



City of Madison
Paul R. Soglin, Mayor

**Department of Planning and
Community & Economic Development**
Natalie Erdman, Director

Community Development Division
Jim O'Keefe, Director

DRAFT

July 27, 2017



City of Madison, Wisconsin **2017 Action Plan**

for the period **January 1, 2017** through **December 31, 2017**

*Planned investments in community & neighborhood development projects and related efforts
toward achieving the objectives described in Madison's 2015-2019 Consolidated Plan*

City of Madison Community Development Division

30 West Mifflin Street, Suite 800 ♦ PO Box 2627 ♦ Madison, Wisconsin 53701-2627
(608) 266-6520 ♦ cdbg@cityofmadison.com ♦ www.cityofmadison.com/cdd

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

The City of Madison Community Development Division (CDD) receives federal formula funds annually from the U.S. Department of Housing and Urban Development (HUD). As a condition of receiving these funds, the City is required to develop a one-year Action Plan that articulates the community development goals on which it will focus these funds. This Action Plan covers the period January 1, 2017 through December 31, 2017. During this period, the City anticipates it will receive the following Federal formula funds:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships Program (HOME)
- Emergency Solutions Grant (ESG)

In addition to the formula funds listed above, the City expects to administer U.S. Department of Energy (DOE) Energy Efficiency and Conservation Block Grant (EECBG) funds and HUD Continuum of Care (CoC) funds.

These funds will be used to meet goals and objectives established and approved by the Division's CDBG Committee and the City of Madison Common Council. The Plan's goals and objectives were developed in consultation with citizens, nonprofit organizations, developers, businesses, funding partners, schools and other governmental bodies. Their overarching purpose is to support the development of viable communities with decent housing, suitable living environments and economic opportunities for the City's low- to moderate-income households.

The Community Development Division will pursue these goals and objectives by working with the nonprofit community, housing developers, neighborhood groups, associated businesses, stakeholders, labor union representatives, other local government entities, residents and partners. The Division will also work closely with several other City agencies to jointly plan, implement and evaluate the Plan's core activities.

Summary of the objectives and outcomes identified in the Plan

The 2017 Action Plan includes the four goals outlined below, targeting community needs related to affordable housing, economic development and employment, and strengthening neighborhoods.

Goal 1 - Affordable Housing: Provide decent, safe and sanitary affordable housing opportunities for low- and moderate-income households in order to enhance household, neighborhood and community stability.

- **Objective 1.1: Housing Supply**
Preserve, improve and expand the supply of affordable housing for homeowners and renters.
- **Objective 1.2: Housing Assistance**
Improve housing stability for homebuyers, renters, homeless and special needs populations.

Goal 2 - Economic Development & Employment Opportunities: Expand employment opportunities and enhance neighborhood vitality by supporting new and existing businesses.

- **Objective 2.1: Job Creation and Community Business Development**
Create jobs, particularly for under-represented individuals, by supporting new or expanding businesses.
- **Objective 2.2: Small Business Development**
Assist entrepreneurs, particularly those from under-represented populations, seeking to start or grow small businesses and micro-enterprises (as defined by HUD) that create jobs.
- **Objective 2.3: Adult Workforce Preparedness**
Provide needed support and opportunities to help individuals overcome barriers to gainful employment and achieve economic stability.

Goal 3 - Strong & Healthy Neighborhoods: Strengthen neighborhoods through strategic investments in physical assets and amenities like neighborhood centers, community gardens or other community facilities, as well as other planning and revitalization efforts.

- **Objective 3.1: Neighborhood Centers & Community Gardens**
Create, enhance, or sustain the development and operation of physical assets, such as neighborhood centers, community gardens or other physical amenities that help bring people of diverse backgrounds together, serve as neighborhood focal points, or help residents develop skills or take advantage of opportunities that will strengthen neighborhoods.
- **Objective 3.2: Capital Improvements for Community Organizations**
Create or improve safe, accessible, energy-efficient and well-maintained community and neighborhood facilities.
- **Objective 3.3: Neighborhood Revitalization Plans & Projects**
Help residents within designated neighborhoods identify, plan for and implement projects and activities that promise to enhance the quality of life for neighborhood residents.

Goal 4 - Program Administration: Administer the Community Development program to meet community needs and funder requirements by developing, guiding and managing activities that generate long-term impact and self-sufficiency.

This Action Plan allocates a total of approximately \$8.5 million in anticipated 2017 Community Development Block Grant, HOME and ESG Entitlement funds, City HOME Match funds, City funds, state HCRI and ETH funds, CDBG and HOME program income, and other funds to support the Community Development program. If additional Entitlement funds are made available, the CDD and the CDBG Committee will hold publicly noticed discussion(s) regarding how best to use those funds. Funds in excess of these previously approved allocations will be made available as part of the currently established reserve funds, for agencies to access throughout the year. The City set "target" allocation percentages to distribute the funds, based upon its *Community Development Program Goals and Objectives*.

Evaluation of past performance

The City of Madison continually strives to improve the performance of its operations and that of its funded agencies. During 2016, the second year of the City's current 2015-2019 Consolidated Plan, the Community Development Division invested over \$7.4 million in the community to meet the goals and objectives outlined in the City's 2016 Action Plan. CDBG, HOME and ESG funds were targeted primarily toward affordable housing, economic development and employment opportunities, and strong and healthy neighborhoods.

Consolidated Annual Performance and Evaluation Reports (CAPERs) for previous program years are available on the City's website at www.cityofmadison.com/cdbg/doc_library.htm, for a more detailed summary of the City's evaluation of its past performance.

Summary of citizen participation process and consultation process

The City's Community Development Division, in coordination with its CDBG Committee, developed this 2017 Action Plan and its 2015-2019 Consolidated Plan with consultation from a diverse group of individuals and organizations. Public hearings on a draft 2017 Action Plan were held on July 13 and July 27, 2017. The Action Plan flows from the 2015-2019 Consolidated Plan, which was approved by HUD in July of 2015. Activities included in the 2017 Action Plan were approved at publicly noticed meetings of the CDBG Committee and Common Council. Final approval of 2017 funds took place on November 14, 2016 as part of the City of Madison's 2017 Budget approval process. A limited number of other projects were approved subsequently, at publicly noticed meetings of the CDBG Committee and Common Council.

As part of the larger five-year planning process that includes the 2017 Action Plan period, the City conducted nine focus group meetings between November 11, 2013 and January 16, 2014 to gather input regarding Madison's top community development needs. Citizen participation was also solicited through an electronic survey sent to over 700 email recipients, forwarded through a community listserve, and made available on the City of Madison's homepage, accessible via Dane County public library computers. Paper copies of the survey were distributed to libraries, public housing sites and homeless shelters. A total of 954 individuals responded to the survey.

During its development, the Consolidated Plan was discussed at publicly-noticed CDBG Committee meetings where specific opportunity for public comment is always provided. The draft Plan was made available for review via electronic notification to a diverse array of citizens, agencies, developers, other funders and governmental bodies, and was also posted on the Community Development Division's website. Paper copies were made available for review at all public libraries and City-funded neighborhood centers. A public hearing was held on November 14, 2013 to solicit public comment on needs, trends, and potential obstacles for 2015-2019. An additional public hearing to solicit input on the draft 2015-2019 Consolidated Plan was held on October 9, 2014. Finally, the Plan was provided to the Common Council on December 2, 2014, where another opportunity for public comment was provided. All meeting locations were accessible to persons with disabilities, and all meeting notices included information about how to request accommodation, such as a translator or signing assistance.

Summary of comments or views not accepted and the reasons for not accepting them

Not applicable.

