



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

Non-LIHTC 2025 Guidelines

**Dane County Non-LIHTC Fund
2025 Guidelines and Application for Financing**

Application Deadline:

12:00PM (CST), NOON

**Proposals Must Be
Uploaded to:**

[Dane County Affordable Housing Dropbox](#)

Late, faxed, mailed, hand-delivered or unsigned proposals will be rejected

Direct All Inquiries To:

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Date Issued:

Background and Funding Sources

The 2025 Dane County Capital Budget includes \$8 million for affordable housing projects that do not use Low Income Housing Tax Credits. The goal of this funding is to prioritize low-income housing preservation, and incentivize projects that serve marginalized households by providing low-barrier access to units. Awards made through the fund will be administered by the Dane County Department of Human Services Division of Housing Access and Affordability (DCDHS-HAA). DCDHS-HAA reserves the right to identify and offer alternative sources of Dane County Capital dollars for projects. For example, a project that targets units for households with a member who is criminal justice involved, meaning have at least one household member who has been formerly incarcerated or is currently under probation, parole, or extended supervision; may be eligible for funding from Dane County's Fair Chance Housing Fund.

Eligible Applicants and Project Eligibility

Projects that receive loans made through the Dane County Non-LIHTC Housing Fund must be dedicated to increasing units through new construction; or preserving the availability of quality affordable housing units through the acquisition and/or rehabilitation of existing units. Projects must commit to a minimum 40-year affordability period and be located within Dane County.

Development proposals for projects seeking Low Income Housing Tax Credits (LIHTC) administered by the Wisconsin Housing and Economic Development Authority are **not** eligible for this funding, unless the proposed project will be used for the preservation of an expiring LIHTC project.

Multiple proposals may be submitted by an applicant, however, only **one project should be submitted per application**. A project is defined as a site or sites together with any buildings to be located on the site(s) that are under common ownership, management, and financing and will be completed as a single undertaking.

The application process is targeted to help specific populations' access affordable housing:

1. Projects designed to serve households where at least one household member has been formerly incarcerated or is currently under probation, parole, or extended supervision.
2. Households who have child welfare or youth justice involvement.
3. Very low-income households and/or households experiencing homelessness.

In order to be considered for financing, applicants and projects must also meet the following requirements:

1. All units in project must serve households with incomes at or below 60% of Area Median Income (AMI) using HUD Income Limits during the Period of Affordability.
2. Proposals awarded funding must maintain rents at or below those pertaining to a maximum of 60% AMI using the Standard Multifamily Tax Subsidy Project (MTSP) Rent Limits ("MTSP Rent Limits"), published by the Wisconsin Housing and Economic Development Authority (WHEDA) for the Period of Affordability.
3. Applications must propose the construction of four or more net units (new units less any existing units demolished) or rehabilitation of four or more units to be considered for funding. For a co-operative housing development, each sleeping room will be considered one unit.

4. Project must agree to incorporate the Dane County Tenancy Addendum, which enhances tenant protections and protects against arbitrary and discriminatory non-renewals.
5. Project must commit to certain Fair Tenant Selection Criteria, and specified denial process.
6. All housing units must be in compliance with all applicable state and local codes, ordinances, and zoning regulations at the time of project completion.
7. All proposals submitted by for-profit corporations without a non-profit co-applicant must have ownership or site control (i.e., executed option or offer to purchase) before Dane County commitment of funds.
8. For housing development/rehabilitation proposals submitted by a not-for-profit corporation, or with a not-for-profit development partner, an applicant at the time of application may instead identify a targeted or defined project area in the County which it intends to secure control of a site. Such areas must be clearly identified, and proposals must provide a compelling case for the area being targeted.
 - a. Under this section, proposals must meet all other requirements for proposal submission to be considered. Applicants must submit an estimated sources and uses summary based on past experience of similar scale development.
 - b. Under this section, all applicants must commit to a construction start date no later than one year from the commitment of funds.
 - i. Dane County may grant a single extension to the one-year required start date, for a period not to exceed 12 months. In requesting an extension, the non-profit must provide evidence that the financial closing will occur within the requested extension period. Construction must begin within six months of financial closing.
9. Application must demonstrate that the project is economically viable and the applicant(s) will have the economic financial ability to repay funds if the project is not completed consistent with the written agreement.
10. Application must demonstrate financial capacity and experience in producing affordable housing in whole or in part with local, state, or federal funds, on schedule and as proposed.
11. Applicants must contribute a minimum of 5% of the total development costs in equity or a first mortgage and demonstrate the ability to secure all funds that may be necessary to complete the project as proposed.
12. Not-for-profit corporations must be, at the time of application, a 501(c)(3) or 501(c)(4) tax-exempt organization with a mission of developing and/or providing affordable housing as well as an active board that meets regularly in accordance with their by-laws and is in good standing with the Wisconsin Department of Financial Institutions (and/or the comparable organization in the state in which it is organized); and/or established as a housing cooperative with by-laws consistent with Chapter 185 of the Wisconsin State Statutes and in good standing with the Wisconsin Department of Financial Institutions.
13. For Profit corporations must be in good standing with the Wisconsin Department of Financial Institutions.

