Racial Composition 31

 Removing Barriers to Affordable Housing for Desegregation 31

 Ensuring Affordable Housing Equity and Expanding Housing Choice..... 32

 Addressing Unique Housing Needs for Protected Class Groups 33

 Displacement..... 33

 Implementation and Enforcement to Resistance to Eliminate Targeted Barriers 34

 Equity-Related Educational Resources, Tools, and Public Input Informing Proposal 34

 Engaging and Supporting Minority-, Women-, and Veteran-Owned Businesses..... 34

 Evaluate the Effect of the Proposal to Promote Deconcentrating Affordable Housing 35

 Track Progress and Evaluate Effectiveness of Advancing Racial Equity..... 35

 Affirmatively Market Housing Units 35

 Budget and Timeline..... 36

Exhibit E: Capacity..... 40

Dane County’s Capacity 41

Exhibit F: Leverage 46

Exhibit G: Long-term Effect..... 48

 Permanent Long-Term Effects and Outcomes 49

Attachment A: Summary of comments received on published Application and list of commenters by name/organization..... 53

Attachment B: Certification of compliance with NOFO public participation requirements..... 55

Attachment C: Advancing Racial Equity Narrative..... 57

Attachment D: Affirmative Marketing and Outreach Narrative..... 59

Attachment E: Experience Promoting Racial Equity Narrative..... 61

DRAFT

Exhibit A: Executive Summary
County of Dane

DRAFT

Exhibit A: Executive Summary

All sections in this grant application, including questions and tables, reflect the requirements for the Pathways to Reducing Obstacles to Housing (PRO Housing), as described in Notice of Funding Opportunity FR-6800-N-98.

The Dane County Urban County Consortium (“Dane County” also referenced as “County”) is applying for \$7 million to proactively remove barriers to affordable housing and increase housing production while lowering housing costs for low- and moderate-income families over the long term. The application will be submitted to the U.S. Department of Housing and Urban Development (HUD) as the funds were appropriated under the authority of the Consolidated Appropriations Act, 2024 (Public Law 118-42, approved March 9, 2024) (Appropriations Act) utilizing the Community Development Block Grant (CDBG) statutory and regulatory framework.

Dane County’s application to the PRO Housing grant will demonstrate:

- Dane County’s progress and commitment to overcoming local barriers to facilitate the increase in affordable housing production and preservation;
- Dane County’s acute demand for housing affordability to households with incomes below 100% of the Dane County area median income;
- Dane County’s usage of the funds to identify and remove barriers to affordable housing in a manner that affirmatively furthers fair housing by expanding access to housing opportunities in well-resourced areas for protected class groups;
- Dane County’s commitment and ability to identify and remove barriers to:
 - Expand affordable housing in a manner that would promote desegregation;
 - Expand affordable housing in well-resourced areas of opportunity for protected class groups that have systematically been denied equitable access to such areas;
 - Deconcentrate affordable housing and increase housing choice.
- Dane County’s application advances its efforts regarding:
 - Housing equity;
 - Locating affordable accessible housing near transit and bolster access to services and opportunities;
 - Increasing community resilience and mitigating the effects of natural and environmental hazards;
 - Developing and preserving affordable housing in accordance with input from community members and other stakeholders;
 - Advancing strategies identified in the Dane County Regional Housing Study.

Dane County’s application aligns with the following HUD’s Strategic Plan Goals and Objectives: Strategic Goal 1: Support Underserved Communities; 1A: Advance Housing Justice; 1B: Reduce Homelessness; 1C: Invest in the Success of Communities; Strategic Goal 2: Ensure Access to and Increase the Production of Affordable Housing; 2A: Increase the Supply of Housing; Strategic Goal 4: Advance Sustainable Communities; 4A: Guide Investment in Climate Resilience; and 4B: Strengthen Environmental Justice.

Exhibit B: Threshold Requirements and Other Submission Requirements
County of Dane

DRAFT

Exhibit B: Threshold Requirements and Other Submission Requirements

Dane County meets all threshold eligibility requirements to submit a Pathways to Removing Obstacles to Housing (PRO Housing) grant application (FR-6800-N-98) to the U.S. Department of Housing and Urban Development (HUD).

1. Resolution of Civil Rights Matters

Dane County has no outstanding civil rights matter that need to be resolved prior to the submission deadline.

Dane County has no charges, causes, determinations, lawsuits, or letters of finding referenced in subparagraphs (1) – (5) that are not resolved to HUD’s satisfaction before or on the application deadline date for the Notice of Finding Opportunity (NOFO).

- 1) Charges from HUD Concerning a systemic violation of the Fair Housing Act or receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a substantially equivalent state or local fair housing law proscribing discrimination because of race, color, religion, sex (including sexual orientation and gender identity), national origin, disability or familial status;
- 2) Status as a defendant in a Fair Housing Act lawsuit filed by the United States alleging a pattern or practice of discrimination or denial of rights to a group of persons raising an issue of general public importance under 42 U.S.C. 3614(a);
- 3) Status as a defendant in any other lawsuit filed or joined by the Department of Justice, or in which the Department of Justice has intervened, or filed an amicus brief or statement of interest, alleging a pattern or practice or systemic violation of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Americans with Disabilities Act, Violence Against Women Act, or a claim under the False Claims Act related to fair housing, non-discrimination, or civil rights generally including an alleged failure to affirmatively further fair housing;
- 4) Receipt of a letter of findings identifying systemic non-compliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974; Violence Against Women Act; or the Americans with Disabilities Act; or
- 5) Receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of provisions of a state or local law prohibiting discrimination in housing based on sexual orientation, gender identity, or lawful source of income.

2. Timely Submission of Application

Dane County will submit the PRO Housing grant application prior to the deadline stated in the NOFO of October 15, 2024 10:59:59 CST (11:59:59 EST).

3. Eligible Applicant

Dane County (01—County Governments) is an eligible applicant in accordance with Section III.A of the NOFO. HUD has determined and authorized the Dane County Urban

County Consortium to be a multijurisdictional entity and has the administrative capability to carry out the activities on behalf of its member jurisdictions.

4. *Number of Applications*

Dane County intends to submit only one application.

Statutory and Regulatory Requirements Affecting Eligibility

Dane County meets all eligibility requirements outlined in the Eligibility Requirements for Applicants of HUD's Financial Assistance Programs section in the PRO Housing NOFO.

Other Submission Requirements

All items outlined in the PRO Housing NOFO (i.e. application exhibits, required forms, and certifications) will be attached and uploaded to grants.gov with the final application package.

DRAFT

Exhibit C: Need
County of Dane

DRAFT

Exhibit C: Need

Progress and Commitment to overcoming local barriers to facilitate the increase of affordable housing production and preservation, primarily by having enacted improved laws and regulations
Improved laws, regulations, or land use local policies (10 points)

Over the last decade, Dane County and its municipalities have shown a unified and concerted effort to eliminate local barriers to facilitate the increase of affordable housing production and preservation. Dane County, along with municipal partners, nonprofit and for-profit housing industry subject matter experts, elected officials, and members of the community engaged in the Dane County's Regional Housing Strategy (RHS) by creating "A Road Map to Solving Dane County's Housing Crisis Strategic Action Plan 2024 – 2028". (<https://rhs.danecounty.gov/documents/pdf/DCRHS-ExecSummary-FNL-web.pdf>)

The Action Plan explicitly mentions Dane County as experiencing a severe housing crisis caused by rapid job and household growth and the underproduction of new housing units to meet the increased demand. Specifically, Strategy #4: Advance Zoning Reforms and Update Local Zoning Codes is an innovative approach to ensure an increase in the overall number of housing units as a direct result of the changes guided by model ordinances that incorporate best practices and options for various zoning updates. Dane County is currently undergoing a procurement process to hire a consultant who will assist in writing the model residential zoning codes that will be applied to all townships in Dane County. While Dane County does not have the legislative authority to improve laws and regulations in the cities and villages, our partner municipalities in Dane County have requested the model zoning code so they can align their residential zoning regulations as much as possible. Together, we continuously work to improve laws and regulations to overcome local barriers to affordable housing production and preservation by addressing key challenges such as restrictive zoning, inefficient permitting processes, and high land costs.

Changes to zoning regulations and Land Use Policies:

A notable change to zoning regulation was the City of Middleton from 2021-2024, which engaged in the process of preparing a new Zoning Ordinance and map. The purpose of the project was to modernize zoning regulations, streamline zoning processes, encourage reinvestment, and implement the City's Comprehensive Plan. Additionally, one significant reform by the City of Sun Prairie was expanding housing options identified as a priority. This policy change allows for increased residential densities as "High Intensity Residential Overlay" areas. There are at least 3 cities in Dane County undergoing changes to their zoning regulations, in addition to villages and townships, actively considering making changes to applicable zoning ordinances, subdivision regulations, or other land development regulations to increase development density, expedite approvals, reduce impact fees, or reduce parking, building or other development costs. In doing so, municipalities in Dane County would have access to the \$275 million Wisconsin Housing and Economic Development Authority (WHEDA) Infrastructure Access Loan program which covers the cost of infrastructure related to workforce housing or senior housing.

Improved Permitting Processes:

The City of Sun Prairie has streamlined and modernized the permitting and licensing process by implementing an online system (OpenGov) for permit and license applications. This reform not only reduced staff time, which transitioned staff from a reception role to more of a financial specialist role for career progression, but it also decreased the average inspection time from 35 minutes to 3 minutes per permit. Manual processes that were 20-30 years old were reduced to only 10% of what they were before. A notable difference was calculated as it reduced the average time for permit approval from [x weeks/months] to [Y weeks/months], allowing developers to break ground faster and reducing overall project costs.

Timeframe:

Whether the changes were made to zoning ordinances, These efforts were initiated in [month/year], and we have already observed [describe progress or outcomes thus far, such as a ‘X% reduction in permitting time’ or ‘the approval of X new affordable housing units’ or ‘the preservation of Y units of affordable housing’]. Moving forward, Dane County anticipates to replicate these efforts that by [future date], these laws and reforms will result in the development of an additional [insert number]

Other recent actions taken to overcome barriers to facilitate the increase of affordable housing production and preservation

Acute need for affordable housing while identifying the remaining affordable housing needs

Dane County, as a HUD identified geographic priority, is facing an extreme housing shortage. Madison, the primary urban center in the County, has a vacancy rate at the end of 2022 and beginning of 2023 of 2.5% ([CapTimes](#)). Dane County as a whole, from 2010 – 2017, under-produced about 11,000 housing units relative to the County’s growth (Dane County Regional Housing Strategy (RHS) Workbook).

Dane County and its Urban County Consortium members are committed to overcoming local barriers to facilitate the increase of affordable housing production and preservation, primarily by having enacted improved laws and regulations, as well as sharing the best practices throughout the County. In the last [TIME FRAME], three of the County’s urban core cities - City of Middleton, the City of Sun Prairie, and the City of Monona – have reformed their laws, ordinances, or processes to facilitate the increase of affordable housing production in Dane County. The City of Middleton [DETAILS and IMPACT]. The City of Sun Prairie [DETAILS and IMPACT]. The City of Monona [DETAILS and IMPACT].

When discussing with the municipalities in Dane County how to support removing barriers to improve laws and regulations to facilitate the increase of affordable housing, the primary barrier is a lack of available funding. [DETAIL Costs].

Dane County has consistently engaged in efforts to identify barriers to affordable housing production, particularly since the creation of the Dane County Affordable Housing Development Fund (AHDF) in 2015, and the establishment of the Dane County Housing Initiative (DCHI) shortly after. The Dane County Housing Initiative (DCHI) is a public-private partnership of

housing stakeholders that includes residents, elected officials, financial institutions, housing developers, non-profit housing agencies, and more. DCHI has been developing a network of information and resources, facilitating communication and learning, and helping build strategies that expand housing options in Dane County.

In collaboration with Professor Kurt Paulsen, Ph.D., AICP, an Associate Professor of Urban Planning at the University of Wisconsin – Madison, the DCHI released a Housing Needs Assessment in 2015, with an updated version of the report published in 2019. Both iterations of the report found that Dane County’s population growth consistently outpaces the amount of housing available, particularly at lower income levels. One measure of this “Housing Gap” is the difference between the number of renting households with incomes below 30 percent of AMI and the number of units whose rent would be affordable to households at 30 percent of AMI income levels. Under this definition, Dane County’s housing gap is 10,812 affordable units.

The Housing Needs Assessment has been foundational to Dane County’s efforts to increase its housing stock and to increase community awareness of our significant housing shortage. Accomplished through outreach efforts from the Dane County Planning and Development, staffing the DCHI, and hosting annual housing summits (2015 – 2019) to increase connection and collaboration between housing advocates, developers, supportive services partners, and units of municipal government.