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

Describe agency/entity responsible for preparing the Action Plan and those responsible for administration of each grant program and funding source.

The following are the agencies/entities responsible for preparing the Action Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MADISON	Community Development Division
HOME Administrator	MADISON	Community Development Division
ESG Administrator	MADISON	Community Development Division

Table 1 – Responsible Agencies

Lead Agency

The City of Madison has designated its Community Development Division as the lead agency for administration of the CDBG, HOME and ESG programs. The City CDBG Committee serves as the lead policy body overseeing the development of the Consolidated Plan, the annual Action Plan and related community development programs. The City works with numerous community-based organizations, partners, businesses and funders, as well as other City of Madison departments to plan, develop, implement and evaluate activities outlined in this Plan.

Action Plan Public Contact Information

Susan Morrison, Community Development Grants Supervisor
608-266-6520 / smorrison@cityofmadison.com

AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

This section includes consultation the City of Madison Community Development Division utilized to reach out to various community partners.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

Public hearings on the draft 2017 Action Plan were held on July 13 and July 27, 2017. In addition, numerous focus groups, general meetings and two public hearings were held as part of the larger planning process for the 2015-2019 Consolidated Plan. The 2017 Action Plan fits within the larger context of this overall five-year Plan.

The Community Development Division, in coordination with the CDBG Committee, developed the Action Plan to be consistent with its five-year Consolidated Plan, and in consultation with diverse groups and organizations. These included nonprofit partners, housing developers, other funders and other governmental bodies. Throughout the five-year planning process, a number of themes coalesced, which resulted in the development

of the goals and objectives outlined in both the Consolidated Plan and this Action Plan. Affordable housing for both renters and homeowners, economic development and employment opportunities, and strong and healthy neighborhoods were all identified as key current and emerging needs. In addition, the need for continued coordination and collaboration with agencies, schools, local governments, and other funders was discussed.

The City's Community Development Division regularly coordinates with and participates alongside local nonprofits, community service groups and funders. Community Development Division staff meet regularly with groups such as the Dane County Continuum of Care, Neighborhood Center Directors, and Home Buyers Round Table. In addition, staff participates in various ad hoc City committees, such as Community Gardens, Housing Strategy, Civil Rights, Urban Design and Planning, Economic Development, and Community Services Committees—all in an effort to improve service delivery and initiate systematic improvements for low-income and underserved populations. Community Development Division staff also work regularly on housing-related issues with staff of the City's Community Development Authority (CDA).

The Community Development Division, in coordination with the CDBG Committee, worked with a diverse array of groups and organizations at various public and accessible locations, as part of both its annual Action Plan process and its related five-year Consolidated Plan process. These included:

- Affordable housing providers
- After school programs
- City/County government
- Community gardens
- Economic development organizations
- Funding organizations
- Homeless shelters and providers
- Neighborhood centers
- Persons experiencing homelessness
- Persons with disabilities
- Persons with mental illness
- Residents
- Seniors
- Veterans organizations

Listed below are a few examples of the City's activities intended to enhance this coordination:

- The chairs of the City's Community Development Authority, the Housing Strategy Committee and the CDBG Committee meet as needed to discuss the City's housing and community development programs, and to coordinate regarding their implementation.
- CDD staff participates regularly in City/County Public Health Department brown bag forums that focus on community health improvement.
- Through membership on the Equity Team, CDD staff participates regularly in the citywide Racial Equity and Social Justice Initiative.
- CDD staff members serve on (and frequently lead) the City's multi-agency Neighborhood Resource Teams, which were established to enhance and improve the provision of City services to neighborhoods.
- CDD staff coordinates regularly with Dane County and area nonprofits as part of a significant construction employment initiative, designed to increase the number of women and people of color employed in the construction trades.
- As part of its work to affirmatively further fair housing, the CDD coordinates with City planning staff and local nonprofits to encourage non-traditional housing types; coordinates with the CDA in development of a Comprehensive Housing Strategy; and resists neighborhood opposition to affordable housing. A summary of actions to address identified impediments to fair housing choice is included in Appendix B.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City of Madison is an active partner with the Dane County Continuum of Care (CoC), known locally as the Homeless Services Consortium (HSC). Together, they assess the ongoing needs of homeless populations and those at risk of homelessness, and respond with new or expanded services and programs as resources become available. The City of Madison is the collaborative applicant for the annual federal CoC application to HUD, and also serves as the lead administrator for CoC data collection. The City also currently provides staffing for the HSC Board of Directors, which meets on a monthly basis to discuss homeless needs.

Through its membership in the Homeless Services Consortium, the City has implemented a number of recommendations from the *Community Plan to Prevent and End Homelessness in Dane County*. This plan was developed in collaboration with the City, County, United Way and HSC, and has served as a blueprint for ending homelessness in Madison and Dane County. In 2017, the City continues to participate in efforts to update the Plan, so that it can continue to serve as a guide for local stakeholders and funders.

The City has long supported—and will continue to give preference to—projects that develop permanent supportive housing units that serve special needs populations. An example of this commitment is the City's Rethke Road permanent supportive housing project, the construction of which was completed in 2016. That project now provides 60 units of permanent supportive housing for formerly homeless individuals. The City is currently partnering with the same housing developer and a local service provider as it pursues a permanent supportive housing project for families on the city's west side. The City also uses General Purpose Revenue and Emergency Solutions Grants to fund outreach efforts that connect chronically homeless youth and adults with housing and services provided by CoC agencies.

These services include:

- Case management
- Daytime shelter
- Eviction prevention
- Job training
- Legal advocacy and mediation
- Mental illness case management
- Rapid re-housing
- Sober living programs
- Transitional housing
- Fair housing

The City also provides significant support for the local coordinated entry intake process, with the goal of bolstering access to housing and related services for vulnerable underserved populations such as veterans, youth and families. The immediate goal of this system is to move more individuals from homelessness to stable housing as quickly as possible.

Describe consultation with the Continuum of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS.

The Dane County CoC has a Board of Directors that oversees a number of committees—including the Shelter Providers, Legislative, Performance and Program Evaluation, Data Collection, and Funders Committees—that guide the CoC's objectives. In its role as partner in the CoC, the City of Madison ensures that City staff either participates in or partners in a leadership role on most of these committees. Through this work, a set of written

standards has been developed for use in developing proposals for homeless facilities and services, when developing funding recommendations and when administering ESG and other homeless-focused funds. Through an email distribution list, HSC members are regularly notified of key CDBG Committee meetings where input is being solicited on plans and performance outcomes.

Notifications regarding City funding processes are sent via e-mail distribution and newspaper advertisement. The City reviews written applications from those who apply for ESG and other homeless-related funds. The allocation and award process includes negotiation with the applicant regarding its performance goals, as well as CDBG Committee approval of the grant award and outcomes. Each written agreement includes a scope of service and standards for assessment of performance. Quarterly, the CoC's Performance Committee reviews information from the Homeless Management Information System (HMIS) to determine program effectiveness. As part of the HMIS process, the City facilitates the HMIS operations of the CoC through its representation on the HMIS Advisory Board. This role includes City staff participation in the development of funding policies and procedures related to administration of the HMIS system within Wisconsin. The City currently contributes approximately 2% of its annual federal ESG allocation and a portion of its state funding to the operation of the HMIS system.

Describe agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities.

Other local/regional/state/federal planning efforts considered when preparing the Plan.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Madison/Dane County Homeless Services Consortium	See Appendices.

Table 2 – Other local / regional / federal planning efforts

As part of its ongoing work, the Community Development Division consults with local stakeholders and organizations, as well as state and federal agencies, regarding their planning processes. A diverse array of local, regional, state and federal planning efforts were considered during the development of the Action Plan.