Eligible Project Costs

The following categories of expenses will be considered eligible for funding under this program.

1. Acquisition and reasonable associated closings costs;

2. Costs for processing and settling the financing for a project, such as credit reports, fees for title evidence, fees for recordation and filing of legal documents, building permits, private appraisal fees and fees for an independent rehabilitation cost estimate.
3. All work identified as necessary for project to meet the housing quality standards in 24 CFR 982.401 or applicable local standards;
4. Repair or replacement of major housing systems in danger of failure;
5. Improvements designed to remove material and architectural barriers that restrict the mobility or accessibility of the unit;
6. Improvements necessary to eliminate or reduce lead-based paint hazards;
7. Energy-related repairs or improvements;
8. Architectural, engineering or related professional services required in the preparation of rehabilitation plans and drawings or write-ups.

Application Deadline and Calendar of Events

Listed below are specific and estimated dates and times of actions related to Non-LIHTC application. The actions with specific dates must be completed as indicated unless otherwise changed by the County. In the event that the County finds it necessary to change any of the specific dates and times in the calendar of events listed below, it will do so by issuing an addendum to this application and posting such addendum on the DCDHS Division of Housing Access and Affordability Housing Development [website](#). There may or may not be a formal notification issued for changes in the estimated dates and times.

DATE	EVENT
*	Application Released
*	Last day to submit written inquiries (2:00 p.m. CST)
*	Supplements to the application posted on DCDHS Division of Housing Access website
*	Proposals due (12:00 p.m. CST)
*	Interviews (if needed)
*	Vendor Recommendation
*	County Board Approval and Issuance of Commitment letters.

Submittal Instructions

Applications must be received by the DCDHS- HAA Dropbox located at [Dane County Affordable Housing Dropbox](#) no later than the date and time indicated on the cover page of the Non-LIHTC 2025 Guidelines.

All applications must be saved in PDF format. The file name shall include the name of the business submitting the application and the name of the proposed affordable housing project.

Form of Funding and Support

Support awarded through the County's Non-LIHTC fund will be granted as follows. The County will grant the funds to the Dane County Housing Authority (DCHA). The grant agreement will be a three-party agreement between Dane County, the developer and DCHA. DCHA will then loan the funds to the project. Funds will be provided the form of 0% interest long-term deferred loan

payable upon sale, transfer, or change in use of the property. The principal is due at the end of the 40-year term. If a proposal includes an affordability term longer than 40 years, the loan principal will be due at the end of the proposed affordability term. For projects committing to permanent affordability a Land Use Restriction will remain in place permanently not withstanding repayment of the loan. Dane County Housing Authority will not consider or agree to alternative loan terms.

An awarded applicant must contribute a minimum of 5% of the project's budget in the form of an equity contribution. In lieu of contributing equity to a proposal, applicants may defer a portion of the proposal's development fee (or provide a combination of owner equity and deferred developer fee) to meet this requirement.

Evaluation Criteria

The applications will be scored using the following criteria:

Proposal Requirements	Percent
Project Description	25%
Tenant Selection	20%
Partnering to End Homelessness	15%
Supportive Services Plan	10%
Development Team Capabilities	10%
Financial Capacity	10%
Energy Efficiency/Sustainability	5%
Project Readiness	5%
TOTAL	100%

Project Description

Application should provide a detailed description of the project proposed for county support. Application should include planned location, zoning, local engagement for project, number of and size of units, eligibility for local municipal affordable housing funding, development costs, language and property management access, alternatives to eviction, and the minimum amount of County funding necessary to complete the project.