In 2020, Dane County created its first division of Housing Access and Affordability (HAA) within the Dane County Department of Human Services. HAA manages contracts and community partnerships focused on preventing and ending homelessness, increasing access to and availability of affordable housing, and support economic and workforce development. The HAA Division manages and administers the Dane County Urban Consortium CDBG and HOME funds and the Dane County Affordable Housing Development Fund (AHDF), in addition to other county-funded housing initiatives.

Most recently, Dane County has engaged in an unprecedented countywide effort to identify, address, mitigate and remove barriers to affordable housing production and preservation through a collective effort known as the Dane County Regional Housing Strategy (RHS).

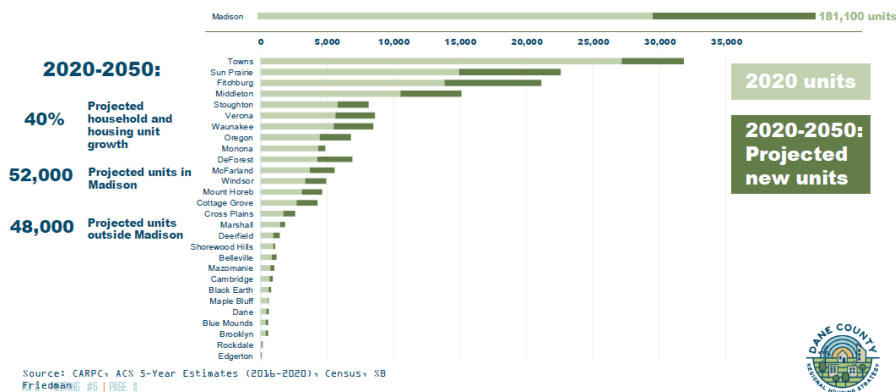
The RHS was launched in 2022 with the purpose to address Dane County’s extreme housing shortage by building on local and regional efforts, celebrating the unique character of our communities, assessing ongoing challenges, identifying and strengthening regional collaboration and partnerships, creating a vision for the future of housing in Dane County for the next 10-20 years, and opening doors for our Dane County workforce that is typically below 50% of the area median income—school teachers, entry-level professionals, public safety professionals, maintenance and service employees—as well as families with children, residents of color, seniors, and those with disabilities. To assess the housing needs within our region, the RHS has undertaken a study examining housing barriers in Dane County. Released in April 2024, the study report details a strategic action plan 2024 -2028 to inform a County-wide regional strategic action plan for 2024 – 2028 to address Dane County’s housing crisis. .

While the RHS is a long-term data driven coalition to identify, address, and mitigate or remove barriers, the County has also worked to mitigate or remove barriers to affordable housing by financially investing in the AHDF to create new affordable housing units. The greatest need in this area is access to funding to keep up with the demand to produce new housing units.

Since the inception of the AHDF in 2015, Dane County has invested \$41,707,792.00 in housing developments throughout the county, which has supported the anticipated production of 2,808 housing units, including 2,547 units that are considered affordable to low- and moderate-income households. *Yet, there's still a gap of new units produced to keep up with demand.* The AHDF also plays a critical role in increasing access to the affordable units it supports by incentivizing developers to adopt flexible screening criteria for tenants with a less than perfect housing history, adopting additional tenant protections via a tenancy addendum for the development, and setting aside units for referrals from the Dane County/Madison Continuum of Care's (CoC) by-name housing referral list for people experiencing homelessness.

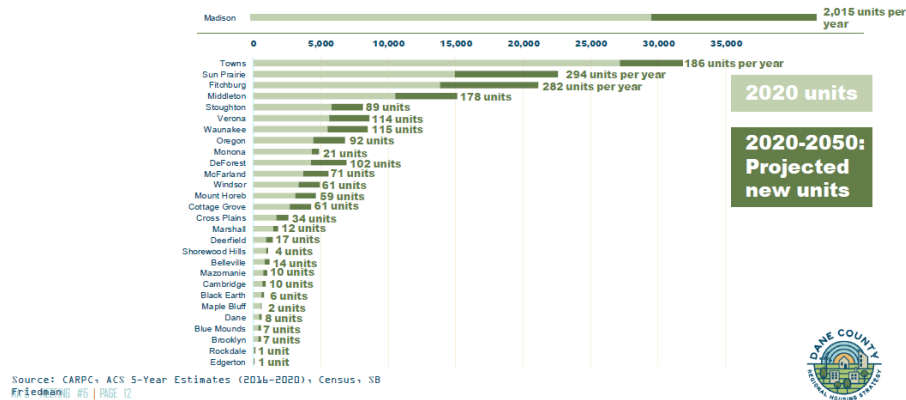
The fund's priorities reflect feedback from a community engagement process that was conducted before the fund was opened in 2015, and reaffirmed in 2021. Some of those priorities include projects with a larger number of three bedroom units for families, projects that support people experiencing homelessness, veterans, people with disabilities, people with arrest and conviction records, and seniors. Additional preferences include projects that are developed by nonprofit organizations, commit to permanent affordability, include units for 30% AMI households, align with State of Wisconsin requirements for low-income housing tax credit (LIHTC) awards, and provide access to jobs, schools, and transportation.

Dane County has an acute demand for housing in general and affordable housing in particular. Driven in part by the increase in population in the County as the fastest growing County in Wisconsin and the Midwest and one of the fastest growing in the Country. In the latest available [U.S. Census data released March 2023](#), Dane County accounted for more than half of Wisconsin's population increase with 6,479 new people from July 1, 2021 to July 1, 2022. For Counties of comparable size (500,000 to a million) people Dane County saw the greatest population increase of any County outside the South (US Census data March 2023) from April 1, 2020 to July 1, 2022.

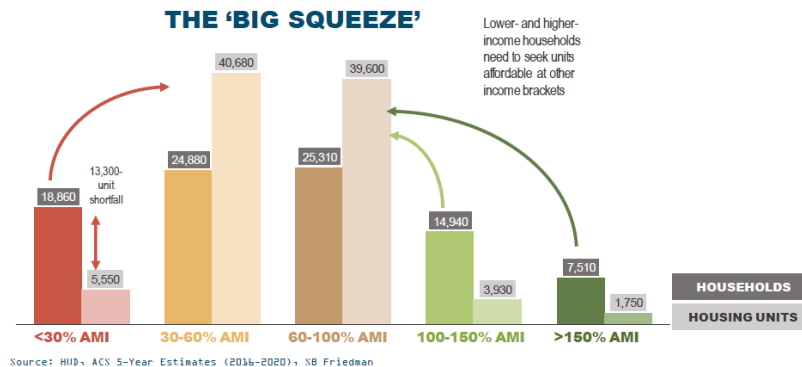


As of 2020, Dane County had 250,000 housing units, of which 52% (129,300 units) were in Madison. By 2050, according to the Capital Area Regional Planning Council, Dane County will

need to add 100,000 new housing units to meet its housing needs. **To reach the 2050 target, Dane County needs to add 3,875 units annually.**

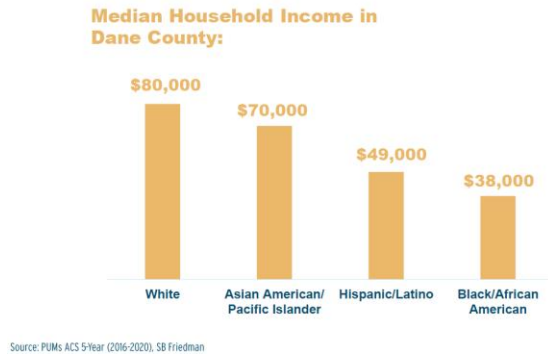


Dane County’s RHS identified 91,510 rental units in the County compared to 91,500 renting households from 2016-2020. Of the 91,510 rental units, 80,280 units are affordable to 30-60% AMI (40,680 units) and 60-100% AMI (39,600 units). In contrast, units affordable to households under 30% AMI there are only 5,500 units, while there are 5,680 units affordable to households with over 100% AMI. While the total available rental units to total renting households looks comparable at this level, the distribution of affordable units at different levels is squeezing low-income households out of the rental market. On the above median to high-income side, there are 22,450 households making 100% or more AMI, but only 5,680 units at that level for a shortage of 16,770 units which exacerbates the need for workforce housing. This means that for those households to find rental lodging they need to seek rental units that are affordable to those below 100% AMI, which in turn makes those rental units more competitive. This is particularly dire for those making under 30% AMI as there is a shortfall of 13,300 rental units affordable to those under 30% AMI (18,860 households to 5,550 units). Extreme competition for households under 60% AMI and severe cost-burden households below 30% AMI is generated from the ‘Big Squeeze’ as lower AMI households pay more than they can afford and 100% and higher AMI squeeze into the 60-100% AMI rental units.



In terms of equity, this housing squeeze results in households of people of color experience more turbulence and high housing cost-burden than white households do. The Median Household Income in Dane County for a white household is \$80,000, while it is \$38,000 for a black household (PUMs ACS 5-Year (2016-2020)). Prior to COVID-19, 49% of black households, 47% of

Hispanic/Latino households, 33% of Asian-American households, and 26% of white households were cost-burdened. While pandemic related challenges, inflation, and rising interest rates are putting increased pressure on households at all levels, households of people of color who were already negatively impacted by the acute affordable housing needs in Dane County are especially hard-pressed as rent prices have increased sharply in Dane County.



In August 2024 [Apartment List](#) put out a national study on rent prices. It found that the city of Madison’s rent prices increased 6.6% year over year (YoY). This was the second highest year over year increase in the country behind only Cleveland, OH. In contrast, the national rent growth has decreased at -0.7 percent YoY. Looking further into their data ([Apartment List Historic Rent Estimates\(Jan 2017 – Present\)](#)) from 2017 (which falls within the timeline of the RHS data) and August 2024 the cost of the average one-bedroom rose from \$861 to \$1,440 a month and a two-bedroom rose from \$989 to \$1,642 a month. In Dane County, a one-bedroom rose from \$865 to \$1,396 a month, and a two-bedroom rose from \$992 to \$1,603 a month in the same time frame.

To determine current cost-burden we annualized the rents for 1- and 2-bedroom apartments in Madison and found the percent of the rent [HUD’s FY 2024 Income Limits Summary](#) for Households of two (2) and (4) at low, very low, and extremely low income. Paying more than 30% of their income to rent Very Low (50%) Income Households are rent-burdened, while Extremely Low (30%) Households are extremely rent burdened paying more than 50% of their income for rent.

FY 2043 Income Limit Area		Persons in Family		1-bedroom Rent Burden for Household of 2	2-bedroom Rent Burden for Household of 4
		2	4	Average Annual 1 bedroom rent: \$17,280	Average Annual 2 bedroom rent: \$19,704
Madison, WI HUD Metro	Low (80%) Income Limits (\$)	78,250	97,800	22.08%	20.14%
	Very Low (50%) Income Limits (\$)	50,400	62,950	34.28%	31.30%

FMR Area	Extremely Low (30%) Income Limits (\$)	30,200	37,750	57.22%	52.19%
----------	--	--------	--------	--------	--------

Another lens to examine the acute housing need in Dane County is through evicting filings. Eviction filings can also help shape the qualifying population who are at the imminent risk of losing their housing. The [Wisconsin Department of Administration Eviction Data Project](#) tracks eviction filings and judgements across all counties in Wisconsin. Available data shows that for the previous full year of 2023, Dane County saw 1,557 eviction filings. 2.38% of these filings resulted in a judgement. Dane County works with the Tenant Resource Center, a housing justice organization that serves low-income households at-risk of homelessness, provide eviction prevention and mediation services to households facing eviction.

Table 2: Dane County Emergency Rental Assistance (ERA)

Income Range	Number of Households
Under 30% AMI	6,339
Between 30% and 50% AMI	1,932
Between 50% and 80% AMI	538
Total	8,810

Source: Dane County ERA Data Set September 1, 2021 to January 27, 2023

Households who are at greatest risk of housing instability are defined as households with incomes less than or equal to 30% of AMI and paying more than 50% of monthly household income toward housing costs. The table below using Comprehensive Housing Affordability Strategy (CHAS) (2015-2019) data shows that 17,320 households are identified as having severe cost burdens by paying more than 50% of monthly household income towards housing costs.

As the HUD Area Median Family Income increases the number of households substantially decreases in those that are identified as having a cost burden more than 50%. The practitioners in Dane County shared that households with incomes less than or equal to 30% of AMI and pay more than 50% of monthly household income towards housing costs have predominantly been at the greatest risk of housing instability. The limited amount of affordable housing units for the households earning at or below 30% of AMI has led to the overpayment of housing costs despite the limited income. As the “Big Squeeze” table shows there is a significant gap of rental units available that would need to serve the households at or below 30% of AMI. This significant gap has led Dane County to set up preferences with first serving households that are experiencing homelessness being identified through our local Continuum of Care (CoC), then serving other populations within the referral list such as those at imminent risk of homelessness, those fleeing domestic violence, dating violence, stalking, sexual abuse, or human trafficking, or those whose homelessness could be prevented with service provision.