AP-12 Participation - 91.105, 91.200(c)

Summarize citizen participation process and how it impacted goal-setting.

On a regular and ongoing basis, the City's CDBG Committee serves as the main citizen participation resource for the community development process. The Committee meets on the first Thursday of each month, with additional meetings scheduled as needed, and regularly provides time within each meeting for public comments and presentations. The Committee annually holds at least two public hearings to assess the overall progress of its investment program and to solicit feedback about future and emerging needs within the community. In addition to the two public hearings held in conjunction with the Action Plan, monthly CDBG Committee meetings were used to solicit input and share information. The CDD's CDBG Unit staff undertook significant citizen participation efforts as part of the City's larger five-year plan. Among those efforts was an extensive survey, sent to over 700 email recipients and distributed at various public locations, as well as numerous focus groups.

As a policymaking body—with members appointed by the Mayor—the CDBG Committee also serves as a primary mechanism for citizen participation regarding the City's community development program. The Committee includes eleven membership slots, designating three for Alders and three for low- to moderate-income individuals. The Committee is the lead policymaking group for the community development program, listening to and acting upon recommendations from citizens, community groups, nonprofit agencies and businesses as it plans, makes funding recommendations for and evaluates the overall program.

In the year leading up to the preparation of the 2017 Action Plan, the Committee regularly held discussions and received public comment regarding the use of HOME, CDBG and ESG funds, as well as other local, State and federal funds. All funding recommendations and/or decisions were made in open, publicly noticed meetings.

The CDBG Committee and CDD initiated and/or participated in a number of outreach and consultation efforts designed to broaden participation from community groups and other stakeholders. These efforts included:

- Providing an extensive website (www.cityofmadison.com/cdbg) to report on five-year goals, annual projects and special issues. The site includes a means to directly comment on any aspect of the Plan or the program.
- Advertising in the community newspaper (*Wisconsin State Journal*) and in culturally specific local publications such as *The Madison Times*, *Capital City Hues* and *La Comunidad*.
- Providing staff representation on the City's seven Neighborhood Resource Teams (NRTs), and regularly soliciting comments on emerging community needs and recommended solutions.
- Actively participating in various groups such as the Homeless Services Consortium, the City-County Homeless Issues Committee, the Dane County Foreclosure Task Force, Home Buyers Round Table, and other groups related to housing issues.
- Meeting quarterly with area neighborhood center directors to better understand emerging needs in neighborhoods throughout the City, and develop effective strategies to meet these needs.
- Holding meetings with nonprofit service providers and stakeholders in targeted neighborhoods.
- Meeting with an array of service groups that work with underrepresented populations.
- Providing interpreters at meetings, as needed.
- Providing information in alternate formats, as needed.

The Community Development Division initiated a number of efforts to broaden its outreach and the participation of various community groups. In an effort to gather additional input, the draft Consolidated Plan was made available for review at an array of public libraries and neighborhood centers. CDD used the following processes to receive input on the Consolidated Plan process as the draft report was introduced:

- Posted the draft Plan on the Division website.
- Advertised via community newspapers, and specific homeless, housing and business email distribution lists, regarding public hearings on the draft Plan.
- Sent the draft Plan to the Neighborhood Resource Teams as part of a strategy to gather input from underserved communities.
- Continued to solicit feedback from community partners, residents and local organizations, regarding needs the City should be addressing with HUD funding.

Citizen Participation Outreach

In addition to the stakeholder outreach, public meetings and public hearings that were held as part of the 2014 summer funding process and 2015-2019 Consolidated Plan process, the following specific outreach efforts and meetings were conducted regarding the 2017 Action Plan:

Mode of Outreach	Target of Outreach	Summary
Newspaper Advertisements	Minorities Non-targeted/broad community	Newspaper ads were placed in the <i>Wisconsin State Journal</i> , <i>Capital City Hues</i> , announcing the July 13 and 27, 2017 public hearings, and soliciting input from the public on the draft 2017 Action Plan.
Public Hearing:	Non-targeted/broad community	<p>A Public hearing on the draft Plan was held on July 13, 2017 at the CDBG Committee. A second public hearing was held on July 24, 2017 at the Madison Central Library.</p> <p>A draft of the plan was posted and made available for review. The public was notified of meetings by ads that the City placed in the <i>Wisconsin State Journal</i>, <i>Capital City Hues</i>. The CDBG Office website also contained information about the meeting. The widely distributed CDBG Committee agenda also included notice and information about the public hearings.</p> <p>Citizens were given the opportunity to attend the meeting, send their comments by mail or email or contact the CDBG Office. No citizen comments were received at these public hearings.</p>
Internet Outreach	Non-targeted/broad community	Throughout the citizen participation period, the City's draft 2017 Action Plan was posted for public comment on the City's website, along with a copy of the adopted 2015-2019 Consolidated Plan and information about how to participate in related public processes.
Public Meeting:	Non-targeted/broad community	<p>A publicly noticed meeting of the City Finance Committee was held on July 24, 2017. Approval of the 2017 Action Plan was listed on the agenda for action.</p> <p>The Finance Committee voted to recommend approval of the Plan.</p>
Public Meeting:	Non-targeted/broad community	<p>A publicly noticed meeting of the Madison Common Council was held on August 1, 2017. Approval of the 2017 Action Plan was listed on the agenda for action.</p> <p>The Common Council vote to _____.</p>

Table 3 – Citizen Participation Outreach

Annual Action Plan

AP-15 Expected Resources – 91.220(c)(1,2)

The anticipated resources articulated in this Action Plan are based on assumptions about 2017 funding levels. Because funding levels are subject to annual Congressional appropriations and changes in funding distribution formulas, the Plan's accomplishment projections and planned activities may be subject to commensurate changes.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 3				Expected Amount Available Remainder of Con Plan	Narrative Description
			Annual Allocation	Program Income	Prior Year Resources	Total		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	1,713,116	1,928,245	1,037,745	4,679,106	5,818,516	Estimated five-year average annual CDBG Entitlement allocation: \$1,503,068
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	1,020,724	67,473	642,914	1,666,311	2,630,772	Estimated five-year average annual HOME PJ allocation: \$679,530
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	152,813	0	0	152,813	291,990	Estimated five-year average annual HESG Entitlement allocation: \$145,995

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 3				Expected Amount Available Remainder of Con Plan	Narrative Description
			Annual Allocation	Program Income	Prior Year Resources	Total		
Future Madison	private	Services	18,791	0	0	18,791	37,432	Estimated five-year average annual Future Madison allocation: \$18,716
ETH (ESG, THP, HPP)	public - state	Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Services Transitional housing Other	559,617	0	0	559,617	726,106	Estimated five-year average annual state ETH allocation: \$363,053
HCRI	public - state	Homebuyer assistance	228,083	133,252	145,339	506,674	350,000	Estimated \$300,000 awarded per 2-year HCRI grant period
City of Madison	public - local	Housing Services	3,458,183	0	4,350,000	7,808,183	7,462,838	Estimated five-year average annual City allocation: \$2,168,366

Table 4 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied.

The City developed this Action Plan with the expectation that the Federal government will provide approximately \$2.8 million for the 2017 program year, through such grant programs as CDBG, HOME and HESG. The City expects to leverage these funds with its own housing funds, as well as State of Wisconsin funds for homeless services and homebuyer assistance.

If appropriate, describe publicly-owned land or property located within the jurisdiction that may be used to address the needs identified in the Plan.

Not applicable.

