



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

**FCHF 2024 Guidelines**

## **Dane County Fair Chance Housing Fund 2024 Guidelines and Application for Financing**

**Application Deadline:**

**11:59PM (CST)**

**Proposals Must Be  
Uploaded to:**

**[Dane County AHDF Dropbox](#)**

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



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**Date Issued:**

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## **Background and Funding Sources**

### *Capital Funding*

The Dane County Fair Chance Housing Fund (FCHF) was established in 2023. The purpose of the FCHF is to expand affordable housing options for households in which at least one individual has been criminal justice involved; meaning the individual has been formerly incarcerated or currently under probation or parole supervision; or had an immediate family member who was incarcerated or currently under probation or parole supervision.

The 2023 Dane County Capital Budget has dedicated \$4 million to produce units for the Fair Chance Housing Fund.

### *Operating Funding for Supportive Services*

In addition, the 2024 GPR budget dedicated up to \$217,500 in operating funds for an applicant or applicant's agency partner to provide supportive services for tenants across all awarded projects. Funding is renewable for the life of selected projects pending the approval of future Dane County Budgets. These dollars must be used to provide services specifically for the residents residing in the awarded development project. Services should be focused on reentry to the community from incarceration, including building economic and housing stability with eligible tenants.

### *Contracting Entity*

Awards made with both sources of funds will be administered by the Dane County Department of Human Services - Division of Housing Access and Affordability (DCDHS-HAA).

## **Eligible Applicants and Project Eligibility**

Projects that receive funding through the Dane County FCHF must be fully occupied by households in which at least one individual has been involved in the criminal justice system, limiting them from accessing other affordable housing options. Involvement in the criminal justice system is defined as an individual who was convicted of a crime and spent time in jail, prison, and/or a juvenile justice facility as a result of the conviction.

Dane County FCHF-funded units may be created through the construction of new rental units, the conversion of commercial space to residential, or acquisition and rehabilitation of existing housing stock. Eligible housing projects must include a minimum of four units, and may include transitional housing or permanent housing options. Projects must commit to permanent affordability and be located within Dane County.

The application process will provide a preference for projects to help specific sub-populations of individuals who have been involved in the criminal justice system access affordable housing:

1. Projects that serve individuals who have recently been released from incarceration (in the last 90 days) and require a fixed and permanent residence to help the individual meet the terms of their parole and reduce the likelihood of recidivism.

2. Projects that serve individuals with criminal justice system involvement who are also experiencing homelessness, meaning individuals and families who lack a fixed, regular, and adequate nighttime residence, which includes one of the following:
  - a. Place not meant for human habitation
  - b. Living in a shelter (emergency shelter, hotel/motel paid by government or charitable organization)

The application process will also provide a preference for projects who work directly with Department of Corrections or Dane County Jail to reach clients prior to release from incarceration. To qualify for preference, applications should submit a signed letter from the Department of Corrections and/or Dane County Jail indicating a current or future program or volunteer agreement between the Service Provider and DOC/DCJ.

For FCHF proposals submitted by a not-for-profit corporation, an applicant lacking site control at the time of application, may instead identify a targeted or defined project area in Dane 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 by the agency (e.g., how the area supports the agency's mission in alignment with housing priorities). Funding will not be disbursed to an applicant awarded a grant under these terms until the project has secured all relevant sources of funding and local approvals necessary to open and operate. Applications must meet all other requirements for application submission to be considered. Applicants must submit an estimated sources and uses summary based on past experience of similar scale development.

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

1. Project must not have closed on primary financing or begun construction prior to application.
2. All units supported by county funding must be for households with incomes at 60% County Median Income (CMI) or less. A minimum of 50% the proposed units must be reserved and affordable for households with incomes at or below 30% County Median Income (CMI), and those units must be distributed proportionately across proposed unit sizes.
3. 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.
4. 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.
5. Projects that improve access to rental housing through generous tenant screening criteria.

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.

## **Application Deadline and Calendar of Events**

Listed below are specific and estimated dates and times of actions related to the FCHF 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 AHDF [website](#). There may or may not be a formal notification issued for changes in the estimated dates and times.