Table 3: Households (HH) with Severe Cost Burdens (paying more than 50% of income towards housing) – Renters Only

	Cost burden > 30%	Cost burden > 50%	Total
HH Income less-than or equal to 30% HAMFI	21,295	17,320	24,755

HH Income >30% to less than or equal to 50% HAMFI	13,475	2,540	18,535
HH Income >50% to less-than or equal to 80% HAMFI	4,640	320	20,455

Data Sources: 1. Comprehensive Housing Affordability Strategy (CHAS) (2015-2019)

Dane County has grown in a rapid pace over the last 15 years. Much of the growth has occurred around renter households and those earning very high incomes. The effect of this trend is that there is high tension and competition within the housing market, and as shown previously supply has not kept up with demand.

The ownership market applies further pressure in Dane County’s rental market. New home construction is not only unaffordable to the median renter household, but to the median household overall. In 2022, a total of 1,241 single-family permits were acquired in Dane County. The high interest rate environments, high construction and land costs, and a lack of supply have increased barriers to access. This causes households who would enter the ownership market to continue to rent, applying further market pressure on renter households who cannot afford to make the leap into owning.

While Dane County needs more housing options available to households of all incomes, Dane County has made it a high priority to specifically increase the number of rental units for households at the lowest end of the economic spectrum – at or below 30% AMI. Table 5 listed below will display the ‘Housing Inventory and Gaps Analysis for Homeless Populations’ highlighting the variances within the gaps analysis and Table 6 will display the ‘Permanent Supportive Housing (PSH) and Rapid Rehousing (RRH) Inventory’ stressing the needs in Dane County. According to Table 4 below there is a total gap of 675 affordable units that are needed to support households at or below 50% AMI, of which, there’s a total of 100 units as the gap showing the need for households at or below 30% AMI. High construction and material costs, increases in the cost of financing and other factors have made these units impossible to build without a deep subsidy. Moreover, the Dane County’s Affordable Housing Development Fund, which provides soft debt to Low-Income Housing Tax Credit projects, requires that projects include integrated supportive housing for households at or below 30% of AMI.

A review of the current inventory of emergency shelter, transitional housing, rapid rehousing and other permanent housing programs in Dane County to data from the annual 2021 Point-in-Time count shows that gaps persist between both households with and without children. However, the largest gaps were among adult only households. Table 5 below shows that there is a gap of 1,180 beds or 1,350 units to serve homeless adults compared to the gap of 135 beds or 26 units for homeless family households with children. Tables 4 – 6 exemplify why Dane County is in an emerging need to develop more affordable housing units in Dane County.

Table 4: Non-Homeless Housing Needs Inventory and Gap Analysis Table

	Current Inventory	Level of Need	Gap Analysis
	# of Units	# of Households	# of Households
Total Rental Units	93,190		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	21,295		
Rental Units Affordable to HH at 50% AMI (Other Populations)	13,475		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		21,395	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		14,050	
Current Gaps			(675)

Data Sources: 1. American Community Survey (ACS); 2. Comprehensive Housing Affordability Strategy (CHAS) (2015-2019)

Table 5: Housing Inventory and Gaps Analysis for Homeless Populations

	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Units	# of Beds	# of Units	
Emergency Shelter	354	106	481	465	0								
Transitional Housing	66	17	64	64	24								
Permanent Supportive Housing	401	122	422	422	181								
Rapid Rehousing (RHH)	357	104	171	171	7								
Other Permanent Housing	454	122	399	399	6								
Sheltered Homeless		367		1,350		63 HH	399 HH	38 HH	47				

Unsheltered Homeless						1 HH	81 HH	1 HH	1				
Current Gap						64 HH	480 HH	39 HH	48	135	26	1,180	1,350

Data Sources: 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

Housing Intervention	Existing Stock on Point-in-Time	Number of Units Available Annually through Turnover	Annual Needs Based on Assumptions	Annualized Over/(Under) Units
Permanent Supportive Housing (PHS) - Families	131 units	13 units	39 units	(26 units)
Permanent Supportive Housing (PHS) - Individuals	450 beds	45 beds	180 beds	(135 beds)
Rapid Rehousing (RRH) Other Permanent Housing Programs – Families	129 units	182 units	170 units	12 units
Rapid Rehousing (RRH) Other Permanent Housing Programs – Individuals	364 beds	151 beds	1,196 beds	(1,045 beds)

Key Barriers and Needs Addressed to Produce and Preserve More Affordable Accessible Housing

To address the acute housing shortage Dane County has identified three (3) priority areas for program activities to produce and preserve more affordable accessible housing. 1.) Addressing Zoning and Building Code Barriers to Affordable Housing; 2.) Nonprofit and BIPOC Developer Capacity Building; and 3.) Affordable Multi-Family Rental Development. The barriers to affordable housing addressed by these three priority areas in many cases due to historical policies that have disproportionately impacted low-income households and people of color.

Zoning and Building Code Barriers to Affordable Housing

Zoning and Building Codes are one of the largest barriers to affordable housing in Dane County. Outside of the “urban core” areas, much of Dane County is rural. As Dane County grows, housing on the periphery of the expanding “urban core” areas is ripe for development. Many of Dane County’s towns and villages are not zoned for multi-family. RHS examined the distribution of different housing unit types in Dane County to determine if housing supply and zoning regulations are providing the range of housing sizes and types that meets the needs of their community. Some communities have policies in their comprehensive plans to promote “complete neighborhoods,” defined as providing a full range of housing types in every neighborhood. The table below shows the percent of each municipality housing stock that is in various types of buildings. 1-attached to 4 unit buildings can be considered “attached single-family” homes, as buildings with up to 4 units are assessed as residential properties under Wisconsin law and are financed as single family

properties under Fannie Mae/Freddie Mac and Federal Housing Administration. Buildings with 5-9 units can be considered “small multifamily” properties, and are generally owned and operated by “mom and pop” landlords rather than development/management companies.

	Single-family detached	1 (attached) - 4 units	5-9 units	10+ units
Cities				
Madison	42.8%	17.7%	8.5%	31.0%
Sun Prairie	45.2%	26.3%	6.5%	21.9%
Fitchburg	41.9%	16.7%	8.4%	33.0%
Middleton	42.7%	16.0%	8.9%	32.4%
Stoughton	63.1%	20.1%	5.3%	11.6%
Verona	58.0%	19.4%	4.4%	18.3%
Monona	55.4%	8.5%	4.1%	32.0%
Cities Total	44.4%	18.2%	8.0%	29.4%
Villages				
Waunakee	66.8%	17.7%	3.1%	12.5%
Oregon	65.5%	18.6%	5.4%	10.6%
DeForest	62.7%	24.9%	3.1%	9.3%
McFarland	72.3%	18.6%	3.5%	5.6%
Madison (town)	15.2%	27.9%	14.8%	42.1%
Mount Horeb	63.9%	19.6%	6.4%	10.2%
Cottage Grove	65.9%	19.6%	1.4%	13.1%
Cross Plains	68.5%	13.5%	7.8%	10.3%
Marshall	60.7%	34.6%	1.5%	3.1%
Deerfield	77.5%	18.7%	2.3%	1.5%
Belleville	72.1%	22.0%	4.5%	1.4%
Mazomanie	75.9%	15.1%	5.2%	3.8%
Shorewood Hills	76.8%	0.5%	0.0%	22.7%
Black Earth	69.9%	20.7%	3.3%	6.1%
Maple Bluff	95.7%	0.5%	1.5%	2.3%
Cambridge	57.4%	32.2%	2.7%	7.7%
Dane	71.9%	17.1%	7.8%	3.2%
Blue Mounds	89.5%	7.8%	2.7%	0.0%
Brooklyn	78.8%	16.6%	4.6%	0.0%
Rockdale	82.9%	16.3%	0.0%	0.8%
Villages Total	63.3%	19.8%	4.8%	12.0%
County Total	53.4%	16.7%	6.6%	23.3%

Source: US Census Bureau, American Community Survey 2017 (5-year data).

While Zoning and Building Code changes are recognized in Dane County as one of the largest existing barriers to affordable housing, funding those efforts to change the Zoning and Building Codes can be beyond many of the County’s towns and villages. Sun Prairie, one of the consortium partners, and part of the “urban core” area, recently contracted out for a consultant to work on their zoning code. The budget for this is \$173,470.00 and expected to run from late fall 2023 to summer 2025. Other places in Dane County had suggested they needed between \$50,000 to \$100,000 for zoning code changes. Financially it stands as a barrier to make the necessary changes.

Nonprofit and BIPOC Developer Capacity Building

Another barrier to the production and preservation of affordable housing in Dane County is the lack of access to capital for many non-profit and BIPOC developers. Dane County and the municipalities are working to bring in more non-profit and BIPOC developers that are new to the process. A challenge seen repeatedly is that with the limited funding sources and stringent application process, it can take new organizations multiple cycles to gain access to the capital they need, and unfortunately some cease trying and look for other funding sources. Having funding dedicated to building nonprofit and BIPOC developer capacity is crucial for ensuring that they have access to the capital they need.

Infrastructure and Development Costs

One of the primary barriers that Dane County faces in producing affordable housing are funds to develop new affordable rental construction. Dane County under-produced, relative to the County’s growth, 11,000 housing units from 2010-2017. To reach the Capital Area Regional Planning Council’s 2050 target of adding an additional 100,000 housing units, Dane County needs to add

3,875 units annually. While zoning and building ordinance changes can open up new areas for housing and building the capacity of non-profit and BIPOC developers can bring more and new players to the table, at the end of the day, funding is needed to build new housing units to meet the County's rising housing demand. The cost of building an affordable housing unit is rising. For Dane County's Affordable Development Fund the average per unit cost for eligible projects submitted was \$306,822 in 2022 and \$353,820 in 2023. With this rising cost, arguably the largest remaining barrier to producing affordable housing in Dane County is funding for new construction of rental units.

DRAFT

Exhibit D: Soundness of Approach
County of Dane

DRAFT

Exhibit D: Soundness of Approach

Dane County's Mission and Vision

Dane County's mission is to provide access to effective, innovative, and evidence-based services and resources that support wellbeing, opportunities to thrive, safety, and justice to persons of all backgrounds. Our vision is to empower people to thrive in a safe, just, and caring community by reducing barriers to increase the production of affordable housing across the Dane County geographic area. As a result, Dane County is requesting \$7 million in PRO Housing grant funds to support the planning and development activities that will remove barriers to affordable housing. The Dane County PRO Housing program will approach it in three phases: 1) Addressing Zoning & Building Codes Barriers to Affordable Housing; 2) Nonprofit & BIPOC Developer Capacity Building; and 3) Affordable Multi-Family Rental Development.

Proposed Activities Tie-Back to Need and Applicant Capacity

Dane County envisions the three-phase approach as a domino effect that will transform and provide long-term effects to affordable housing. One of the long-term impacts is helping mitigate environmental risks facing Dane County. According to Dane County's Climate Action Plan, the two most significant environmental risks faced by Dane County are a projected 3-9 °F of warming and an increase in total precipitation in Wisconsin. Dane County is located in the zone that will see the bulk of the increase in precipitation as total annual precipitation has increased 20% since 1950 in Southern Wisconsin (where Dane County is located) compared to no change in Northern Wisconsin. In 2018, Dane County was a designated area in DR-4402-WI due to flooding. As a result of the 2018 flooding, Dane County, along with Vernon County, was designated as a Most Impacted and Distressed (MID) area. Dane County envisions that phase one - Addressing Zoning & Building Codes Barriers to Affordable Housing - and phase three - Affordable Multi-Family Rental Development- represent opportunities for the project to efficiently promote community resilience by requiring the municipalities or developers seeking project funds to demonstrate how they will align their projects with the 2020 Dane County Climate Action Plan.

Addressing Zoning & Building Codes Barriers to Affordable Housing: As local municipalities engage in addressing the zoning & building codes, it allows systematic changes to occur while reducing the concentration of affordable housing in a single location. Each municipality in Dane County is in different stages in relation to making systemic changes that will influence positive long-term effects. As an example, the City of Sun Prairie and the City of Monona are two partner municipalities in the Dane County Urban County Consortium. The City of Sun Prairie has financially committed \$173,470 that will be leveraged as part of this grant proposal to address the zoning codes in the City of Sun Prairie. While the City of Monona equally recognizes that addressing zoning & building codes is imperative to reduce barriers to affordable housing, they will seek to apply to be a subrecipient of the Dane County PRO Housing grant funds. Municipalities across Dane County are experiencing similar financial challenges to addressing the zoning and building codes, with the PRO Housing Funds Dane County can apply a countywide approach that can help implement changes. The activities carried out in the phase of addressing zoning and building codes barriers to affordable housing is identified as a planning activity.