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Objective Name	Start Year	End Year	Category	Goal Addressed	Funding	DRAFT Outcome Indicator
1	Housing Supply	2017	2017	Affordable Housing	Affordable Housing	CDBG: \$1,596,110 HOME: \$1,556,771 City of Madison: \$4,365,000	103 units of rental housing constructed or rehabilitated 11 units of homeowner housing added 110 units of homeowner housing rehabilitated
2	Housing Assistance	2017	2017	Affordable Housing Homeless Non-Homeless Special Needs	Affordable Housing	CDBG: \$711,981 HOME: \$72,000 ESG: \$141,353 City of Madison: \$1,275,702 ETH (ESG / THP / HPP): \$546,483 HCRI: \$447,174	61 homebuyers provided with direct financial assistance 663 homeless persons assisted with overnight shelter 777 persons assisted through homelessness prevention services 1,330 persons assisted with other homeless services or housing resources
3	Job Creation and Community Business Development	2017	2017	Non-Housing Community Development	Economic Development and Employment Opportunities	CDBG: \$312,872	33 jobs created
4	Small Business (Micro-Enterprise) Development	2017	2017	Non-Housing Community Development	Economic Development and Employment Opportunities	CDBG: \$269,432	124 businesses assisted
5	Adult Workforce Development	2017	2017	Non-Housing Community Development	Economic Development and Employment Opportunities	City of Madison: \$629,080	2,345 job-seekers assisted through employment training
6	Neighborhood Centers and Community Gardens	2017	2017	Non-Housing Community Development	Strong and Healthy Neighborhoods	CDBG: \$364,891 City of Madison: \$1,008,781 Future Madison: \$18,791	32,365 persons assisted through participation in neighborhood centers and/or gardens activities

Sort Order	Objective Name	Start Year	End Year	Category	Goal Addressed	Funding	DRAFT Outcome Indicator
7	Capital Improvements for Community Organizations	2017	2017	Non-Housing Community Development	Strong and Healthy Neighborhoods	CDBG: \$563,977	2,000 persons assisted through the creation or improvement of Public Facilities or Infrastructure
8	Neighborhood Revitalization Plans and Projects	2017	2017	Non-Housing Community Development	Strong and Healthy Neighborhoods Effective Planning and Program Administration	CDBG: \$114,440	1,000 persons assisted through concentration neighborhood planning efforts and associated revitalization activities
9	Planning and Administration	2017	2017	Planning / Administration	Effective Planning and Program Administration	CDBG: \$745,403 HOME: \$102,340 ESG: \$11,460 City of Madison: \$529,620 ETH (ESG / THP / HPP): \$13,134 HCRI: \$59,500	90 contracts managed by CDD staff

Table 5 – Goals Summary

Objective Descriptions

1	Objective Name	Housing Supply
	Description	Preserve, improve and expand the supply of affordable housing for homeowners and renters.
2	Objective Name	Housing Assistance
	Description	Improve housing stability for homebuyers, renters, homeless and special needs populations.
3	Objective Name	Job Creation and Community Business Development
	Description	Create jobs, particularly for under-represented individuals, by supporting new or expanding businesses.
4	Objective Name	Small Business (Micro-Enterprise) Development
	Description	Assist entrepreneurs, particularly those from under-represented populations, seeking to start or grow small businesses and micro-enterprises (as defined by HUD) that create jobs.
5	Objective Name	Adult Workforce Development
	Description	Provide needed support and opportunities to help individuals overcome barriers to gainful employment and achieve economic stability.

6	Objective Name	Neighborhood Centers and Community Gardens
	Description	Create, enhance, or sustain the development and operation of physical assets, such as neighborhood centers, community gardens or other physical amenities that help bring people of diverse backgrounds together, serve as neighborhood focal points, or help residents develop skills or take advantage of opportunities that will strengthen neighborhoods.
7	Objective Name	Capital Improvements for Community Organizations
	Description	Create or improve safe, accessible, energy-efficient and well-maintained community and neighborhood facilities.
8	Objective Name	Neighborhood Revitalization Plans and Projects
	Description	Help residents within designated neighborhoods identify, plan for, and implement projects and activities that promise to enhance the quality of life for neighborhood residents.
9	Objective Name	Planning and Administration
	Description	Implement a well-managed Community Development Program with effective progress toward five-year goals.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

Approximately _____ low- and moderate-income families.

AP-35 Projects – 91.220(d)

The City of Madison's Community Development Division, through CDD-staffed citizen committees, makes its funding allocation decisions based on a Request for Proposals (RFP) process. Through this process, funds are awarded to eligible activities that support the goals (and address the priority needs) articulated as part of the Strategic Plan. Expected resources cited in RFPs are based on assumptions about future funding levels, and the allocations awarded to activities are contingent upon the City's receipt of sufficient funds for the period covered by the RFP.

Projects

#	Project Name
1	Owner-Occupied Housing Rehab
2	Rental Housing Development
3	Owner-Occupied Housing Development
4	Homebuyer Assistance
5	Homeless and Special Needs Populations
6	Housing Resources
7	Job Creation & Community Business Development
8	Small Business (Micro-Enterprise) Development
9	Adult Workforce Preparedness
10	Neighborhood Centers & Community Gardens
11	Capital Improvements for Community Organizations
12	Neighborhood Revitalization Plans & Projects
13	Overall Program Administration
14	ESG17 Madison

Table 6 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs.

The allocation of funds for the activities listed in this Action Plan are closely aligned with the top housing and community development needs identified in the needs assessment and housing market analysis articulated in the City's 2015-2019 Strategic Plan, and through input contributed by stakeholders and citizens who participated in its development.

The primary obstacle to addressing underserved needs continues to be the diminishing availability of funds vis-à-vis the increasing funding needs of the nonprofit agencies with whom the City contracts for services. To illustrate this point, during its 2015-2016 RFP process, the City received funding proposals for 2016 requesting over \$4.2 million, in which only an estimated \$2.6 million was projected to be available.

AP-38 Project Summary

Project Summary Information

1	Project Name	Owner-Occupied Housing Rehab
	Objectives Supported	Housing Supply
	Goals/Needs Addressed	Affordable Housing
	Funding	CDBG: \$896,753 City of Madison: \$15,000
	Description	Preserve and Improve the supply of affordable housing for homeowners
	Planned Activities	Deferred Payment Loan Program PH Home Repair Program
2	Project Name	Rental Housing Development
	Objectives Supported	Housing Supply
	Goals/Needs Addressed	Affordable Housing
	Funding	HOME: \$832,000 City of Madison: \$4,350,000
	Description	Preserve, improve and expand the supply of affordable housing for renters
	Planned Activities	CWD Affordable Rental Housing HH 1202 S Park St PSH3 Development 8Twenty South Park Street Rental Housing MO Madison on Broadway Rental Housing SHD Mifflin Street Apartments Rental Housing Housing Development Reserve Fund activities TBD
3	Project Name	Owner-Occupied Housing Development
	Objectives Supported	Housing Supply
	Goals/Needs Addressed	Affordable Housing
	Funding	CDBG: \$699,357 HOME: \$724,771
	Description	Expand the supply of affordable housing for homeowners
	Planned Activities	CWD Lease-Purchase Program Linden CohoMadison Cohousing Community Housing Development Reserve Fund activities TBD
4	Project Name	Homebuyer Assistance
	Objectives Supported	Housing Assistance
	Goals/Needs Addressed	Affordable Housing
	Funding	CDBG: \$619,140 HOME: \$72,000 HCRI: \$447,174
	Description	Improve housing stability for homebuyers
	Planned Activities	Home-Buy The American Dream (HBAD) Program Habitat Affordable Homeownership for Families MO Homeownership Program