<b>DATE</b>	<b>EVENT</b>
Quarter 2	Application Released
Three weeks after release	Last day to submit written inquiries (2:00 p.m. CST)
One week after written inquiries due	Supplements to the application posted on <a href="#">DCDHS Division of Housing Access website</a>
Six weeks after release	Proposals due (11:59 p.m. CST)
1-2 weeks after due date	Interviews (if needed)
6-8 weeks after due date	Vendor Selection/Award

## **Submittal Instructions**

Applications must be received by the DCDHS- HAA Dropbox located at [Dane County AHDF Dropbox](#) no later than the date and time indicated on the cover page of the FCHF 2024 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**

**\*\*\*PLACEHOLDER: Financing structure for FCHF is being finalized.**

### **Example of process. Similar to one used for the Dane County Affordable Housing Development Fund (AHDF):**

*Support awarded through the County's Affordable Housing Development 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 FCHF applicant, and DCHA. DCHA will then grant the funds to the FCHF project applicant. Dane County Housing Authority will not consider or agree to alternative grant terms.*

## **Evaluation Criteria**

The applications will be scored using the following criteria:

<b>Proposal Requirements</b>	<b>Percent</b>
<b>Project Description</b>	<b>25</b>
Working with WI Department of Corrections and/or Working with Dane County Jail	<b>5</b>
<b>Tenant Selection</b>	<b>10</b>
<b>Supportive Services</b>	<b>25</b>
Trauma informed	<b>10</b>
<b>Development Team Capabilities Experience and Qualifications</b>	<b>15</b>
<b>Timeline</b>	<b>5</b>
<b>Energy Efficiency/Sustainability</b>	<b>5</b>
<b>TOTAL</b>	<b>100%</b>

### ***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, pro forma showing projected operating costs and revenues, and the minimum amount of County funding necessary to complete the project.

Projects working directly with Wisconsin Department of Corrections or Dane County Jail residents prior to release will receive up to 5 points depending on the services and structure of getting tenants housed before release from incarceration.

Preferences will be given to:

- A. Projects that serve individuals who have recently been released from incarceration (last 90 days) and require a fixed and permanent residence to help the individual meet the terms of their parole and reduce the likelihood of recidivism.
- B. Projects that serve individuals with criminal justice system involvement who are experiencing literal homelessness. Literal homelessness is generally defined as individuals and families who are living in overnight shelter, unsheltered/in cars, and/or not self-paying in a hotel.
- C. Projects that meet the income, occupancy and rent restrictions of WHEDA low income housing tax credits (LIHTC).
- D. Projects that are developed by nonprofit organization that will have a majority ownership interest in the development.
- 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. Projects that are shovel ready.

### **Tenant Selection**

Projects eligible for funding will receive max points if they adopt the Housing First Model. Housing First offers individuals and families immediate access to affordable and supportive housing without tenant screening criteria that could limit housing options. Homeless Services Consortium of Dane County (HSC) program standards and criteria can be found here (page 7): [https://www.danecountyhomeless.org/files/ugd/73dee7\\_dc4079463779435e9fd580c2cf53093f.pdf](https://www.danecountyhomeless.org/files/ugd/73dee7_dc4079463779435e9fd580c2cf53093f.pdf)

Recommended program practices:

- Tenants are not required to have income for program eligibility.
- Case managers/service coordinators are trained in and actively employ evidence-based and best practices for client/tenant engagement such as Motivational Interviewing (MI), Critical Time Intervention (CTI), client-centered care, and trauma-informed care. Agencies are recommended to participate in any trainings provided by the HSC.
- Building and apartment units may include special physical features that accommodate disabilities, reduce harm, and promote health among tenants. These may include elevators, stovetops with automatic shut-offs, wall-mounted emergency pull-cords, ADA wheelchair compliant showers, soundproofing cushions, etc.
- In the event a provider seeks to terminate services and/or evict a program participant, a notice of termination shall include information of local legal services providers.

Applicants must indicate the three tenant selection criteria detailed below will be incorporated into the project's tenant selection criteria if not accepting the Housing First Model provided above to receive points in this area.

- Applications will not be denied due to inability to meet a minimum income requirement if the applicant can demonstrate the ability to comply with housing obligation (paying for hotel, rent obligations, etc.) 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.

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 six criteria will receive 6 points, and applicants that select Housing First criteria will receive 8 points.

Applicants that indicate they will incorporate the denial process detailed in the applications will receive an additional 2 points.

A tenant selection plan clearly incorporating and identifying the selected criteria must accompany the application. 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 the Housing First Model or the selected tenancy selection criteria.