Preferences will be given to:

- A. Priority for affordable housing preservation projects will be given in the following order of preference:
 - a. Deeply affordable because of federal (e.g. HUD or USDA) rent assistance contracts;
 - b. Income and rent-restricted units; and

- c. Naturally occurring affordable housing.
- B. Projects that include units affordable to extremely and very low-income households by maintaining rents for these units at or below 30% and 50% AMI using the Standard Multifamily Tax Subsidy Project (MTSP) Rent Limits ("MTSP Rent Limits"), published by the Wisconsin Housing and Economic Development Authority (WHEDA) for the Period of Affordability.
- C. Projects with permanent affordability.
- D. Non-profit or cooperatively owned developments.
- E. Projects that are geographically located to maximize access to jobs, transit, schools and other key amenities.
- F. Projects that integrate supportive services in partnership with non-profit service providers.
- G. Projects that include three (3) bedroom units.
- H. New construction and rehabilitation proposals that involve smaller scale, infill developments that help meet the need for more "missing middle" housing. For purposes of this application, missing middle development encompasses developments involving approximately four to forty units of housing.

Tenant Selection

The application provides a list of Fair Tenant Selection Criteria. To be eligible for funding, applicants must indicate the five tenant selection criteria detailed below will be incorporated into the project's tenant selection criteria.

- Applications will not be denied due to inability to meet a minimum income requirement if the applicant can demonstrate the ability to comply with the rent obligation based on a rental history of paying at an equivalent rent to income ratio for 24 months.
- Applications will not be denied due to lack of housing history.
- Applications will not be denied due to membership in a class protected by Dane County Fair Housing Ordinances and non-discrimination ordinances in the municipality where the project is located.
- Wisconsin Circuit Court Access records
- Inability to meet financial obligations other than housing and utilities necessary for housing (gas, electric, water).

In addition to the five criteria detailed above, applicants must indicate they will incorporate the following denial process.

1.	Prior to a denial based on a criminal record, the housing provider shall provide the applicant access to a copy of the criminal record at least five days prior to the in-person appeal meeting and an opportunity to dispute the accuracy and relevance of the report, which is already required of HUD assisted housing providers. See 24 C.F.R. § 982.553(d), which applies to public housing agencies administering the section 8 rent assistance program.
2.	Prior to a denial based on a criminal record, the housing provider shall provide the applicant the opportunity to exclude the culpable family member as a condition of admission of the remaining family members.
3.	Prior to a denial decision, the housing provider is encouraged to meet with the applicant to review their application and make an individualized determination of their eligibility, considering: (a) factors identified in the provider's own screening policies, (b) if applicable, federal regulations, and (c) whether the applicant has a disability that relates to concerns with

	their eligibility and an exception to the admissions rules, policies, practices, and services is necessary as a reasonable accommodation of the applicant's disability. In making a denial decision, the housing provider shall consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial on other family members who were not involved in the action or failure.
4.	The property manager will base any denial on sufficient evidence. An arrest record or police incident report is not sufficient evidence. Uncorroborated hearsay is not sufficient evidence.
5.	Denial notices shall include the following: a) The reason for denial with details sufficient for the applicant to prepare a defense, including: i) The action or inaction forming the basis for the denial, ii) Who participated in the action or inaction, iii) When the action or inaction was committed, and iv) The source(s) of information relied upon for the action or inaction. b) Notice of the applicant's right to a copy of their application file, which shall include all evidence upon which the denial decision was based. c) Notice of the applicant's right to copies of the property manager's screening criteria. d) Notice of the right to request an in-person appeal meeting on the denial decision by making a written request for a hearing within 45 days. The housing provider is not required to hold the unit open while the appeal is pending. e) Notice of the right to have an advocate present at the in-person appeal meeting and of the right to be represented by an attorney or other representative. f) Notice of the right to present evidence in support of their application, including, but not limited to evidence related to the applicant's completion or participation in a rehabilitation program, behavioral health treatment, or other supportive services.
6.	If the applicant requests an in-person appeal meeting, the hearing will be conducted by a person who was not involved in or consulted in making the decision to deny the application nor a subordinate of such a person so involved.
7.	The in-person appeal meeting shall be scheduled within ten working days of the request, unless the applicant requests a later date.
8.	A written decision on the application shall be provided to the applicant within ten working days after the in-person appeal meeting.