5	Project Name	Homeless and Special Needs Populations <i>[also see Project #14]</i>
	Objectives Supported	Housing Assistance
	Goals/Needs Addressed	Affordable Housing
	Funding	City of Madison: \$1,144,578 ETH (ESG / THP / HPP): \$546,483
	Description	Improve housing stability for renters, homeless and special needs populations
	Planned Activities	Briarpatch Youth Shelter Operations CAC Housing Crisis Hotline (Coordinated Intake) Day Shelter and Gap Services TBD DAIS Housing Related Financial Aid DCHS Transportation Services for Homeless SBCH Street Outreach Team LSS Off the Square Club Porchlight Support Services & Operations Porchlight DIGS Program Porchlight Shelter Outreach / Case Manager Porchlight Outreach Worker Porchlight Eliminating Barriers to Stable Housing Porchlight MPL Case Management Project Bubbles Laundry Services for Homeless Sanctuary Storage Temporary Lockers for Homeless TSA Single Women Shelter Case Management Tellurian "ReachOut" (Downtown Outreach) Program YWCA Mifflin Street Housing First YWCA Homeless Restorative Court Program Rent subsidy, shelter, and homelessness prevention activities TBD through 2017-18 state RFP process
	6	Project Name
Objectives Supported		Housing Assistance
Goals/Needs Addressed		Affordable Housing
Funding		CDBG: \$92,841 City of Madison: \$131,124
Description		Provide information or other non-monetary resources to LMI persons, and support access to affordable housing opportunities
Planned Activities		FHC Fair Housing Services IL Home Modification TRC Bilingual Housing Resources Specialist TRC Housing Counseling, Outreach and Education
7		Project Name
	Objectives Supported	Job Creation and Community Business Development
	Goals/Needs Addressed	Economic Development and Employment Opportunities
	Funding	CDBG: \$312,872
	Description	Create jobs, especially for under-represented individuals, by supporting new or expanding businesses
	Planned Activities	CWD Neighborhood Revitalization / Equity Fund MDC Business Loan Program Economic Development Reserve Fund activities TBD

8	Project Name	Small Business (Micro-Enterprise) Development
	Objectives Supported	Small Business (Micro-Enterprise) Development
	Goals/Needs Addressed	Economic Development and Employment Opportunities
	Funding	CDBG: \$269,432
	Description	Assist entrepreneurs, particularly those from populations that are under-represented, seeking to start or grow small businesses and micro-enterprises (as defined by HUD) that create jobs
	Planned Activities	LCC Small Business Technical Assistance MBCC Smarter Black Businesses WWBIC Business Development Loans Economic Development Reserve Fund activities TBD
9	Project Name	Adult Workforce Preparedness
	Objectives Supported	Adult Workforce Development
	Goals/Needs Addressed	Economic Development and Employment Opportunities
	Funding	City of Madison: \$629,080
	Description	Provide needed support and opportunities to help individuals overcome barriers to gainful employment and achieve economic stability
	Planned Activities	GCC Supporting Successful Employment KH Adult Resource Development Literacy Network College Success Employment Training Literacy Network Meadowood Computer Skills / Employment Literacy LCEC Building Employment and Technology Skills (BEATS) MUM Just Bakery Omega School GED/Basic Skills OFS OPTIONS Program ULGM ADVANCE Employment Services ULGM Construction Employment Initiative ULGM Skilled Trades Apprenticeship Readiness Training (START) VCNC Latino Academy of Workforce Development VCNC Caminando Juntas Pre-Employment Program WYC Theresa Terrace Adult Employment Program YWCA Comprehensive Employment Services YWCA Yweb Career Academy

10	Project Name	Neighborhood Centers & Community Gardens
	Objectives Supported	Neighborhood Centers and Community Gardens
	Goals/Needs Addressed	Strong and Healthy Neighborhoods
	Funding	CDBG: \$364,891 City of Madison: \$1,008,781 Future Madison: \$18,791
	Description	Create, enhance or sustain the development and operation of physical assets, such as neighborhood centers, community gardens or other physical amenities that help bring people of diverse backgrounds together, serve as neighborhood focal points, or help residents develop skills or take advantage of opportunities that will strengthen neighborhoods
	Planned Activities	BGC Allied Neighborhood Center Support BGC Taft Neighborhood Center Support BLPW Neighborhood Center Support CGW Community Garden Leadership Development & Self-Management CRC Resilience Neighborhood Center Support EMCC Neighborhood Center Support GCC Neighborhood Center Support KH Neighborhood Center Support LCEC Neighborhood Center Support MSCR Meadowood Neighborhood Center Support NH Neighborhood Center Support Park Edge / Park Ridge Neighborhood Employment Center Operations/Support VCNC Neighborhood Center Support Wil-Mar Neighborhood Center Support WYFC Neighborhood Center Support WYC Theresa Terrace Neighborhood Center Support
11	Project Name	Capital Improvements for Community Organizations
	Objectives Supported	Capital Improvements for Community Organizations
	Goals/Needs Addressed	Strong and Healthy Neighborhoods
	Funding	CDBG: \$563,977
	Description	Create or improve safe, accessible, energy-efficient and well-maintained community and neighborhood facilities
	Planned Activities	Acquisition/Rehab Reserve Fund activities TBD
12	Project Name	Neighborhood Revitalization Plans & Projects
	Objectives Supported	Neighborhood Revitalization Plans and Projects
	Goals/Needs Addressed	Strong and Healthy Neighborhoods Effective Planning and Program Administration
	Funding	CDBG: \$114,440
	Description	Help residents within designated neighborhoods identify, plan for, and implement projects and activities that promise to enhance the quality of life for neighborhood residents
	Planned Activities	Concentration Neighborhood Planning Neighborhood Revitalization Projects (Census Tracts TBD)

13	Project Name	Overall Program Administration
	Objectives Supported	Planning and Administration
	Goals/Needs Addressed	Effective Planning and Program Administration
	Funding	CDBG: \$745,403 HOME: \$102,340 City of Madison: \$529,620 ETH (ESG / THP / HPP): \$13,134 HCRI: \$59,500
	Description	Provides staffing for City Community Development Program development, staffing of CDD Committees, contract development and monitoring, and general program management; also provides support services including affirmative action, public information, historic preservation, administrative, and bid services
	Planned Activities	Direct Administration and Support Services Futures Fund Reserve activities TBD
14	Project Name	ESG17 Madison <i>[also see Project #5]</i>
	Objectives Supported	Housing Assistance
	Goals/Needs Addressed	Affordable Housing
	Funding	ESG: \$152,813
	Description	Improve housing stability for homeless
	Planned Activities	ESG17 Homelessness Prevention, including: - Porchlight DIGS Program - TRC Bilingual Housing Specialist - TRC Housing Mediation Services ESG17 Shelter, including: - TSA Emergency Family Shelter (Warming House) ESG17 Rapid Re-Housing, including: - Porchlight DIGS Program ESG17 HMIS Services ESG17 Administration

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed.

The City of Madison, part of a dynamic and growing region, is the seat of both State of Wisconsin and Dane County government, and has more than 100 very active neighborhood, business and community organizations. Madison is also home to the University of Wisconsin, a nationally recognized research institution, known for a tradition of academic excellence. The City includes portions of three lakes, and is located upon an isthmus, which gives the City its defining geographical characteristics.

The City has chosen to describe its community development goals and objectives primarily in terms of the functional components of a well-developed community: providing affordable housing; expanding employment opportunities and enhancing neighborhood vitality by supporting new and existing businesses; and

strengthening neighborhoods by providing opportunities that expand neighborhood cohesion and stability. The City has identified, within each goal, a geographic priority to stabilize or improve areas of high priority to the City, including Neighborhood Resource Team focus areas. These areas are comprised of neighborhoods with poverty.