Addressing Zoning & Building Codes Barriers to Affordable Housing: As shown through Dane County's Regional Housing Strategy assessment, Zoning and Building Codes are one of the

largest barriers to affordable housing in Dane County. Outside of the “urban core” areas, much of Dane County is rural. As Dane County grows, housing on the periphery of the expanding “urban core” areas is ripe for development. Many of Dane County’s towns and villages are not zoned for multi-family. The primary barrier that prevents municipalities in Dane County from addressing this local barriers to the production and preservation of affordable housing by improving zoning and building codes is a lack of funds. Many of the municipalities, and especially the more rural ones, just do not have enough funds available to improve zoning and building codes.

In order to enable municipalities to improve their zoning and building codes to overcome local barriers to affordable housing, project funds to explicitly address improving zoning and building codes will be made available to all municipalities through the County’s normal Request for Proposal Process. Priority will be given to municipalities that are able to demonstrate that the improved zoning and building codes are addressing production and preservation of affordable housing and are able to demonstrate the need for such improvements. Funds will also be made directly available to partner municipalities that are firmly committing funds for zoning and building codes improvement as leverage for the PRO Housing Grant.

Project efforts to address zoning and building code improvements complement existing work to address these barriers to affordable housing in Dane County. In the last [TIME FRAME], three of the County’s urban core cities - City of Middleton, the City of Sun Prairie, and the City of Monona – have reformed their laws, ordinances, or processes to facilitate the increase of affordable housing production in Dane County. The City of Middleton [DETAILS and IMPACT]. The City of Sun Prairie [DETAILS and IMPACT]. The City of Monona [DETAILS and IMPACT].

Additionally, the project phase on addressing zoning and building code barriers to Affordable Housing advances Strategy Four: Advance Zoning Reforms and Update Local Zoning Codes of the [Dane County Regional Housing Strategy Strategic Action Plan 2024 - 2028](#) released in April 2024. To ensure that project funds are being used to advance the Strategy Four of the Regional Housing Strategy Action Plan, municipalities seeking project funds for improvement of zoning and building codes to overcome local barriers to affordable housing will be required to demonstrate how the improvements align with and advance Strategy Four.

Finally, a

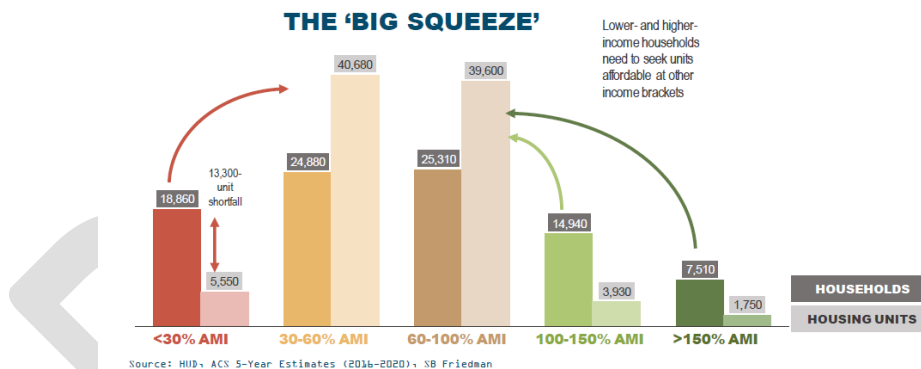
Nonprofit & BIPOC Developer Capacity Building: Evidence-based data has shown that Nonprofit and Black, Indigenous, People of Color (BIPOC) developers are disproportionately facing lack of access to capital. In Dane County, we aim to break the trend by ensuring that the developers have equitable footing to propel inclusive economic prosperity. In doing so, the nonprofit and BIPOC developers are more likely to understand and address the needs in the community, which will drive economic growth in Dane County. Together, Dane County and the City of Madison will work with the interested developers to ensure they fully understand and comprehend the other financial opportunities available to them. Utilizing the 2025 CDBG and HOME Request for Proposal (RFP) funding process as an example, Dane County must obligate 15% of their HOME funds to a Community Housing Development Organization (CHDO). Dane County received no CHDO applications that resulted in an uncommitted amount of approximately \$90,000. Through developer capacity, a goal is that nonprofit developers gain the capacity needed

to seek funds like the CHDO funds in Dane County and the City of Madison HOME Program. The activities carried out in the phase of providing developer capacity to nonprofit & BIPOC developers is identified as a development activity.

To support this project activity, a local CDFI, has firmly committed to making \$1,000,000 in loans with below market interest rates available to support the pre-development costs of non-profit and BIPOC developers that go through the program.

Additionally, this project activity will help advance Priority 1 – Advance Racial Justice of Dane County Department of Human Services Vision: Next 2021 – 2026. Dane County’s CDBG unit is housed in the Department of Human Services and by helping incentive BIPOC developer capacity and funding them through this grant project, we will advance the Department’s first strategic priority of advancing racial justice in Dane County through the programs funded.

Infrastructure and Development Costs: The acute demand mentioned in Exhibit C significantly displays the need for affordable and market-rate apartments. According to the Dane County Regional Housing Strategy (RHS) there’s currently 13,050 renter households who earn 50% of the area median income (AMI) that are extremely cost-burdened, paying more than 50% of their monthly income on housing. Historically, in Dane County, there has been an underproduction of units for both affordable and market rate that has added additional pressure in the middle, as we would like to call it the ‘Big Squeeze’ as detailed below:



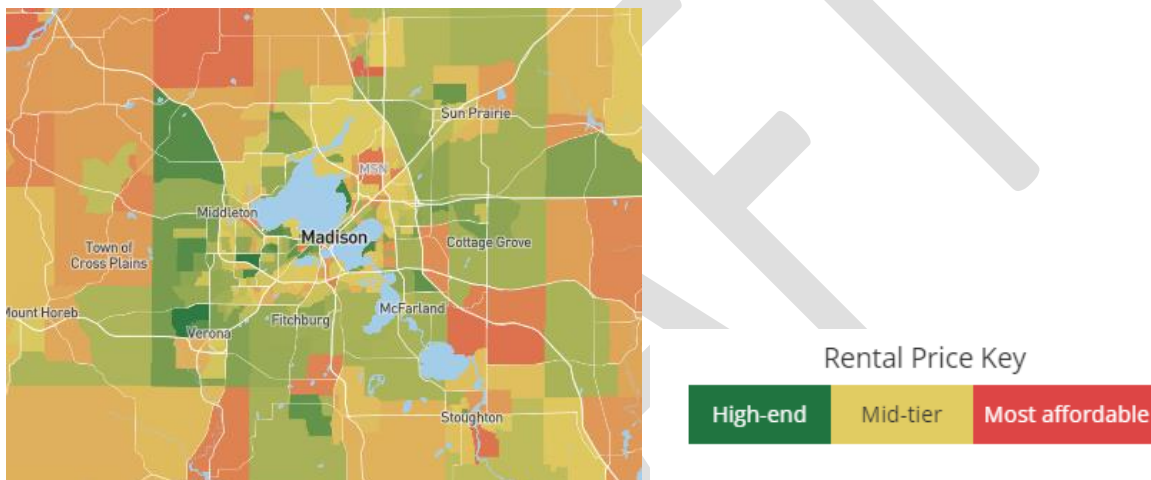
Dane County aims to increase the supply of affordable housing in Dane County through the construction of new multi-family rental developments. New construction of multi-family housing activities in the Dane County application will ensure that at least 20% of the units produced with the PRO Housing funds will directly benefit low- and moderate-income (LMI) individuals. The barrier reductions by addressing zoning and building codes coupled with nonprofit and BIPOC developer capacity will improve the production of both affordable housing units and market rate units. As referenced through the ‘Big Squeeze’ image above in Dane County the lower and higher income households need to seek units affordable at other income brackets. Indirect improvements in affordability is generated as the supply of market rate housing increases then it allows for more affordable units to become available to lower income households.

Dane County’s acute demand for housing affordability to households with incomes below 100% of the Dane County area median income (AMI), more specifically to households below <30% AMI category, indicates a shortfall of 13,300 units. Priority points will be awarded to development projects that demonstrate an intentional commitment to develop housing units that can help

alleviate the pressure to the <30% AMI. The activities carried out in the phase of producing affordable housing units is identified as a development activity and meets the National Objective of benefiting low- and moderate-income persons.

Geographic Scope

The targeted geographic scope on this proposal will be municipalities in Dane County. Specifically, Dane County will target municipalities across Dane County that have an interest to address zoning and building codes issues so that development of multi-family projects may thrive in their community. The image below is a direct snapshot from Best Neighborhood ([Best Neighborhood](#)) when searching rent prices across Dane County. According to the map, very few municipalities would be identified as ‘most affordable’ so through the development of more housing units it would alleviate the affordability pressure across Dane County and expand opportunities to underserved communities.



Dane County will prioritize high-opportunity areas, as feasible within the project.

Key Stakeholders and Engagement

The key stakeholders in the Dane County PRO Housing grant are persons with unmet housing needs, persons with a high housing cost burden, municipalities in Dane County, nonprofit & BIPOC developers, as well as other private developers engaging in the development of affordable housing units. Other stakeholders identified that would have an interest in Dane County’s PRO Housing grant application are persons from all protected class groups under the Fair Housing Act; local and regional public agencies that provide funding or technical assistance for housing, transportation, and social services; community organizations, especially those that represent protected classes; advocacy organizations and legal groups; business and civic leaders; and others.

Over the last year Dane County has engaged in the Dane County Regional Housing Study (RHS) that is comprised of representatives from 19 municipalities, representatives from 21 regional partners, representatives from 5 state partners, representatives from 14 nonprofits from the private sector, representatives from 6 for-profit organizations from the private sector, and 9 residents and youth representatives which forms the Housing Advisory Committee (HAC). The engagement from the RHS Housing Advisory Committee led to the identification of the ‘Big Squeeze’ and the

need for changes within the zoning and building codes, providing housing developer capacity, and financial contribution towards the development of affordable housing units.

In conjunction with the RHS, Dane County, in partnership with the City of Madison's Community Development Division, consulted and obtained feedback from public and private agencies as part of the HOME-ARP allocation plan to understand the needs in our county. On May 27, 2022, an email survey was sent to consult with various agencies focusing on government, service providers, and individuals with lived experience. A total of 111 responses were received on June 10, 2022, with most responses provided by direct service providers. In addition, on July 14, 2022, a total of 26 public and private agencies were invited to participate in a direct focus group. On August 3, 2022, the focus group met with a total of nineteen (19) public and private agencies. Feedback received from both the email survey and the focus group indicates a strong support for the development of new affordable housing. Supportive services also had broad support; however, many of the public and private agencies consulted expressed significant challenges locating housing units for their clients.

Dane County as the lead entity in the Dane County Urban County Consortium is subject to the Consolidated Plan requirements. The engagement for the 2020-2024 Consolidated Plan was in conjunction with the City of Madison by conducting focus groups and outreach.

[Outreach in Development of Proposal and Continued Outreach During Period of Performance](#)

In accordance to the Dane County Citizen Participation Plan and the PRO Housing NOFO requirements, Dane County published the PRO Housing grant application and the notice of the Public Hearing at least 15 days in advance in our [Dane County website](#). Additional postings were included in the Wisconsin State Journal, and distributed to the Dane County Urban County Consortium members.

Dane County encouraged public participation in the development of its PRO Housing Grant Application through the following:

- The draft application was made available for review via electronic notification to various entities including residents, agencies, developers, other funding sources, and government entities through several community distribution lists and within the Dane County Urban County Consortium.
- The draft plan was posted on the Dane County website (www.cdbg.countyofdane.com). Paper copies were made available for review upon request.
- Notice of public hearing was published in the Wisconsin State Journal.
- Notice of public hearing was published at the Dane County website (www.cdbg.countyofdane.com).
- Notice of public hearing was published at the Housing Access & Affordability Division website (<https://www.dcdhs.com/Economic-Aid-Healthcare-Housing-and-Jobs/Housing-Access-and-Affordability>)
- The published notice informed the public where copies of the draft PRO Housing grant application may be available for review. Written comments were accepted throughout the

comment period and oral and written comments were accepted during the public hearing. The public comment period will expire on October 1, 2024.

- During the drafting of the grant application, Dane County held a hybrid public hearing on Tuesday, October 1, 2024 to invite the public to both attend the public hearing and to provide residents an opportunity to comment on the proposed PRO Housing grant application. [insert # of] written comments were received [in support] of the application. See Attachment A.

The strategy for continued outreach during the grant's period of performance is to engage the Dane County Urban County Consortium subcommittee for the PRO Housing fund on a quarterly basis. The subcommittee acts as a sounding board to Dane County staff to track on progress and beneficiary advancement. As Dane County is engaged in the RHS Housing Advisory Committee, the intention is to provide routine updates to this group to keep continuous outreach to the key stakeholders.

[Specific Actions Taken to Solicit Input From and Collaborate with Stakeholders](#)

Dane County utilized prior community engagement feedback from the 2020-2024 Consolidated Plan, the HOME-ARP allocation consultation and outreach, coupled with the most recent Dane County Regional Housing Study to reaffirm the needs in our community. Dane County has continued to receive feedback from the community that the production of affordable housing units is at the utmost importance given the underproduction that has occurred over the last few years. In addition, Dane County in consultation with the City of Madison, has noticed a need to address the zoning and building codes as well as providing developer capacity to nonprofit & BIPOC developers so that the production of affordable housing units are not concentrated in pockets throughout Dane County.