Selected tenant selection criteria 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 selected by the developer. 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. Applicants should assess the impact of these criteria on the ability to secure other financing sources before agreeing in their application.

### ***Supportive Services***

Application must provide a detailed description of how supportive services will be provided for the tenants of any property developed as part of this project. Services should be trauma-informed and client centered. Application should include identified services provider, the provider's mission and experience providing services to targeted population, anticipated staffing levels, scope of services, and services personnel and operating budgets.

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, services cost breakdown, 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. Providing housing opportunities to households where at least one person has had involvement in the criminal justice system.
2. Obtaining and utilizing Section 42 tax credits – if applicable
3. Participating in public/private joint ventures
4. Developing multifamily housing for low-income households
5. Developing permanent supportive housing if applying for such project
6. Property management
7. Provision of support services, if applicable
8. Developing housing through acquisition and rehab of existing units and/or commercial property conversion into housing, if applicable

### ***Timeline and Milestones***

Projects that are considered "shovel-ready" will receive higher points in this category. A project is considered "shovel-ready" if:

1. The organization can demonstrate/certify site control.
2. The organization can begin expending funds within three months of receiving their award.



3. The organization can complete the project within one year of the date of the executed contract.

***Energy Efficiency/Sustainability – currently under review with Office of Energy & Climate Change***

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

All applicants must commit to a) working with Focus on Energy to leverage expert advice and incentives for energy efficient features and b) if asked, supporting Dane County efforts to measure total annual energy consumption of the project after occupation by supplying energy consumption data for common areas and by assisting to collect tenant-level data from energy utility providers.

Applicants submitting projects for rehabilitation and acquisition should provide a detailed narrative on how the project will implement sustainability features; such as solar panels, LED light bulbs, HVAC upgrades, etc.

In addition, 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 sets of certifications for new construction. Applicants will receive 10 points for pursuing one of the following sets of certifications for rehabilitation/retrofit construction:

1. [2020 Enterprise Green Communities Certification](#), OR
2. [ENERGY STAR Multifamily New Construction](#) and [EPA Indoor airPLUS](#) certifications

Applicants will receive 5 points for pursuing one of the following certifications for new construction. Applicants will receive 7 points for pursuing one of the following certifications for rehabilitation/retrofit construction:

1. [2020 Enterprise Green Communities Certification Plus](#), OR
2. [Passive House \(PHIUS\)](#)

Applicants who submit rehabilitation/retrofit projects will receive 2 points for reducing the whole buildings energy use intensity by at least 25%. Federal Tax Deduction 179D – Energy Efficiency Deduction could apply - <https://daneclimateaction.org/what-you-can-do/Federal-Funding-for-business#TaxCredit>

Applicants should include certification of registration for any selected certification with application. Disbursement of final 10% of awarded funds will be contingent on project receiving selected certification.

## **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.

Service Provider recipients must sign a Dane County Point of Service contract that lays out the responsibility of the contract recipient in carrying out the agreed upon services, including reporting requirements. Contracts will be renewed on a yearly basis dependent upon the budget approval. All written agreements must be approved by the Dane County Board before being executed by County Executive.

Recipient will be required to post conspicuous signage, provided by Dane County, in a common area frequented by applicants and residents. The signage will include notice that the project was funded by Dane County, the year funding was provided, and contact information where the applicant or resident can learn more about additional tenant rights and responsibilities related to the project (i.e. tenancy addendum provisions.)

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, supportive services partner, and other items committed to in project application will not be considered without County Board approval.

Funds awarded to projects that do not move forward will be re-released for additional application submissions.

## **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>

A project is considered a Public Project if the project receives public assistance of 50% of the total costs for the project that totals more than \$50,000. Protections in place include Wisconsin's relocation requirements which may apply to project proposals if the award is 50% or more of the project's total and more than \$50,000 award.

## **Application Checklist**

1. Dane County Application for 2024 Fair Chance Housing Fund
2. Tenant Selection Plan for proposed project
3. Signed letter from designated property management partner that acknowledges their understanding of any selected tenancy selection criteria in the project application.
4. Signed letter from designated property management partner that acknowledges their understanding of any lease addendum items the developer is agreeing to in their application
5. Signed letter(s) from designated supportive services partner(s) confirming the details in the application's supportive services section
6. Certification of registration for any selected green energies/sustainability certific