The City also intends to prioritize and allocate a small portion of its funds annually (approximately 4% of CDBG entitlement funds) to activities that seek to improve neighborhoods, and provide a low/moderate area (LMA) benefit. These efforts will focus on the Neighborhood Revitalization Plans & Projects objective within the Plan.

The City's Neighborhood Revitalization Program targets neighborhoods with high concentrations of low- and moderate-income persons for a special planning and project development process. The CDBG Committee and Common Council select target neighborhoods for this process by analyzing census tract data, such as number of LMI individuals, race, ethnicity, age and housing tenure. The process involves a three-year period for each neighborhood, with the first year involving intensive work with a neighborhood association and a steering committee comprised of representatives of the area. This steering committee works closely with a CDBG-supported City planner to identify the neighborhood's needs and develop a neighborhood plan. The planning phase is followed by two years of active funding by the City, a process which encourages the development of neighborhood activities, and rewards the hard work and commitment of neighborhood residents in considering their neighborhood's needs.

Rationale for the priorities for allocating investments geographically

The City identifies, as target areas for investment, Census Tracts where 51% of the individuals meet HUD's low/moderate-income standards (80% or less of the area median income). *(Refer to www.cityofmadison.com/cdbg/docs/targets_map.pdf for a map of census tracts identified by the City as target areas for the five-year period covered by the current Strategic Plan.)*

The City also considers, as target areas for investment, any Neighborhood Resource Team (NRT) area with high concentrations of poverty. *(Refer to www.cityofmadison.com/mayor/nrt/ for a map of NRT areas identified by the City as high priority, as well as related information.)*

AP-55 Affordable Housing – 91.220(g)

DRAFT One-Year Goals for the Number of Households to be Supported	
Homeless	60
Non-Homeless	360
Special-Needs	10
Total	430

Table 7 - One-Year Goals for Affordable Housing by Support Requirement

DRAFT One-Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	114
Rehab of Existing Units	110
Acquisition of Existing Units	61
Total	285

Table 8 - One-Year Goals for Affordable Housing by Support Type

AP-60 Public Housing – 91.220(h)

Actions planned during the next year to address the needs to public housing

The City's Community Development Authority is in the process of developing a master plan for an area of the City known as the Triangle. It is the City's largest public housing site, containing over 300 units of public and Section 8 housing. Once the master plan is complete, the City will use it as a guide for the development of additional units. The City does not have specific plans to build additional units of public housing during 2017.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The CDA does not have a Resident Management Corporation or a Public Housing Homeownership Program.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Describe the jurisdiction's one-year goals and actions for:

- **Reducing and ending homelessness, including reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs.**
- **Addressing the emergency shelter and transitional housing needs of homeless persons.**
- **Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.**
- **Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

Responses to these items are addressed in the Appendix E.

AP-75 Barriers to Affordable Housing – 91.220(j)

The cost of developing, maintaining, and improving affordable housing in the City of Madison is affected by several key factors. Among the most important of these are the time it takes developers to take a project from start to finish; the clarity and ease of use of zoning codes; and property tax policies. The City has identified these as barriers to affordable housing, and is in the process of implementing strategies to remove their negative effects.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City recently approved a policy change that exempts developers of affordable housing from the normally required park impact fees. This policy will result in significant cost savings for affordable housing projects, and thus help facilitate their development. In 2017, City Community Development Division staff will be working closely with other City departments to ensure successful implementation of the park fee waiver policy.

The City zoning code is one of the primary tools the City uses to regulate development. The code has sometimes been confusing and difficult for developers to use. In 2013, the City completed a major rewrite of its zoning code (Chapter 28, Madison General Ordinances). The result was a much-improved code that is easier for affordable housing developers to use and understand. The previous code was originally adopted in 1966. Until the new code was adopted, nearly every housing project—whether market-rate or affordable—required a rezoning to a unique Planned Development District in order to accommodate it. The City will continue to monitor use of its zoning code, with an eye toward addressing any issues that may impact the development of affordable housing.

Through its zoning code, the City now allows several additional housing types that it believes will encourage the development of additional affordable housing units:

- Accessory dwelling units (ADUs, sometimes called "granny flats") are now allowable as a conditional use on single-family lots, which can provide new small-scale affordable housing opportunities.
- Cooperative housing is more broadly allowed.
- In some zoning districts, housing projects with up to eight units are allowable as a permitted use. Under the previous code, any building with over two units required conditional use review. This was often onerous for small-scale projects or conversions.
- In many zoning districts, the code allows for (and encourages) residential units in mixed-use buildings. Previously, this was allowable only with unique Planned Development zoning.

Discussion

The City continues to consider establishment of a formal Development Services Center (DSC) that would provide a central location for information on the development, review, permitting and inspection processes of all City agencies. Under such a system, DSC staff would work to streamline the development process with the goal of improving timeliness, thus reducing developer costs associated with developing affordable housing. Currently, City staff holds weekly Development Assistance Team meetings, which include staff from all agencies who would participate in the Development Services Center. The Community Development Division will participate in the operational aspects of this system as it is developed. The Division will also continue to review and evaluate its efforts to fund affordable housing, and where possible, seek Council action to remove non-financial obstacles to the construction of affordable housing within the City.

Fees and charges for land use requests (such as rezonings, conditional uses and demolition permits) are waived for nonprofit organizations—groups occasionally involved in the development of affordable housing projects.

Property tax exemption is another issue that impacts the ability to develop affordable housing. With the implementation of relatively recent State legislation, property owned by nonprofit benevolent associations can be developed as low-income housing and be exempt from local property taxes. Without this provision, owners

of these kinds of low-income housing projects would pay property tax, resulting in increased expenses that would almost certainly be passed on to tenants in the form of higher rents.

Community Development Division staff will continue to meet periodically with Third Sector Housing, a group of nonprofit housing development agencies. An important goal of these meetings will be to enhance coordination and collaboration associated with the development of affordable housing. The CDD will work with Third Sector representatives to identify ways to improve the capacity of nonprofit housing development organizations, and streamline the City's funding and contracting processes.

AP-85 Other Actions – 91.220(k)

Any other actions planned to:

- **Address obstacles to meeting underserved needs**
- **Foster and maintain affordable housing**
- **Reduce lead-based paint hazards**
- **Reduce the number of poverty-level families**
- **Develop institutional structure**
- **Enhance coordination between public and private housing and social service agencies**

Proposed actions associated with the City's 2017 Action Plan are described primarily in the specific related sections of the Plan. In addition to descriptions found in those sections, the following actions are planned for 2017.

Any other actions planned to:

- *Address obstacles to meeting underserved needs*

In 2017, the City of Madison will continue to focus on the following three primary areas as it addresses obstacles to meeting underserved needs: (1) affordable housing, (2) economic development and employment opportunities, and (3) strong and healthy neighborhoods.

The obstacles to meeting **housing needs** in the City of Madison's revolve primarily around the high cost of housing and need for additional affordable housing. While housing quality, race, and non-housing factors play a role in the city's housing needs, housing cost burden is by far the leading challenge in the market. Moreover, the limited supply and rising cost of housing makes challenges like homelessness and racial inequity in housing even more difficult to address.

The obstacles related to **economic development and employment needs** specifically targeting by the City of Madison relate most often to the need to enhance neighborhood vitality. In 2017, this need will be addressed through support for employment opportunities for low- and moderate income people as well as support for new and existing micro-enterprises and small businesses. Most of the City's support in this goal area will go to community-based nonprofit organizations that support job creation and community business development, as well as those that support small business development through assistance to entrepreneurs.