Dane County staff met with five municipalities (City of Madison, City of Monona, City of Sun Prairie, City of Fitchburg, and the Village of Mount Horeb) to solicit input and collaborate on the PRO Housing Grant. The input received from the municipalities was positive and reassuring in describing the various levels of need that is occurring in our community. All input received has helped shaped our proposal, from identifying the activities to the financial amounts needed in each activity. As we solicited input, it was imperative that we connected with the housing industry in our area, so the Regional Housing Strategy ensured we had a wide variety of representatives from residents, youth representatives, affordable housing developers, local, regional and state partners, and nonprofits ([Dane County Regional Housing Study](#)).

[Incorporation of Input from Stakeholders into Proposal](#)

In our proposal development, we have prioritized the incorporation of input from stakeholders as a cornerstone of our approach. To achieve this, we implemented various engagement strategies, including community surveys, monthly RHS meetings with stakeholders, and advisory committees. These initiatives allowed us to actively gather insights from residents, local organizations, and community leaders. We have worked closely with collaborative partners to foster open lines of communication, ensuring that our proposal reflects the grassroots perspective. Moreover, feedback loops and mechanisms for ongoing transparency and accountability are

integral to our proposal. By actively engaging with stakeholders and integrating their input, our proposal is enriched with diverse perspectives, making it better equipped to address the housing challenges faced by the communities we aim to serve.

Strategies to Encourage Public Participation, Build Support, and Engage Community Members

Our strategies for encouraging public participation, building support, and engaging community members, particularly those most likely to benefit from our proposed activity, are rooted in inclusivity and community empowerment. We facilitate open dialogue through community forums, and surveys to ensure that all voices are heard. By establishing partnerships with local organizations and engaging community liaisons, we create channels to reach marginalized populations and address their unique needs. Cultural sensitivity, accessible information, and educational programs promote understanding and participation among diverse demographics. We also emphasize feedback mechanisms to capture ongoing input, fostering a sense of ownership and partnership within the community. Our goal is to build not only support but also a strong sense of community collaboration, ensuring that the activities we propose are driven by the needs and aspirations of those they are intended to benefit.

Alignment with Requirements to Affirmatively Further Fair Housing

Promoting fair housing is a fundamental objective that resonates with Dane County's mission and core values. Dane County ensures that housing, services, or other benefits procured under the grant will be affirmatively marketed broadly throughout the county to any demographic groups (i.e. Black and Brown persons, individuals with limited English proficiency, individuals with disabilities, or families with children) as detailed in the agreement signed with subrecipients (municipalities and developers). Activities may include outreach through community listservs and service providers, community centers, marketing on websites, social media channels, radio and print media targeting low- and moderate-income households. All proposed subrecipient agreements must meet a National Objective of serving low- and moderate-income persons as well as meeting one or more goals and objectives from Dane County's 2025 – 2029 Consolidated Plan, which includes planning activities.

The Dane County PRO Housing grant application is in congruence with Dane County's 2023 Consolidated Annual Performance Evaluation Report (CAPER) as Dane County continues to work with the Milwaukee Metropolitan Fair Housing Council (MMFHC)/Fair Housing Center of Greater Madison (FHCGM) to provide fair housing services. Services provided included:

Enforcement Program: Intake of fair housing complaints, investigative services for persons who allege housing discrimination, and referrals to attorneys and government agencies.

Through the MMFHC Enforcement Program, high-quality complaint intake, counseling, and investigative services are offered to complainants. Without this type of assistance, housing discrimination is far more likely to go undetected, and complainants' ability to achieve legal remedies is severely compromised. Furthermore, complaint intake and counseling provided under this grant inform complainants of all available options for legal remedy, assisting them in making decisions that will result in the best possible outcome for their individual circumstances.

Training and Technical Assistance: MMFHC will make available, on a case-by-case basis, reasonable technical assistance on at least 8 occasions to Dane County residents, including housing providers and social service agencies that conduct business in the County.

In addition, through fair housing presentations, technical assistance, and dissemination of fair housing and lending information, Dane County residents are armed with knowledge of fair housing and lending laws, how to recognize and respond to discriminatory housing practices and how to file a housing discrimination complaint. This is a long-term benefit that will extend beyond the scope of the grant, ensuring equal housing opportunities countywide. Moreover, as a result of these activities, housing providers are made aware of the provisions of local, state and federal fair housing law and assisted in complying with the law. In sum, the activities performed by MMFHC and its satellite, FHCGM, help create a more open, equitable housing market for all Dane County residents.

Education and Outreach Services: MMFHC will conduct a minimum of two fair housing presentations, which will include information regarding all protected classes in the Dane County Fair Housing Ordinance, to housing consumer groups, social service agencies, community-based organizations, civic, neighborhood or religious groups or other organizations, as appropriate.

Dane County will continue to provide support for fair housing education and enforcement should only continue to grow as the population of Dane County becomes larger and more demographically diverse. In our proposal, we have outlined several strategies and initiatives that directly contribute to this objective and address fair housing issues identified Dane County's 2020-2024 Consolidated Plan.

Promoting Equal Opportunities: Our project focuses on providing affordable housing solutions to diverse communities, ensuring that low- and moderate income individuals from various backgrounds have equal access to safe and secure housing. By prioritizing inclusivity, we actively promote equal opportunities for all residents.

Community Engagement: We have developed a robust community engagement strategy that actively involves local residents, especially those from marginalized communities. Through surveys, focus groups, public meetings with the Regional Housing Study, a public comment period, and a public hearing, we gained insights into the specific housing needs of different demographic groups. This information guides our initiatives, making sure they meet the unique requirements to affirmatively further fair housing.

Anti-Discrimination Measures: Dane County strictly enforces anti-discrimination policies within all our housing programs. Dane County aims to educate landlords, tenants, and community members about their rights and responsibilities, fostering a culture of acceptance and understanding. This approach not only ensures fair treatment but also creates an inclusive environment where everyone feels welcome.

Accessibility and Universal Design: Dane County prioritizes accessibility and universal design principles. This means our housing units are not only accessible to people with disabilities but also

designed to accommodate various needs, ensuring that everyone, regardless of their physical abilities, can live comfortably.

Partnerships and Collaboration: Dane County collaborates with local government agencies, non-profit organizations, and advocacy groups to create a comprehensive network of support for fair housing initiatives. By collaborating with these entities, we leverage collective resources and knowledge to address fair housing challenges more effectively.

Data Collection and Analysis: Dane County gathered data on housing disparities, analyzed it thoroughly, and used the insights to refine the PRO Housing grant application. By understanding the specific challenges faced by different communities, Dane County is able to tailor the programs to directly address the issues, thus ensuring efforts are impactful and relevant.

In summary, Dane County's proposal does not just acknowledge the requirements to affirmatively further fair housing; it integrates these principles into the very core of our initiatives. By prioritizing inclusivity, community engagement, anti-discrimination measures, universal design, collaboration, and data-driven decision-making, we are not only meeting the requirements but exceeding them, ensuring that fair housing is not just a goal but a lived reality in the communities we serve.

Removing Barriers to Affordable Housing in Well-Resourced Areas

Dane County's proposal outlines a comprehensive strategy to remove barriers to the development of affordable housing in well-resourced areas and increase access for underserved groups, with a particular focus on addressing racial disparities. Dane County will achieve the removal of barriers through:

1. **Partnerships and Collaboration:** Dane County recognizes that successful affordable housing development in well-resourced areas often requires collaboration with local government agencies, housing authorities, and private developers. Dane County's proposal includes a detailed plan to establish and nurture partnerships that will facilitate the acquisition of land, streamline the zoning and permitting process, and access financial resources required for development.
2. **Diversity of Housing Choices:** Dane County's proposal advocates for and, when possible, seeks to implement diversity of housing choices through review of zoning policies in these areas. This will require working closely with local government to introduce policies that welcomes the inclusion of affordable housing units in new developments, thus removing barriers related to land use and zoning regulations.
3. **Financial Incentives:** Dane County will incentivize developers to engage in the production of affordable housing units through low-interest loans specifically designed to support projects that provide housing opportunities for underserved groups.
4. **Community Engagement:** Dane County's approach emphasizes active engagement with the communities residing in these well-resourced areas. By our past engagement with the community through surveys, focus groups, public meetings and most recently with the Regional Housing Study, Dane County will ensure that residents have a voice in shaping

the developments, thereby promoting buy-in and reducing resistance to affordable housing projects.

5. **Racial Equity Focus:** Dane County is committed to addressing racial disparities in housing access. Dane County’s proposal outlines a plan to prioritize underserved communities, which are often disproportionately comprised of minority populations. By providing targeted support, Dane County aims to ensure that these communities have equitable access to well-resourced areas.
6. **Transparency and Accountability:** Dane County will establish clear metrics and reporting mechanisms to track the impact of our efforts. This will allow us to measure the racial composition of the persons and households benefiting from our grant activities and ensure that we are meeting our goals of promoting equitable housing access while serving low- and moderate income households.

Expected Beneficiaries and Racial Composition

Dane County expects to serve a diverse range of persons and households, with a strong focus on addressing racial disparities in housing access. While the precise racial composition will depend on the demographics of the specific households that are served, our outreach efforts will prioritize underserved minority populations, including African American, Hispanic, and Native American communities. Dane County aims to ensure that these groups benefit equitably from our affordable housing initiatives, addressing historical housing disparities.

In summary, Dane County PRO Housing grant application outlines a strategic plan to remove barriers to affordable housing development in well-resourced areas and promote equitable access for underserved groups, with particular attention to addressing racial disparities. Our commitment to transparency and accountability will enable us to track the racial composition of the beneficiaries and ensure that our efforts align with our goals of promoting fair and inclusive housing opportunities.

Removing Barriers to Affordable Housing for Desegregation

Dane County’s grant proposal is centered around dismantling barriers that impede the development of affordable housing while actively promoting desegregation. To achieve this, Dane County has identified several key policies and practices perpetuating segregation, and designed the proposal to address them effectively:

1. **Zoning and Land Use Policies:** Many zoning and land use policies have historically perpetuated segregation by limiting the location of affordable housing developments. Dane County’s proposal includes advocacy for more diverse housing choices allow affordable housing in a wider range of neighborhoods, thereby breaking down physical barriers to desegregation.
2. **NIMBY Opposition:** “Not In My Backyard” (NIMBY) opposition from community residents often hampers affordable housing development in affluent neighborhoods. We will work on public awareness campaigns and community engagement to address these concerns, demonstrating the benefits of diverse neighborhoods and dispelling misconceptions that perpetuate segregation.

3. **Concentrated Poverty:** Concentrated poverty in specific areas is a major driver of segregation. Dane County’s proposal promotes the development of mixed-income housing projects to disperse poverty across neighborhoods, breaking down barriers to desegregation and providing opportunities for residents of varying income levels.
4. **Transportation Infrastructure:** Inaccessible transportation infrastructure can limit opportunities for underserved community. Dane County will ensure that residents of affordable housing development projects can easily access education, employment, and services in more affluent areas through nearby public transportation and pedestrian-friendly infrastructure.
5. **Inclusive Design and Accessible Housing:** In many cases, affordable housing development have not been designed to accommodate people with disabilities, which can perpetuate segregation by limiting access for these groups. Dane County’s proposal emphasizes the integration of universal design principles to create accessible and inclusive housing options for all.
6. **Data and Accountability:** Dane County plans to establish clear metrics and data collection mechanisms to monitor our progress in promoting desegregation through affordable housing initiatives. By analyzing the demographics of new housing developments and tracking their impact on desegregation, we can make informed decisions and adjust strategies as needed.

Dane County’s proposal not only identifies the policies and practices that perpetuate segregation but also provides a comprehensive plan to address them. By advocating for a diverse type of housing choices, dispelling myths about affordable housing, dispersing poverty, improving transportation, and incorporating universal design principles, Dane County aims to remove these barriers and promote desegregation through the development of affordable housing.

[Ensuring Affordable Housing Equity and Expanding Housing Choice](#)

Dane County commits to avoiding the concentration of affordable housing in low-opportunity areas and expanding housing choice for residents in need of affordable housing. To achieve this, Dane County has incorporated the following strategies:

Equitable Location Selection: Dane County actively seeks our development projects that utilize market research and community assessments to identify neighborhoods that offer good access to opportunities, including education, employment, healthcare and transportation. This ensures that development projects are situated with potential for personal and economic growth.

Comprehensive Zoning Policies: Dane County advocates for zoning policies that encourage the dispersion of affordable housing throughout various neighborhoods, including those with ample affordable housing options. By working with local governments and community stakeholders, Dane County aims to ensure that affordable housing is not disproportionately concentrated in any particular area.