Applicants that select additional criteria will be awarded points in this category. Applicants that select two additional criteria will receive 2 points, applicants that select four criteria will receive 4 points, applicants that select 5 criteria will receive 5 points, and applicants that select all criteria will receive 10 points.

Applications must also include a signed letter of agreement from the developer's property management partner that summarizes and acknowledges property management's role in the developer's proposal. The letter from the property management partner must acknowledge their understanding of any tenancy selection criteria.

Selected tenant selection criteria elements will be included in final project documents. Those documents will provide for a \$500 fine for any violations of these elements. If an applicant

agrees to include these criteria and is awarded the points for doing so, the County will not be flexible in the application of the criteria later in the development process.

Partnering to End Homelessness

Dane County is committed to ending homelessness in our community. To further this goal, projects that include a preference for individuals/families experiencing homelessness will receive additional scoring points.

The Dane County Homeless Services Consortium (HSC) is comprised of agencies and organizations working to end homelessness in Dane County. A number of agencies take client/tenant referrals for their housing programs from a community by-name list.

The community by-name list is managed by the Dane County Homeless Services Consortium's (HSC), Coordinated Entry Systems Manager. The Coordinated Entry Systems Manager works with agencies to help identify/select individuals from the by-name list for housing placement into available housing units. Individuals on the by-name list may have access to case management and some form of rental subsidy once enrolled in these programs. In order for a household to be on the by-name list they must meet the definition of [literally homeless](#).

Additionally, HSC agencies may work with individuals and households who do not meet the definition of literally homeless, but qualify as [homeless under other federal statutes](#).

Identifying units with a preference for individuals/families who are experiencing homelessness, commits the applicant to working in partnership with the Coordinated Entry Systems Manager, supportive services partner(s), other identified HSC community partners, and the project's property manager, to identify appropriate tenant referrals for those units. Targeted units are expected to be held open a minimum of thirty days once it becomes vacant. A unit is considered vacant once it is available for occupancy.

Application should detail how many units will be targeted to households experiencing homelessness, and how the project will work with systems partners to make units available to these households. Application should also detail how the project will work with partners to provide households with rental subsidies or maintain rents for these units at or below 30% using the Standard Multifamily Tax Subsidy Project (MTSP) Rent Limits ("MTSP Rent Limits"), published by the Wisconsin Housing and Economic Development Authority (WHEDA) for the Period of Affordability.

Projects consisting of the acquisition of existing rental housing stock are neither required nor encouraged to displace current tenants of acquired property. The application should detail the projects plan to incorporate set-aside units through naturally occurring unit turnover.

Supportive Services

Application must provide a detailed description of how supportive services will be secured for the tenants of any property developed as part of this project.

Application must include overview of supportive services for project to include identified services partner, annual project budget for services, amount of funding for services provided by developer and/or project, full-time equivalent (FTEs) dedicated to providing services at the project, and estimated number of weekly on-site services hours at the project.

Application should also include the experience and qualifications of the supportive services partner providing services to households who have experienced homelessness and any other identified targeted populations; relevant performance data indicating the partner's experience with the targeted populations and tenant outcomes related to housing retention.

Application must also detail how supportive services partners and property management staff will work together to ensure best outcomes for tenants, such as outing retention.

To be eligible for points in this category, application must include a signed letter from the supportive services partner. The letter must include a description of the services that will be provided to tenants and must match what is included in the developer's proposal.

Development and Service Team Background

Provide a description of the organization including key staff who will be involved in the project, past projects the team has completed, and projects currently in progress.

Additional items that should be included in Development and Service Team Experience in:

1. Participating in public/private joint ventures
2. Developing multifamily housing for low-income households
3. Developing permanent supportive housing if applying for such project
4. Property management
5. Provision of support services if the project entails permanent supportive housing

Project Financial Capacity

Application details reasonable sources and uses of funds. Operating budget details reasonable costs and pro-forma demonstrates cash flow over the period of affordability. Financial structure reflects maximized available resources, financial strength of proposal, financial strength of applicant, and includes reasonable assumptions and projections.

Energy Efficiency/Sustainability

Dane County prioritizes affordable housing that is safe and comfortable and that features low energy costs.