Neighborhood needs associated with the City's 2016 Action Plan relate primarily to strengthening and enhancing the health of neighborhoods with a focus on support for low- and moderate-income persons. Needs

will be addressed through support for strategic investments in community assets and amenities, as well as other planning and revitalization efforts. Neighborhood centers and neighborhood plans in low- to moderate-income neighborhoods will be the City's highest priority in this area for 2016. Community gardens as neighborhood focal points in specific neighborhoods will also be an area of emphasis.

- ***Foster and maintain affordable housing***

Among the strategies the City of Madison will use in 2017 to foster and maintain affordable housing are the following:

- For new multifamily developments pursuing Section 42 tax credits, aligning City funding programs to maximize the likelihood of tax credits being awarded. Coordinating these programs leverages City subsidy, making subsidy go farther or reach deeper down the income spectrum.
- Coordinate funding timelines to maximize opportunities for projects to have City awards in place in time for the December Section 42 tax credits deadline.
- Coordinate funding award criteria and processes so that projects that meet a common set of criteria that is in-line with City and WHEDA priorities (access to transportation, number of 3-bedroom units, walkability etc.) get funded by the City and therefore score higher on their tax credit applications.
- Actively recruit developers to apply for Section 42 tax credits in the City of Madison.
- Consider demonstration projects to test the viability of alternative housing forms (Accessory Dwelling Units, Micro housing, Cottage Housing).
- Consider exceptions to existing funding programs and zoning rules to allow for demonstration projects.
- Recruit financial institutions to create portfolio loan products that would allow for housing types that might not conform with current lending rules.

- ***Reduce lead-based paint hazards***

The City will continue to work to reduce lead-based paint hazards by requiring sub-recipients and developers to comply with the lead-based paint requirements set forth in 24 CFR Part 35. These include meeting requirements for notification, identification and stabilization of deteriorated paint, identification and control of lead-based paint hazards, and identification and abatement of lead-based paint hazards. The *Protect Your Family from Lead in Your Home* pamphlet, developed by the EPA, HUD, and the U.S. Consumer Product Safety Commission, will be distributed. The City-administered down payment assistance programs will also be required to comply with the lead-based paint requirements.

The City and County Board of Health's Environmental Health Division will continue to provide community education programs related to lead-based paint hazards. Information about lead is currently incorporated into the nutritional counseling conducted at the WIC (Women, Infants and Children) Clinics held throughout the City and County. Evaluation of homes of children found to have elevated blood lead levels, as well as consultation for renovation and remodeling, are provided through this program. The City-County Public Health Department and City Building Inspection staff will continue to coordinate implementation of a local ordinance designed to reduce lead paint removal and dust hazards to neighbors.

Division staff will also continue to educate realtors and lenders that utilize mortgage reduction assistance about the dangers of lead paint in City of Madison housing stock. Lead-based paint remediation policies and procedures are included in each housing development contract provided through the Division. Contractors are required to follow Division Rehabilitation Standards, which include local, state and federal requirements on the proper implementation of lead-based paint mitigation. The City will also continue to allow a higher per-unit subsidy for rehabilitation projects that involve lead paint reduction, due to the increased costs of mitigation.

- ***Reduce the number of poverty-level families***

To reduce the number of poverty-level families in Madison, the City will continue to support the availability and accessibility of employment, education, transportation, health care and family support services to low and moderate income households. In each case, the focus will be help individuals and families attain greater independence and promote neighborhood involvement. The City will also continue to implement the following major strategies to achieve the goal of reducing family poverty:

1. Market information about resources to poverty level households;
2. Refine housing assistance programs to better link housing assistance with related resources, such as neighborhood centers, employment resources and community gardens;
3. Improve City service delivery systems so that they are more responsive to neighborhoods where poverty-level families reside in greater numbers, and encourage goals, policies and practices that involve these neighborhoods in City's decision-making processes and revitalization efforts;
4. Increase economic development and employment and training opportunities; and,
5. Improve collaboration between local governments, nonprofits, schools and businesses.

In addition, the City will continue its poverty reduction strategies and efforts in geographically defined Neighborhood Resource Team (NRT) areas. This work will include working more closely with residents, owners and community groups to address emerging issues and needs and bringing additional services and opportunities to residents who may have been previously underserved or isolated. Key NRT strategies are follow below.

- Improve public infrastructure within target areas.
- Support Neighborhood Resource Teams, which include representatives from Civil Rights, Building Inspection, Public Health, Police, Community Development Division, Fire and Parks, in each of the five designated areas.
- Increase effectiveness of law enforcement efforts to reduce criminal activity.
- Stabilize the management of rental housing in transitioning and challenged neighborhoods.
- Support efforts of owners and residents to reduce energy consumption.
- Assess and refine the City's efforts to support resident involvement and empowerment in the community.
- Coordinate City-funded programs and services with other funders, agencies, businesses and neighborhood organizations.

- *Develop institutional structure*

In its efforts to develop institutional structure during 2017, the City of Madison will undertake the following activities:

- Continue to implement the 2016 Community Development Division Funding Process Study. Among the key elements of the study, outcomes measurement, length of sub-recipient contracts, as well as simplification of application processes and reporting requirements are priorities in 2017.
- Continue to support and coordinate with the Dane County Continuum of Care (CoC) related to help ensure the best possible system of supports for people who are homeless or at risk of homelessness. The addition of a full-time CoC Coordinator located in a CDD office will make this support and coordination simpler and more effective.
- Continue to implement a revised staffing structure that includes two Community Development Technician positions by ensuring cross-training with key staff.
- Consider roles and responsibilities within the Division's various lending programs and continue to work toward developing a revised system structure that best addresses stated goals and objectives.
- Continue to implement revised internal Division outcome reporting structures to optimize efficiency and accuracy associated with annual performance reporting.

- *Enhance coordination between public and private housing and social service agencies*

The City of Madison will continue its ongoing efforts to increase coordination and collaboration with and between public and private housing and social service agencies engaged in related activities, especially where there are clear opportunities to enhance local initiatives. The City's Community Development Division will work with local service providers, public and private housing organizations, businesses, labor union representatives, City of Madison departments, Dane County, the State of Wisconsin, and other funders to more effectively deliver the City of Madison's community development program.

Historically, the City's community development program has been used primarily to fund nonprofit agencies that provide direct services to City of Madison residents. Over the next five years, the CDBG Committee will continue that emphasis, but will also consider the role that for-profit businesses might play in achieving stated goals and objectives, especially in its affordable housing goal area.

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

The City uses CDBG program funds to ensure decent affordable housing, to provide services to the most vulnerable in our communities, to create jobs through the expansion and retention of businesses, and to support strong and healthy neighborhoods. A minimum of 70 percent of CDBG funds are used for activities that benefit low- and moderate-income persons, and each funded activity meets at least one of the following national CDBG objectives:

- to benefit low- and moderate-income persons;
- to prevent or eliminate slums or blight; or,

- to address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, for which other funding is not available.

DRAFT

**Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(1)**

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	\$ 2,965,990
2. The amount of proceeds from Section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	\$ 0
3. The amount of surplus funds from urban renewal settlements	\$ 0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	\$ 0
5. The amount of income from float-funded activities	\$ 0
Total Program Income:	\$ 2,965,990

Other CDBG Requirements

1. The amount of urgent need activities	\$ 0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low- and moderate-income	100 %
3. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	2017

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)**

1. **A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**

Not applicable.

2. **A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

The Community Development Division will use recapture provisions for all assistance provided as direct subsidies allowable in homebuyer activities per 92.254. Direct subsidies will be provided in the form of a 0% interest-bearing loan with shared appreciation due upon the sale, transfer of title, or the unit no longer remaining owner-occupied. CDD will recoup the amount invested in the property, plus shared appreciation. The recapture amount is based on the net proceeds available from the sale, rather than the entire amount of the HOME investment. "Net proceeds" is defined as the sales price, minus superior loan repayment and any closing costs incurred by the borrower(s). CDD will record with the Register of Deeds a mortgage and a written agreement with the City of Madison to enforce the recapture provisions and period of affordability requirements of 92.254 on each property.