Mixed-Income Developments: Dane County emphasizes the creation of mixed-income housing developments. The development projects will incorporate affordable units within market-rate housing, fostering socio-economic diversity within neighborhoods. Residents of affordable

housing can interact with individuals from various income brackets, promoting social integration and expanding their horizons.

Accessibility to Amenities: Dane County prioritizes locations that offer easy access to amenities such as schools, the Dane County Job Center, healthcare facilities, and public transportation. This not only improves the quality of life for affordable housing residents but also encourages them to explore opportunities in nearby well-resourced areas.

By combining these strategies, Dane County aims to break down the barriers to housing choice and ensure that affordable housing is distributed in a more equitable manner, avoiding further concentration in low-opportunity areas or neighborhoods with ample affordable housing. This approach fosters diverse and inclusive communities while offering residents the opportunity to live in neighborhoods that best meet their needs and aspirations.

[Addressing Unique Housing Needs for Protected Class Groups](#)

Dane County's approach is firmly rooted in addressing the unique housing needs of members of protected class groups, including persons with disabilities, families with children, and underserved communities of color. To support people with disabilities, our proposal prioritizes accessible and affordable housing. As development projects include universal design features in the housing developments, ensuring they meet the needs of residents with disabilities, promoting independent living. Additionally, our proposal supports the integration of supportive services for individuals. By working in collaboration with local service providers, Dane County aims to ensure that residents have access to necessary services, further enabling independent living.

Furthermore, transportation plays a critical role in promoting independent living for individuals with disabilities. Our proposal advocates for improved transportation infrastructure, which includes accessible public transit and pedestrian-friendly community designs. These measures help residents access essential services and participate in community life. We are committed to strict compliance with the Americans with Disabilities Act (ADA) and accessibility requirements under the Fair Housing Act. Our housing developments will be designed to meet or exceed these standards, ensuring that all residents, including those with disabilities, can access and enjoy the facilities and amenities provided.

[Displacement](#)

Dane County is deeply committed to preventing the displacement of vulnerable residents in communities of color. To achieve this, Dane County's proposal incorporates robust anti-displacement measures. Firstly, we prioritize the replacement of affordable housing units for any new construction units, ensuring that the number of affordable housing units remains consistent or increases during redevelopment efforts. Additionally, we have implemented a right of first refusal policy for existing tenants, empowering them to retain their homes at affordable rates and preventing forced displacement. Furthermore, Dane County mandates the developers to engage in extensive community outreach and involvement to identify the needs and concerns of residents directly affected by their development project. By actively involving the community, the developer can tailor the project to address specific challenges and minimize the risk of displacement, fostering stable and inclusive communities in the process.

Implementation and Enforcement to Resistance to Eliminate Targeted Barriers

Our implementation and enforcement plan for the proposal adopts a multifaceted approach that emphasizes collaboration, compliance, education, and legal preparedness. We recognize that resistance, whether in the form of litigation, environmental reviews, or design standards, can arise during the process of eliminating targeted barriers. To address this, we will actively engage stakeholders, build partnerships, and maintain open communication to gain support. We are committed to full compliance with relevant regulations and will prioritize environmental sustainability and safety. Community education initiatives will inform and engage residents and stakeholders, reducing opposition through transparent information sharing. Public advocacy campaigns will help generate broad support. Furthermore, adaptive implementation and responsiveness to community feedback are key to ensuring that the proposed barrier elimination is effective and well-received.

Equity-Related Educational Resources, Tools, and Public Input Informing Proposal

Our proposal is rooted in a foundation of equity, drawing inspiration and insight from a diverse array of educational resources, tools, and public input. We actively engaged with communities through surveys and forums, fostering an inclusive approach that shaped our proposal's core. Our team has undergone equity training, ensuring a deep understanding of equitable principles, while demographic analysis and best practices research informed our strategies. Local partnerships and historical context provided essential insights into the unique challenges faced by underserved communities. Additionally, continuous public input and feedback allowed us to fine-tune our proposal, ensuring that it addresses the specific needs and aspirations of the communities we aim to serve. This comprehensive approach reflects our commitment to fostering equity in housing initiatives.

Engaging and Supporting Minority-, Women-, and Veteran-Owned Businesses

The proposed housing production process is deeply committed to engaging and supporting minority-, women-, and veteran-owned businesses. Dane County understands the importance of fostering diversity and equity, and as part of our initiative, we encourage developers to actively seek out these businesses as suppliers and contractors. Our approach includes a comprehensive diversity and equity plan, which is being developed to outline specific strategies and objectives for promoting inclusion throughout our projects. This plan will serve as our roadmap, ensuring that our commitment to diversity is integrated into all aspects of our housing production process, from procurement to hiring practices. Additionally, we actively engage with local communities to understand the unique challenges faced by these businesses and tailor our support accordingly. We are dedicated to measurement and accountability, incorporating clear metrics and reporting mechanisms to assess our progress and continuously enhance our efforts in promoting economic opportunities and equal access within these communities.

In addition to our commitment to supporting minority-, women-, and veteran-owned businesses, we acknowledge that local equity considerations play a crucial role in our housing production process. These considerations are deeply informed by the unique circumstances and needs of the communities we serve. For instance, in response to localized disparities, we have designed specific outreach and support programs to address cultural and language barriers, ensuring that all residents

can access our housing initiatives. Moreover, we are sensitive to the impact of historical housing discrimination in our target areas and have developed strategies to counteract these injustices. Furthermore, our approach takes into account the specific economic and educational needs of local communities, aiming to provide access to resources that empower residents to break the cycle of housing inequality. By contextualizing equity within our local circumstances, we ensure that our housing production process is not only equitable but also responsive to the unique challenges and opportunities of the communities we aim to benefit.

Evaluate the Effect of the Proposal to Promote Deconcentrating Affordable Housing

We are committed to a rigorous evaluation process to assess the impact of our proposal on promoting desegregation, expanding equitable access to well-resourced areas of opportunity, and de-concentrating affordable housing. Our evaluation plan includes a combination of quantitative and qualitative measures. We will monitor demographic shifts and housing patterns to ensure that our initiatives contribute to desegregation and equitable access. Surveys, interviews, and community engagement will provide qualitative insights into the experiences of residents. Additionally, we will track the occupancy of affordable housing units in different neighborhoods to assess the de-concentration of affordable housing. Continuous feedback from residents and stakeholders will inform adjustments to our strategies as needed. We are committed to transparent reporting and accountability, and our evaluation will be an ongoing process, allowing us to adapt and improve our efforts in real-time to ensure that the objectives of desegregation, equitable access, and de-concentration are effectively met.

Track Progress and Evaluate Effectiveness of Advancing Racial Equity

We will employ a comprehensive monitoring and evaluation framework to track our progress and assess the effectiveness of our efforts in advancing racial equity within our grant activities. This framework includes quantitative metrics such as demographic data analysis, housing distribution assessments, and income parity measurements. Qualitative methods, including surveys, interviews, and community feedback, will provide valuable insights into the lived experiences of beneficiaries. We are dedicated to regular reporting and data-driven decision-making, enabling us to make real-time adjustments as necessary. Our commitment to transparency and accountability includes regular assessments and reviews to ensure that our grant activities are making a positive impact on racial equity. This approach allows us to continuously improve and refine our strategies, aligning them with the overarching goal of promoting racial equity in all aspects of our activities.

Affirmatively Market Housing Units

To affirmatively market the benefits of our housing units funded by PRO Housing funds to a broad and diverse audience, we have implemented a multifaceted approach. Our marketing strategy encompasses a variety of channels, including digital advertising, print media, and community outreach, ensuring that information reaches residents of different backgrounds. We provide marketing materials in multiple languages, respecting cultural sensitivities and ensuring accessibility for individuals with disabilities. Community workshops and collaborations with local agencies help inform residents about the housing opportunities, and timely communication ensures that all interested individuals are aware of application details and deadlines. By embracing cultural

diversity and making information accessible, our goal is to proactively engage demographic groups that may be less likely to apply, ensuring a broad and inclusive outreach strategy.

Budget and Timeline

The budget for the Dane County application is outlined below:

		Budgeted Costs	PRO Housing	Dane County Leveraged Amount	Dane County Leveraged Source
Planning & Policy Activities Supporting Affordable Housing	Addressing Zoning & Building Codes Barriers to Affordable Housing	\$1,773,470.06	\$1,000,000.00	\$173,470.06	City of Sun Prairie
	Nonprofit & BIPOC Developer Capacity Building	\$3,000,000.00	\$2,000,000.00	\$1,000,000.00	Forward Community Investments CDFI
Infrastructure & Development Activities	Affordable Multi-Family Rental Development	\$2,700,000.00	\$3,300,000.00	\$3,300,000.00	City of Sun Prairie, Village of Mount Horeb, City of Fitchburg
Administrative Costs	Administration	\$1,713,727.28	\$700,000.00	\$1,013,727.28	Dane County GPR
	Indirect Costs	\$0.00	\$0.00	\$0.00	
Total		\$9,187,197.34	\$7,000,000.00	\$5,487,197.34	

The budget for the proposed activities documents three fundamental areas that can significantly advance the removal of barriers to affordable housing production and preservation.

1. Addressing Zoning & Building Codes Barriers to Affordable Housing

Dane County’s proposal advocates for and, when possible, seeks to implement diversity among housing choices in these areas. This will require working closely with local government to introduce policies that welcomes the inclusion of affordable housing units in new developments, thus removing barriers related to land use and zoning regulations.

2. Nonprofit & BIPOC Developer Capacity Building

In an effort to promote racial equity, it is imperative that Dane County engages with nonprofit & Black, Indigenous, and People of Color (BIPOC) developers to build their capacity so they may have the ability to engage in a development of affordable housing in

Dane County. Historically, these two groups of developers have been disadvantaged in a competitive bid process. To mitigate these actions, Dane County seeks to meet the needs of underserved communities, particularly Black and Brown communities by working directly with these groups.

3. Infrastructure & Development

Dane County emphasizes the creation of mixed-income housing developments. The development projects will incorporate affordable units within market-rate housing, fostering socio-economic diversity within neighborhoods. Residents of affordable housing can interact with individuals from various income brackets, promoting social integration and expanding their horizons.

4. Administration & Indirect Costs

A total of \$1,713,727.28 is budgeted toward administrative costs.

Dane County will not be charging any indirect costs.

Plan if Awarded a Different Dollar Amount

Dane County is prepared to scale back the efforts if awarded a lower dollar amount than requested. The budget above shows three fundamental areas that Dane County would engage in as part of the program. If lower amounts are awarded, the efforts will be scaled back beginning with the administration and indirect costs to not exceed 10% of the award, then progress to scale back in all three areas by prorating the activities. Dane County recognizes that zoning in our community plays such a significant role in determining which developments can occur within geographic areas; whereas, the developer capacity of nonprofit & BIPOC developers is crucially needed to advance their ability to engage in development projects. The minimum funding amount that would allow Dane County to carry out the proposal is \$3,500,000. The minimal funding would allow Dane County to carry out the activities at a much smaller scale while still implementing systemic changes to the zoning and building codes, preparing nonprofit & BIPOC developers to build capacity to engage in development of affordable housing all while deploying funds to ensure production occurs throughout Dane County.

