Update on Affordable and Workforce Housing Initiatives of the Office of the Dane County Board September 20, 2018

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In the last year, in particular, County Board Supervisors and Dane County Board Office and department staff have partnered with the UW-Madison and community to develop and work toward solutions to Dane County's housing gap, a crisis that exists in Dane County but that is also a growing national trend.

What is a housing gap?

In Dane County there is a significant housing gap. A housing gap is the difference between the number of housing units available at an affordable price, and the number of units that are needed. When there is a housing gap, residents may live in housing they cannot afford. Or, people may live in overcrowded housing or housing that is substandard, in disrepair, or in the worst case, they are homeless.

What does the housing gap look like in in Dane County?

According to the soon-to-be-updated 2015 Housing Needs Assessment: Dane County and Municipalities report:

- There are about 66,000 cost-burdened households in Dane County (32.8% of all households) ("Cost-burdened households" are those that spend more than 30 percent of their income on housing)
- Over 22,000 very low income households pay more than 30% on rent
- Over 12,000 very low income households pay more than 50% of their income on rent in Dane County, and 2,200 of those are seniors
- 33% of renters are unable to afford a two-bedroom apartment at market rate
- The Section 8 Housing Voucher Program administered by Dane County has more than a two year wait list to obtain a voucher

For more information on the housing gap see the Dane County Housing Initiative's fact sheet: https://communityoutreach.countyofdane.com/documents/housing/dane_county_housing_gap_fact_sheet.pdf

In the last year, the Dane County Board Office has ramped up its work to close the housing gap.

1. <u>UniverCITY Year Dane County</u>. The Dane County Board Office was selected as the 2017-2018 community partner with UW-Madison for its <u>UniverCITY Year</u> Initiative. UniverCity Year aims to help Wisconsin communities find practical solutions to their toughest challenges by focusing UW-Madison's latest research, state-of-the-art technology, and award-winning faculty and student scholars on the needs of a single community. According to UW, "The community partner identifies projects that would benefit from UW-Madison expertise. Faculty from across the university incorporate these projects into their courses with graduate students and upper-level undergraduate students." The Dane County-UniverCITY effort involved four different subject areas, all interconnected by themes of equity and sustainability: closing the housing gap; economic development; frequent users of county services in multiple systems; and water quality and nutrient management. These project subject areas were selected by the Executive Committee of the County Board based on County Board priorities and supervisor input.

Each project had an internal team consisting of County Board Office staff, at least one County Board supervisor, and relevant county department staff. In addition each team had a multidisciplinary group of UW-Madison faculty working with the staff team to accomplish the goals of the UniverCITY Initiative.

County Board Office staff and their teams prepared scopes of work, resources and materials, and coordinated with UniverCITY administration, UW faculty and students, and community stakeholders throughout the project. Each County Board Office staff team lead and their team visited classes throughout the year to introduce the topic and educate students about Dane County government structure and process and why these topics are important to Dane County policymakers, and to provide feedback during development of the student projects.

UniverCity Year Dane County by the numbers

26 class projects
21 UniverCity Alliance board members
20 courses
16 faculty
12 UW-Madison departments
8 UW-Madison schools and colleges
5 Dane County project leads

The Closing the Housing Gap Team

- Lisa MacKinnon–County Board Office Team Lead
- Mary Kolar–Dane County Board Supervisor
- Rob Dicke–Dane County Housing Authority Executive Director
- Todd Violante- Dane County Planning and Development Department Director
- Olivia Parry—Dane County Planning and Development Department Senior Planner and Dane County Housing Initiative

The Closing the Housing Gap Classes and Faculty

Fall 2017:

2 UW-Madison staff

- <u>Civil Engineering</u> 421: Environmental Sustainability Engineering. Professor Andrea Hicks
- Real Estate 365/765: Residential Health. Professor Tom Landgraf
- Real Estate 420/720: Urban and Regional Economics. Professor Jaime Luque
- Real Estate 611: Residential Property Development. Professor Tom Landgraf
- <u>Urban & Regional Planning</u> 611: Urban Design: Theory and Practice. Professor James LaGro

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- Landscape Architecture 351: Housing and Urban Design. Professor James LaGro
- <u>Urban & Regional Planning</u> 601: Site Planning. Professor James LaGro
- Real Estate 611: Residential Property Development. Professor Tom Landgraf
- Real Estate 651: Green Sustainable Development. Professor Tom Landgraf
- <u>Urban & Regional Planning</u> 844: Housing and Public Policy. Professor Kurt Paulsen

Outcomes and Recommendations from the 2017- 2018 Closing the Housing Gap Topic

Note: A summary booklet of the 2017-2018 UniverCity Year projects and full project reports will be available on the Dane County Board website soon.