Applicants can earn points for pursuing an energy efficiency and sustainability standard for the project.

Applicants will receive 6 points for pursuing one of the following certifications:

1. Zero Energy Ready Homes
2. WI Green Built Gold Plus
3. Phius CORE OR
4. Enterprise Green Communities (EGC) Plus

Applicants will receive 10 points for pursuing one of the following certifications:

1. WI Green Built Gold Net Zero
2. Phius Zero
3. Living Building Challenge
4. LEED Zero Energy

Applicants may change certification selection prior to execution of grant agreement if the change would not impact project score (e.g. changing from LEED Silver Certification to Wisconsin Green Built Communities Gold Certification). Disbursement of final 10% of awarded funds will be contingent on project receiving selected certification.

Project Readiness

Application should include proposed timeline from project from award acceptance to project completion.

Application should also indicate if organization has site control, if project is properly zoned or timeline for securing zoning, and what sources of financing have already been committed to the project.

Grant Award and Acceptance and Distribution

Recipients must sign a Dane County Affordable Housing Grant Agreement that lays out the responsibility of the grant recipient in carrying out the project, including reporting requirements. Recipient will also be expected to execute a note, mortgage, and Land Use Restriction Agreement to secure funds and preserve affordability of completed project. All written agreements must be approved by the Dane County Board before being executed by the County Executive and County Clerk.

It is expected that recipients will secure all sources of financing for the project prior to execution of County documents. Significant changes to the project, including number of affordable units, unit mix, and other items committed to in the project application will not be considered without County Board approval.

Awards are contingent on the applicant securing any other necessary financing for their proposal. If applicant does not secure the remaining financing within 6 months of award recommendation, the applicant will need to reapply for funds during the next funding cycle.

Funds awarded to projects that do not move forward will be included in the following funding year.

Special Contract Terms and Conditions

Tenancy Addendum

Recipients of funding will be required to commit to incorporating Dane County Tenancy Addendum into all tenant leases. The addendum outlines specific provisions of related to security deposits, late fees, termination of tenancy, parking and guest policies. Recipients must agree to all of these elements. These elements will be included in final project documents. Those documents will provide a basis for a \$500 fine for any violation(s) of these elements. Applicants should assess the impact of these criteria on the ability to secure other financing sources before agreeing in their application.

To view Dane County's Tenancy Addendum in full: <https://www.dcdhs.com/HAA/Tenancy-Addendum>

Application must include a signed letter of agreement from the developer's property management partner that summarizes and acknowledges property management's role in the developer's proposal. The letter from the property management partner must acknowledge their understanding of any lease addendum items the developer is agreeing to in their proposal.

Relocation

Notice to applicants depending on the scale of the project submitted and the total dollar amount of funding awarded, this project may be defined as a Public Project under Wisconsin Administrative Code, Chapter 52:

<https://docs.legis.wisconsin.gov/code/register/2011/672b/insert/adm92>

For purposes here, "public project" means a project directly receiving public financial assistance including at least \$25,000 in a project having total costs of less than \$50,000 or at least 50% in a project having total costs of \$50,000 or more. If the project includes other funding sources with more stringent requirements, those requirements would apply.

Providing Notice of Dane County Housing Initiatives

Recipient will be required to post a sign in a common area of award projects that is frequented by applicants and residents. The sign shall be conspicuously located and include the following information:

- (a) The amount of funding provided by Dane County;
- (b) The year that such funding was provided by Dane County;
- (c) A statement notifying the public that the housing may be subject to additional requirements for resident selection and property management due to the requirements associated with the County's funding of the project;
- (d) The contact information for Dane County's contract compliance office, including a website, email, and phone number, for interested persons to obtain more information about the project and register any concerns.

Application Checklist

1. Dane County Application for 2025 Non-LIHTC Fund
2. Signed letter from designated property management partner that acknowledges their understanding of any selected tenancy selection criteria in the project application.
3. Signed letter from designated property management partner that acknowledges their understanding of any lease addendum items the developer is agreeing to in their application
4. Signed letter(s) from designated supportive services partner(s) confirming the details of the application's commitment to end homelessness
5. Signed letter(s) from designated supportive services partner(s) confirming the details in the application's supportive services plan.
6. Capital needs assessment, if available.
7. Site and building plans, if available.