	Amount	Deliverables
If fully funded at 100% of Requested Funds	\$7,000,000.00	Addressing Zoning & Building Codes Barriers: 4 – 7 municipalities Developer Capacity: 5 - 7 Nonprofit & BIPOC developers Production of Housing Units: 9 affordable housing units
If partially funded at 50% of Requested Funds; Minimum Requested Funds	\$3,500,000.00	Addressing Zoning & Building Codes Barriers: 2 – 4 municipalities Developer Capacity: 2 - 4 Nonprofit & BIPOC developers Production of Housing Units: 4 affordable housing units

Timeline

Category	Activities	Milestones	Projected Completion Date
Addressing Zoning & Building Codes Barriers to Affordable Housing	Engage with municipalities and Dane County staff through the RHS Housing Advisory Committee	Updates RHS with proposed activities.	April 30, 2025
	Provides Workshops to Upcoming RFP	Dane County Staff hosts at least 2 workshops for RFP	May 31, 2025
	Releases RFP through Dane County Purchasing	Releases Request for Proposal (RFP)	June 14, 2025
	RFP's are collected through Dane County's Software	RFPs Due	August 9, 2025
	Identification of municipalities that will receive zoning & building code assistance	Municipalities will be identified	November 30, 2025
	Environmental Review Completion	ER completed in HEROS	December 30, 2025
	Awards are made on the RFP	Agreements are signed by subrecipient and Dane County	January 1, 2026
	Implementation of Activities	Municipalities engage in addressing zoning & building codes	July 1, 2026
Nonprofit & BIPOC Developer Capacity Building	Engage with municipalities and Dane County staff through the RHS Housing Advisory Committee	Updates RHS with proposed activities.	July 30, 2025
	Provides Workshops to Upcoming RFP/Application	Dane County Staff hosts at least 2 workshops for RFP/Application	August 16, 2025
	Releases RFP/Application through Dane County Purchasing	Releases Request for Proposal (RFP)/Application	August 30, 2025

	RFP's /Application are collected through Dane County's Software	RFPs/Application Due	October 25, 2025
	Identification of developer to receive assistance	Developers will be identified	February 28, 2026
	Environmental Review Completion	ER completed in HEROS	March 30, 2026
	Awards are made on the RFP/Application	Agreements are signed by subrecipient and Dane County	April 15, 2026
	Implementation of Activities	Developer Capacity deployed	March 30, 2026
Affordable Multi-Family Rental Development	Engage with municipalities and Dane County staff through the RHS Housing Advisory Committee	Updates RHS with proposed activities.	November 30, 2025
	Provides Workshops to Upcoming RFP	Dane County Staff hosts at least 2 workshops for RFP	April 30, 2025
	Releases RFP through Dane County Purchasing	Releases Request for Proposal (RFP)	May 16, 2026
	RFP's are collected through Dane County's Software	RFPs Due	July 18, 2026
	Identification of developer to receive assistance	Developers will be identified	October 30, 2026
	Environmental Review Completion	ER completed in HEROS	December 31, 2026
	Awards are made on the RFP	Agreements are signed by subrecipient and Dane County	January 1, 2027
	Implementation of Activities	Developer Capacity deployed	December 31, 2029

Exhibit E: Capacity
County of Dane

DRAFT

Exhibit E: Capacity

Dane County's Capacity

The administration of the grant for Dane County will be located in the Dane County Department of Human Services' (DCDHS) Housing Access and Affordability Division (HAA). The HAA Division has extensive experience managing federal grants and an existing program staff and administration structure that can be utilized to manage PRO Housing activities.

Dane County will be the lead implementation agency for the grant. Our responsibilities will include ensuring compliance with the grant across all program partners and subrecipients, administering all procurement and approval processes for release of subrecipient grants, execution and payment of all subrecipient contracts, coordination of grant partners and subrecipients, data collection and reporting to show the impact of the PRO Housing grant activities, hosting community engagement and education opportunities, recruitment/hiring/training of project staff to manage the grant, and active coordination and communication with the Regional Housing Strategy Implementation Team to align resources and coordinate efforts with that strategy.

In addition to existing staff, Dane County will recruit and hire a 1.0 FTE Project Position who will help coordinate grant partners, ensure grant compliance, monitor any sub-recipient agreements that are implemented under the PRO Housing grant, and collect and report out PRO Housing activity outcomes.

The project staff will be supported by the HAA Division's 1.0 FTE CDBG/HOME Administrative Specialist, and report directly to the division's 1.0 FTE HAA Human Services Manager. The HAA Human Services Manager reports directly to the 1.0 FTE HAA Division Administrator, who will also provide supervisory support as needed.

The HAA Division currently administers and manages Dane County's annual allocation of nearly \$2 million of CDBG and HOME dollars from HUD. Dane County became an Urban County Consortium in 1999. This work is conducted by a unit within HAA of 5.0 FTE's, managed by the 1.0 FTE HAA Human Services Manager referenced above.

The HAA Division also administers the Dane County Affordable Housing Development Fund (AHDF). Since 2015, the AHDF has invested more than \$30 million in capital dollars to support the creation of more than 2,200 units of affordable housing in communities across Dane County. In 2023, pending approval by the Dane County Board of Supervisors, the AHDF intends to invest more than \$10 million to support the anticipated creation of an additional 458 affordable units. HAA staff manage the allocation process for these funds and the ongoing monitoring portfolio necessary to ensure projects maintain compliance with AHDF requirements and goals.

During the COVID-19 pandemic, the HAA Division was a lead entity in Dane County's efforts to respond and recover from the pandemic and its associated impacts. The division was allocated more than \$140 million in federal stimulus funds to support programs including over \$61.1 million in Emergency Rental Assistance, \$13 million in housing support for people experiencing homelessness, \$26.5 million in non-congregate emergency sheltering, and \$29.8 million in small business grant support. Many of these programs were developed and launched in response to the nature of the COVID-19 emergency and the tremendous need identified in the community. HAA

was an integral part of the emergency response team creating programs, processes, and making community connections to ensure health, safety, and access to housing stability was available.

Essential to this work was an HAA internal partner, the DCDHS Fiscal Management Services Division. The HAA Division has access to and works closely with our colleagues in this division. This division manages DCDH' \$270.10 million budget and provides the infrastructure and support necessary for finance, accounting, and audit activities related to the Pro Housing grant. Additionally, Dane County's Department of Administration houses the County's procurement and purchasing staff and processes, which will be utilized by HAA staff operating this grant.

Experience Working with Partners

The HAA Division has been a coordinating entity for many community collaborations. HAA staff manage communications and outreach to our 56 member Urban County Consortium to help them stay engaged and aware of the impact CDBG and HOME dollars have in their communities. HAA staff also work closely with the over 18 grantee agencies that receive CDBG and HOME funding, providing technical assistance and grant workshops to help agency partners join us in our mission to meet the national objectives of the CDBG grant. HAA staff administers the CDBG and HOME funds through an annual competitive process. With the infrastructure in place, Dane County reviews all applications, awards the grantee agencies, and engages in contract management.

All developments awarded with Dane County AHDF funds are represented by a collaborative between HAA staff, developers, property management companies, municipal funders, and tenant support services partners. HAA staff coordinate with these partners to ensure funding requirements are tailored to ensure flexible tenant screening criteria, tenant protections, building sustainability measures, and housing placement referrals from community by-name coordinated entry housing list are met. This collective meets and communicates regularly to work through any challenges that make arise to achieve the goals for assisting households who are in need of affordable housing.

Dane County and the City of Madison partnered together to distribute their respective Emergency Rental Assistance (ERA) funding. This multi-partner, multi-phase programs worked with community partner agencies to distribute ERA funds throughout Dane County. Weekly meetings were held with program partners to develop program policies and procedures, update agencies on any changes in program requirements from Treasury, troubleshoot program implementation issues the partners were having, share best practices for customer service, and escalate any agency needs to ensure the Emergency Rental Assistance program was responsive and able to best serve the public in need at a rapid pace with ever changing federal requirements

HAA staff were an integral part of the Regional Housing Strategy (RHS) Housing Advisory Committee (HAC) meetings over the last year. RHS meetings were attended by a wide range of Dane County representatives from municipalities, housing advocates, elected officials, workforce development, housing development, and residents with housing stability lived experience. The goal of the RHS was to take a deep dive into fair housing needs, workforce development housing needs, and funding needs within Dane County for the creation of more units. HAA staff will continue to play an active role with implementing and monitoring the RHS recommendations.

HAA staff will lead workgroups, engage with HAC members, and develop work plans to implement the final RHS strategies.

Partner's Capacities

The proposed approach does include partners from various municipalities across Dane County, such as the City of Madison, City of Monona, and the City of Sun Prairie. Dane County's capacity to design, plan, or remove a barrier is not dependent on partner capacity as we would have to follow Dane County's Procurement Policy in the disbursement of funds countywide.

Each partner's capacity and credentials ranges in a wide multitude and is outlined below:

City of Madison: The municipality is interested in supporting Dane County with the Nonprofit & BIPOC Developer Capacity Building. The City of Madison Community Development Division has extensive experience and credentials in working with housing developers in our geographic area.

City of Monona: The municipality is interested in pursuing through an open competitive process, financial assistance to address the zoning and building codes barriers that has acted as a barrier to affordable housing.

City of Sun Prairie: The municipality is interested in supporting non-profit and BIPOC Developer Capacity Building, and are working collaboratively so that developers can consider the City of Sun Prairie as a potential location to build affordable housing units.

Civil Rights and Fair Housing

The Tamara D. Grigsby Office for Equity and Inclusion furthers Dane County's ongoing commitment to addressing racial, gender, and disabilities disparities. The Tamara D. Grigsby Office for Equity and Inclusion is Dane County's agency in charge of Equal Opportunity, Affirmative Action, Contract Compliance, and Americans with Disabilities Act and Civil Rights Compliance functions. Dane County contracts with the Metropolitan Milwaukee Fair Housing Council (MMFHC) to promote fair housing throughout Dane County by combating illegal housing discrimination and by creating and maintaining racially and economically integrated housing patterns. The MMFHC programs and services include case intake and counseling, investigative services, outreach and education, professional support to Dane County, and fair lending and inclusive communities programs.

The City of Madison Civil Rights Office investigates all Civil Rights and Fair Housing issues that arise in the City of Madison. The Civil Rights Office encourage residents to report instances of discrimination and/or retaliation so that an investigative process can take place to reduce racial disparities.

The City of Madison operates all funding and programs through the lens of the City's Racial Equity and Social Justice Initiative (RESJI). This framework is designed to establish racial equity as a core principle in all decisions, policies, and functions of the City. While this initiative guides all City decisions, a small (non-comprehensive) selection of specific work that has provided tangible reductions in racial disparities includes:

- City financial support for the Associates in Commercial Real Estate program, which provides training, support, and technical assistance to emerging BIPOC developers. City support ensures an annual cohort of participants from the Madison area;
- Support for the Fair Housing Center of Greater Madison, which processes intake and referrals for cases of discrimination – the largest number of which are cases based on race and color as local protected classes. The Fair Housing Center also provides both complaint-based and systemic market testing as well as outreach and trainings on fair housing for tenants and landlords;
- Support for the Tenant Resource Center, which provides legal assistance, housing counseling, mediation, and eviction diversion programming in multiple languages including Spanish and Hmong. A disproportionate number of households utilizing these services are households of color;
- Department of Civil Rights and Building Inspection collaborations in programming, which protects vulnerable tenants from facing discrimination when a complaint is filed based on property conditions. Through the City’s rent abatement program, tenants have the legal right to receive a financial award and/or have rental payments waived for history of documented substandard housing conditions until they are corrected by the landlord
- Department of Civil Rights investigation and mediation programs are designed to support all protected classes in the City, with the majority of complaints and investigations revolving around race and color as protected classes
- Implementation of the Madison Forward Fund, a year-long guaranteed income pilot which provides unconditional monthly payments of \$500 to participating households
- Gap financing for rental housing development through an Affordable Housing Fund, which creates affordable income- and rent-restricted housing opportunities for residents in the community.
 - Developments created through City and Federal funding have been shown to disproportionately serve households of color, having an outsized impact on household stability for BIPOC households
- Partnerships and funding to expand BIPOC homeownership, including:
 - Urban League of Greater Madison (ULGM) homeownership and wealth building programs, which created 16 homeownership opportunities and leveraged \$1,000,000 in renovation cost to create safe and stable housing. 15 of the 16 homes were ultimately purchased by Black households. ULGM also operates targeted wealth building programs and homebuyer readiness courses
 - Movin’ Out, a local non-profit, provides geographically targeted financial and homebuyer readiness in South Madison, an area which is 62% BIPOC residents compared to 21% of the City as a whole
- Direct City financial assistance is annually reassessed to ensure households are able to easily access it, as well as to ensure there is no disparate impact on households of color. For example:
 - Changes to the City’s downpayment assistance program were implemented in 2023 to remove barriers to participation. Since these changes were implemented, 58% of City downpayment assistance participants have been households of color, up 11 percentage points year-over-year
 - In total, homeownership rates for BIPOC households have been increasing overall in the City, with increasing rates for Asian and Latino households, and a 4

percentage point increase in homeownership rates for Black households alone over the past year.

Jurisdiction's Leadership Capacity and Legal Authority

As the lead entity within the Dane County Urban County Consortium, Dane County has the leadership capacity and legal authority to apply for PRO Housing grant funds, and to provide grants via a competitive allocation process to identify subrecipients to implement our identified projects. As the grantee, we will have oversight over our subrecipients and will ensure their compliance with PRO Housing grant regulations and goals. Routine monitoring will be deployed to ensure the implementation of the proposed reforms are adequately executed. Three municipalities within Dane County are highly interested and have extended their support of this grant application through the partner letters attached.

Authors of the Grant Application

The Dane County application to the PRO Housing grant was authored by several subject matter HAA experts. A listing of all authors can be found below.