- Reports analyzing the feasibility and financing options of potential parcels in jurisdictions
 countywide for the development of various types of affordable/workforce housing that could meet
 the needs of communities, employers, and residents
- A guide to best practices for development of sustainable affordable/workforce housing that responds to the different needs of urban, suburban, and rural communities
- Poster sessions analyzing various sustainable and renewable energy features for use in affordable/workforce housing developments

Some sample recommendations:

- Students in Professor James LaGro's Urban Design: Theory and Practice class recommended
 municipalities create incentives for developers, update zoning, and provide down payment and
 home-repair loans to homeowners. They also recommended developers work with residents to
 determine the appropriate services for residents, design new units in the style of the existing
 community to maintain neighborhood characteristics, and locate projects within easy access to
 transportation for residents.
- Students in Professor Jaime Luque's Urban and Regional Economics class focused on creating safe, sustainable, and affordable communities for lower-income families and seniors, veterans, domestic violence victims and the homeless. Students recommended housing developments on 29 sites throughout the county, including Cambridge, Christiana, Cottage Grove, Cross Plains, DeForest, Fitchburg, Madison, McFarland, Middleton, Monona, Rutland, Stoughton, Sun Prairie, Verona and Waunakee. They found that within every community, the need for more affordable and workforce housing was strong. Students considered future residents' needs in their recommendations.
- Students in Professor Tom Landgraf's Residential Health class assessed the need for future
 residential-health housing developments in DeForest and Windsor. They analyzed demographic
 trends and inventoried current housing options for DeForest and Windsor residential health housing
 that would provide in-home care for individuals as they age. With almost 5,000 residents at or
 approaching retirement age by 2030, the students found a notable deficiency in affordable,
 independent living options for seniors. They proposed two housing developments.
 - A 40-unit building would cater to local seniors downsizing from their single-family homes. It would also feature assisted living and memory care services in the same complex so residents could transition easily to higher levels of care if needed.
 - A 55-unit, independent-living structure would feature commercial space for a coffee shop or similar business to allow residents to remain connected to the greater community.
- Students in Professor Tom Landgraf's Green Sustainable Development class investigated and made recommendations regarding financing options for property owners to install solar panels.
- Students in Professor Kurt Paulsen's Housing and Public Policy class conducted additional research
 to revise data and bring the 2015 Dane County Housing Needs Assessment report up to date.
 Students found that Dane County still faces an extreme shortage of affordable / workforce housing
 for its growing population.
- **2.** <u>DreamUp Wisconsin Initial Proposal</u>. Our Sustainability and Program Evaluation Coordinator recently reconvened the UniverCity Housing Gap staff and faculty teams to develop and submit an initial proposal to *DreamUp Wisconsin* https://www.irp.wisc.edu/dreamup. *DreamUp Wisconsin* is the University of Wisconsin–Madison's implementation of *The Alliance for the American Dream*, a new community-

university collaboration funded by Schmidt Futures that aims to promote shared prosperity and increase American competitiveness. UW is one of four public universities chosen by Schmidt Futures to partner in this work. Schmidt Futures is a venture facility for public benefit that works to advance society through technology, inspire breakthroughs in scientific knowledge, and promote shared prosperity.

The team met in July and August to develop an initial proposal, which, if selected by DreamUp Wisconsin, will receive \$10,000 for further proposal development and technical support to get to a secondary selection stage and ultimately to a final selection round in front of Schmidt Futures for an as yet undetermined sum to implement the proposal. We will be notified of initial proposal selections soon.

Our proposal is entitled *Closing the Housing Gap and Opening the Door to the American Dream*. It is intended to address Dane County's housing gap for middle-and lower-income households.

The initiative will provide a model for supportive systems around Affordable Workforce Housing (AWH), which will have immediate, as well as long-term, measurable impacts for Dane County families. Affordable housing, childcare, and employment opportunities were all cited as critical challenges in the DreamUp WI Resident Interview Summary. Our proposal recognizes the relationship between these resources, and how lack of access to any one of them can be significantly disruptive to advancement into the middle class and, in combination, can deprive generations access to opportunity and the American Dream.

- 3. Continuing Engagement on Affordable/Workforce Housing with Business School—Presentations to Professor Alina Arefeva's Fall 2018 Real Estate Class. The Business School contacted the County Board Office this summer and indicated that new Real Estate professor Alina Arefeva is interested in continuing the affordable/workforce housing site analyses that were done last fall as a part of the UniverCity Year. There has been an increase in interest in affordable/workforce housing with the arrival of new leadership and new faculty at the Business School and more faculty are integrating the issue into their courses. Our UniverCity Year staff team helped Professor Arefeva organize her unit on affordable/workforce housing, in which students will be interacting with housing planning and development contacts in Dane County communities. We will give a guest presentation on the topic to her class in November.
- 4. Participation in the 2018 Dane County Housing Summit. This year's summit, developed and hosted by the Dane Housing Initiative (DCHI), will feature the Dane County Communities of Oregon, Sun Prairie, Mt. Horeb, DeForest, Fitchburg and Madison, among others. Communities will discuss their initiatives, specific projects, what's working, and what they have learned in their efforts to expand workforce and affordable housing for their residents, employers, and workers.

The program will feature short flash talks, several of which will be presented by members of the UniverCity Year Housing Gap staff team, on topics including: Dane County Senior Housing Crisis - Demographics and Housing Demand - Communication Strategies for Discussing the Housing Gap - Dane County Affordable Housing Development Fund – 2018 Awards - Employers on Workforce Housing and the Labor Shortage - The Big Idea: Dane County and UW Madison Discuss a New Model for Affordable Housing and Community Development - Dane County Workforce Housing Survey Results - Sustainability and Housing - Mapping the Gap of DC Communities - WI Policy Updates and New Reporting Requirements - Transportation and Housing - Financing Local Projects and How to Attract the Right Housing Developer to Your Community - Tools and Strategies for Small Communities Interested in Affordable Housing