Joanna Cervantes, HAA Human Services Manager, Dane County Department of Human Services' HAA Division

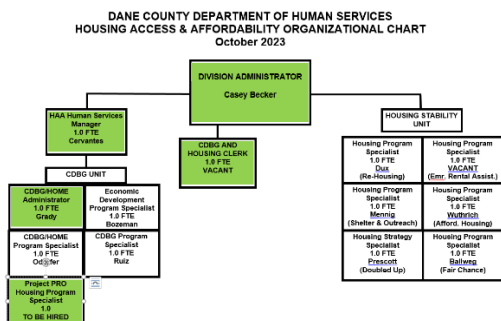
Caleb Odorfer, CDBG/HOME Program Specialist, Dane County Department of Human Services' HAA Division

Casey Becker, Division Administrator, Dane County Department of Human Services' HAA Division

Organizational Chart

If awarded funding, in addition to existing staff, Dane County plans to create, recruit, and hire a 1.0 FTE Project PRO Housing Program Specialist Position. This position will help coordinate grant partners, ensure grant compliance, monitor any subrecipient agreements that are implemented under the PRO Housing grant, and collect and report out PRO Housing activity outcomes. The project staff will be supported by the HAA Division's 1.0 FTE CDBG/HOME Administrator, and report directly to the division's 1.0 FTE HAA Human Services Manager. The HAA Human Services Manager reports directly to the 1.0 FTE HAA Division Administrator, who will also provide supervisory support as needed. Administrative support for the CDBG Unit is provided by the 1.0 FTE CDBG and Housing Clerk. This position is currently in recruitment.

Positions supporting the PRO Housing grant in the org chart below are highlighted in green.



Dane County Department of Planning & Development

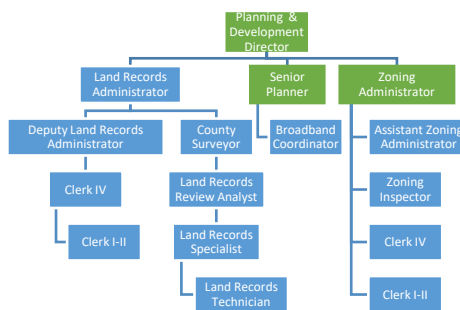


Exhibit F: Leverage
County of Dane

DRAFT

Exhibit F: Leverage

Are you leveraging other funding or non-financial contributions?

Dane County is leveraging other funding and non-financial contributions as noted below:

Leveraged Amount	Financial or Non-Financial Contributions	Description
\$1,000,000.00	Financial	CDFI Contribution
\$173,470.06	Financial	City of Sun Prairie is investing towards addressing the zoning issues.
\$1,013,727.27	Financial Contribution	Dane County Staff Time Monetized
	Total	

Leverage Commitments as Percent of Funds Requested: XX.XX%

The leverage from Sun Prairie and the local CDFI is detailed within the evidence of partnership letter from the City of Sun Prairie.

Exhibit G: Long-term Effect
County of Dane

DRAFT

Exhibit G: Long-Term Effect

Permanent Long-Term Effects and Outcomes

Dane County’s proposal focuses on three re-enforcing activities to enable the production and preservation of affordable housing units long-term after the grant’s period of performance has ended. We believe this approach is one that can serve as a model for other communities to reduce barriers to affordable housing and improve racial equity.

Activity One: **Addressing Zoning & Building Code Barriers to Affordable Housing** removes a key barrier to developing affordable housing by changing the local regulatory environment to be more conducive and welcoming to producing and preserving affordable housing.

Activity Two: **Nonprofit & BIPOC Developer Capacity Building** seeks to remove barriers faced by nonprofit and BIPOC developers which limit the production of affordable housing units. By building the capacity of nonprofit and BIPOC Developers, Dane County will increase the number, diversity, and racial equity of organizations working on affordable housing by improving their capacity and helping them access capital needed for their work.

Activity Three: **Affordable Multi-Family Rental Development** is designed to work in concert with the first two activities. Zoning and Building Code changes will make it easier to build affordable housing, capacity building for non-profit and BIPOC developers will bring more people to the table, and by having funding to develop affordable multi-family rental units, non-profit and private developers will be able to build the much needed affordable housing in Dane County.

Zoning and Building Code changes are not, by their nature, limited to the lifetime of the grant. The expected changes not only create an environment more conducive to sustained production but have the potential to last generations. Similarly, bringing more organizations into the pool of affordable housing developers will permanently improve the resilience of the affordable housing landscape, increase equity and help Dane County have CHDO’s that will be able to use HOME funds. And at the end of the day, the most important part of these activities, and the one that puts that sustainability and resiliency into practice, is the actual production of affordable housing. The affordable housing using the CDBG grant will be in place for at least 20-years.

A Replicable and Scalable Model for Producing and Preserving Affordable Housing

Addressing Zoning & Building Code Barriers to Affordable Housing

- Remove key barriers to developing affordable housing by changing the local regulatory environment to be more conducive to producing and preserving affordable housing.

Nonprofit & BIPOC Developer Capacity Building

- Increase the number, diversity, and racial equity of organizations working on affordable housing by improving their capacity and helping them access capital.

Affordable Multi-Family Rental Development

- Provide much needed funding to develop affordable multi-family rental development.

Zoning and Building Code Changes

To remove barriers to affordable housing, Dane County will provide funds for municipalities to update their zoning and building codes. Out of the \$1,000,000 designated for Zoning and Building code changes, we expect to fund 6 to 15 municipalities in Dane County. Our expected priority is to fund municipalities that can demonstrate the greatest need and can show that zoning and

building code changes will have the greatest impact to affordable housing in Dane County. Criteria for funding of zoning and building code improvements will include requirements for how proposed zoning and building code updates will address environmental risk and make the funded community more resilient. Additional criteria will require zoning to reduce historical or existing segregation in their community.

Support for both the municipalities granted funds, and those that are not granted funds, will be through the Consortium and through the RHS implementation process. A model Zoning and Building Code is expected to be developed through the RHS implementation process and disseminated through the Consortium. Municipalities will have the choice of using the model to improve their zoning and building codes OR creating new improved zoning and building codes on their own, by using grant or other funding as needed. Using the RHS and the Consortium, in conjunction with the grant funds, will enable Dane County to support County municipalities in removing the barriers to affordable housing caused by zoning and building codes in the best manner for their community, and in a way that will create long-term viability. Additionally, by having this based in a regional strategy, it is expected that the zoning and building changes will reduce housing cost burden while not increase other costs, such as transportation costs, and will help situate affordable housing near amenities, public services, jobs, transit, schools, and other important community assets and locations. The Regional Housing Strategy provides recommendations to help communities mitigate, and be more resilient to, environmental risks through zoning and building code updates.

High community will and support for various affordable housing solutions is a potential roadblock, and addressing it will be critical to advancing zoning and building code changes. Dane County is already working on this issue with the RHS and the Dane County Urban Consortium. The upcoming RHS study will provide clear data to the town and village governments in Dane County about the need and provide a regional strategy for the next three to five years. While the Consortium enables those municipalities to access federal funds through Dane County's CDBG and HOME programs. By changing their local zoning and building codes, the municipalities could become more attractive to non-profits and developers looking to produce and preserve affordable housing and enable more federal funds to flow into those municipalities.

Nonprofit & BIPOC Developer Capacity Building

In an effort to promote racial equity, it is imperative that Dane County engages with nonprofit & Black, Indigenous, and People of Color (BIPOC) developers to build their capacity so they may have the ability to engage in the development of affordable housing in Dane County and better compete for available funding. Historically, these two groups of developers are severely underrepresented in competitive bid processes. To build the capacity of nonprofit and BIPOC developers Dane County will make its grant dollars available via a rolling application for these developers to apply to cover costs related to training, technical assistance, professional certifications, or market studies for projects.

A potential roadblock for these organizations is existing financial capacity. Organizations may be interested in applying for development projects but are unable to do so because of an existing lack

of funding. To address this the activity will provide financial support needed for these developers to engage in predevelopment costs that can help them fortify their market study of the development project when seeking funding with entities like Dane County and others.

Another potential roadblock is accessing capital for a development project after the capacity building activity is completed by an organization. To reduce this roadblock, Dane County is exploring prioritizing emerging organizations in funding processes, or releasing a separate funding allocation for emerging developers to apply for housing project funding.

Affordable Multi-Family Rental Development

Dane County aims to increase the supply of affordable housing in Dane County through the construction of new multi-family rental developments. *Section C: Need* identifies the acute need for affordable housing in Dane County due to the “Big Squeeze,” in part due to a lack of market rate housing with a shortfall of 16,770 units for those making 100% or more of AMI.

The competition for the middle housing options of the “Big Squeeze” hits everyone making under 100% AMI, but impacts those making <30% AMI the hardest. This is due to a 13,330 unit shortfall for units affordable to extremely low-income households (<30% AMI). To address this barrier to affordable housing, Dane County will require that at least 20% of the multi-family housing units produced with the PRO Housing funds directly benefit low- and moderate-income (LMI) individuals. Priority points will be awarded to development projects that demonstrate an intentional commitment to develop housing units that can help alleviate the pressure for <30% AMI bracket.

Development projects that can demonstrate that projects reduce cost-burden to residents for housing, do not increase other costs, such as transportation, and are situated near amenities, such as public services, jobs, transit, schools, and other important community assets and locations, will also be prioritized. By funding 50 affordable development units, this activity will produce a long-lasting impact of lower cost-burden for all income levels across Dane County. The additional funding will enable developers to complete projects with a mix of housing units, with the PRO Housing funding directly producing affordable housing units for lower income brackets in Dane County.

Given the existing overall and affordable housing unit shortfall, and current demand for funding from recent Request for Proposals Dane County has announced, we do not foresee any potential roadblocks on the demand side. Further, as we plan to follow our existing CDBG and HOME allocation process for new rental construction, we do not anticipate any major roadblocks for implementation of this activity.

Metrics

Activity	Input	Output	Outcome	Impact
Addressing Zoning and Building Code Barriers to Affordable Housing	Funding for 6 to 15 municipalities to change their zoning and building codes RHS model zone and building codes	Updated zoning and building codes that enable an increase in production and preservation of affordable housing. Updates that enable resilience and mitigate environmental risk in the community.	Zoning and building changes cause enable a greater amount of municipalities to attract nonprofits and developers to produce and preserve affordable housing in their cities, towns, and villages.	Increase across Dane County in the production and preservation of affordable housing while not increasing other costs. Housing that mitigates environmental risk and communities that are more resilient to environmental risk.
Nonprofit & BIPOC Developer Capacity Building	Fund 5 to 7 Nonprofit and BIPOC Developers to engage in predevelopment costs on affordable housing development projects.	Increased financial capacity of nonprofit and BIPOC Developers	Improved racial equity and increased number of nonprofits and BIPOC developers producing and preserving affordable housing in Dane County.	Improved access to affordable and market rate housing units to lower housing cost-burden for those under 100% AMI.
Affordable Multi-Family Rental Development	Funding for 50 affordable housing units	Increased supply of affordable and market rate housing	Enable an overall increase in Dane County housing stock	Improved affordable and market rate housing conditions to lower housing cost-burden for those under 100% AMI

Attachment A: Summary of comments received on published Application and list of commenters by name/organization.
County of Dane

DRAFT

Attachment A: Summary of comments received on published Application and list of commenters by name/organization

Name	Organization	Summary of Comment Received	Notes

No comments has been received thus far. As comments are received they will be listed by name/organization.

DRAFT

Attachment B: Certification of compliance with NOFO public participation requirements.
County of Dane

DRAFT

Attachment B: Certification of compliance with NOFO public participation requirements.

DRAFT

Attachment C: Advancing Racial Equity Narrative.
County of Dane

DRAFT

Attachment C: Advancing Racial Equity Narrative

Dane County certifies that in accordance with Executive Order 13985, Executive Order 14091, Executive Order on Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, and Federal fair housing and civil rights law, the following has occurred:

- Dane County analyzed the racial composition of the persons or households who are expected to benefit, directly or indirectly, from the proposed award activities;
- Dane County identified any potential barriers to persons or communities of color equitably benefiting from the proposed award activities;
- Dane County detailed the steps that will be taken to prevent, reduce, or eliminate these barriers; and
- Dane County has measures in place to track our progress and evaluate the effectiveness of our efforts to advance racial equity in our award activities.

Attachment D: Affirmative Marketing and Outreach Narrative.
County of Dane

DRAFT

Attachment D: Affirmative Marketing and Outreach Narrative

Dane County intends to use the following strategies for affirmative marketing/outreach activities on the award activities to reach any eligible persons in demographic groups that would be unlikely or least likely to be aware of the benefits of a HUD award absent such efforts or entities that serve such groups:

- Black and Brown persons or communities
- Individuals with limited English proficiency
- Individuals with disabilities
- Families with children

Strategies to include:

- Connecting with local community centers serving the target population
- Marketing on Dane County website
- Social Media Channels
- Television
- Radio
- Print Media serving local members of the targeted group

Attachment E: Experience Promoting Racial Equity Narrative.
County of Dane

DRAFT

Attachment E: Experience Promoting Racial Equity Narrative

In accordance with Executive Order 13985, Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal government, Executive Order 14091, Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, and Federal fair housing and civil rights laws, Dane County’s application has the experience and resources to effectively address the needs of underserved communities, particularly Black and Brown communities. Such experience includes:

- Successfully working directly with underserved communities, particularly Black and Brown communities;
- Experience designing or operating programs that equitably benefit such groups;
- Experience successfully advancing racial equity
- Experience soliciting, obtaining, and applying input from such groups when designing, planning or implementing programs and activities.

DRAFT