3. **A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds [see 24 CFR 92.254(a)(4)] are as follows:**

The City of Madison will implement HUD-required resale and recapture provisions per Notice CPD 12-003 to recoup all or a portion of the assistance provided to homebuyers if housing funded at least in part with City-administered HOME funds does not continue to be the principal residence of the family for the duration of the period of affordability. When the resale/recapture requirement is triggered by a sale (voluntary or involuntary) of the housing unit and the net proceeds are not sufficient to recapture the full HOME investment, then the City of Madison will recapture the net proceeds (if any). Resale and recapture will be implemented in conformance with 24 CFR 92.25(a)(4) to ensure the affordability of units acquired with HOME funds. The City's loan portfolio is reviewed annually to determine whether each home remains the borrower's primary residence. This process is undertaken using tax assessment information and through verification sent by U.S. Postal Service requesting that households complete and return a survey that is reviewed by City staff.

4. **Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:**

The CDD does not plan to use HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

**Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)**

1. **Include written standards for providing ESG assistance. (May include as attachment.)**

See Appendices.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

In 2013, the City of Madison convened a committee of CoC providers for the purpose of designing a local model to address the need for a crisis response to providing emergency housing and services to homeless persons and those at imminent risk of homelessness. A survey was designed and implemented by the represented agencies, to ascertain how homeless persons prefer to receive information and referrals to necessary housing and services. The group created a model that became the basis for a 2013 City request for proposals to identify a nonprofit entity to provide these services. Community Action Coalition for South Central WI, Inc. (CAC) was selected, a contract negotiated, and services started in the fall of 2013. The project is funded entirely with the City's General Purpose Revenue.

The initial phase of the coordinated entry system, known as the Housing Crisis Hotline, was designed to provide information and referral to all callers. In 2014, the City's CDBG Committee approved an increase in City funding to CAC, to expand on the Phase One activities in two ways: (a) adding homeless single adults to the pilot population that receives a full assessment and supportive services; and (b) supporting a single entry point for all homeless families with children through The Salvation Army. These efforts will continue in 2017.

The change to a coordinated entry point for homeless households includes use of the VI-SPDAT assessment tool to assist in quantifying vulnerability in order to ensure that those most in need are prioritized for housing. Households who call the Housing Crisis Hotline are greeted with a message that directly connects homeless individuals and families with the appropriate shelter provider, while also providing an option to talk with Hotline staff for referral to crisis services and homeless status assessment.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

Emergency Solutions Grant (ESG) funds have traditionally been combined with other federal (HOME, CDBG) and City funds as part of homeless service-focused funding processes. After reviewing proposals and receiving feedback from the public, funding decisions are generally made by the CDBG Committee and submitted to the Common Council for approval, as part of the annual operating budget process. Funded agencies then enter into contracts with the City, and start providing housing/services at the beginning of the following calendar year. For 2017 most existing homeless services contracts will be extending for one year. During 2017, a homeless services funding process will be held to determine use 2018 of homeless service resources.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The City contracts with nonprofit organizations providing housing and services to homeless and at-risk households using City, state and federal funds. The City receives federal ESG funds in its role as an entitlement grantee, and also receives ESG funds that pass through the State of Wisconsin, as the lead applicant for Madison/Dane County CoC agencies. A requirement for receiving City, state or federal dollars is that at least one homeless (or formerly homeless) person serve on either the agency's board of directors or other policymaking group. Each agency must identify for the City which board member fulfills that requirement. This information is recorded by the City, crediting the agency as having complied with the

homeless participation requirement, while maintaining the confidentiality of the individual, if desired. The disclosure of homeless status is then in the hands of the individual board or committee member.

The City seeks feedback on policies and priorities for funding decisions from the Homeless Services Consortium (HSC), which serves as the area's CoC, of the eleven voting members of the HSC Board of Directors, two elected members are homeless or formerly homeless, as mandated by the group's bylaws. All state and federal funding decisions are reviewed and approved by the HSC Board of Directors. In addition, the City County Homeless Issues Committee (CCHIC) provides feedback to the City of Madison. Committee structure requires that two members are homeless or formerly homeless individuals.

5. Describe performance standards for evaluating ESG.

The CoC created a list of criteria for both ESG- and CoC-funded programs. Each agency's performance on a specific outcome is awarded a point value, determined by the Peer Review and Evaluation Committee, outside of a specific funding process. The points are totaled and agency programs are ranked from highest to lowest. The agency is only ranked on those criteria that are applicable to its program. The score is a percentage of the number of possible points, and is used by the agencies to determine which programs are funded.

The following criteria are used specifically for proposals seeking ESG funds:

- Agency is on-course to spend 100% of its awarded funds by the end of the contract;
- Agency is on-course to meet its proposed goal number of households receiving assistance;
- 100% data quality in Wisconsin ServicePoint;
- Frequency with which the agency solicits client feedback on services provided;
- Agency submits requested reports to the City in a timely manner;
- Agency's program served: (a) chronically homeless; (b) persons with mental illness or AODA; (c) veterans; (d) victims of domestic abuse; and/or (e) unaccompanied youth;
- Agency meets percentage goal for participants who remain or leave for stable housing;
- Agency meets percentage goal for participants who did not enter shelter within 12 months;
- Agency meets percentage goal for participants who maintain housing at six months; and
- Agency meets percentage goal for unsheltered participants who move into housing.

**Homeless and Other Special Needs Activities
One-Year Goals for Madison and Dane County CoC**

Increase progress towards ending chronic homelessness

	2017 Proposed Achievement
Number of PH beds not dedicated for chronically homeless	1000
Number of PSH beds dedicated each year for chronically homeless	245
Percent of beds not dedicated, but made available to chronically homeless through turn-over	100%
Number PSH beds dedicated to chronically homeless to be created through re-allocation of CoC funds	10

Increasing the number of permanent supportive beds dedicated to people who are chronically homeless and to prioritizing PSH for those who meet the definition of chronically homeless is one of our most important targets. Among the local agencies that have committed focusing on additional beds for chronically homeless people are the following: Porchlight, Tellurian, Housing Initiatives, and Community Action Coalition. Also, all CoC-funded PSH agencies have committed to prioritizing beds available through annual turnover and either have or will update written intake policies and procedures accordingly.

Increase housing stability

	2017 Proposed Achievement
# CoC-funded PSH beds	300
# participants that remain in CoC-funded beds at the end of the program year	265
% participants that will achieve housing stability in one year	90%

Organizations that provide permanent supportive housing will continue to support housing stability for participants. Success in this area will depend upon continued development of strategies that address the diverse array of preventing participants from achieving housing stability. CoC organizations will work to provide improved access to intensive supportive services including such things as mental health services, physical health services, alcohol and drug treatment, life skills training, vocational and work-related services, and public benefits related services. High priority strategies will include the following:

- Directing clients to a more diverse array of care options
- Strengthening relationships between CoC organizations and health-care providers
- Increasing the number and strength of partnerships with public, private and faith-based community organizations that provide intensive supportive services

Increase project participants' income

	2017 Proposed Achievement
Percent of CoC-funded participants that increased their income from employment.	15%
Percent of CoC-funded participants that increased their income from sources other than employment.	40%

The Homeless Services Consortium will continue to advocate for resources that help connect homeless persons to mainstream benefits. Partly due to this advocacy effort, funders committed to or maintained their support for the following SSI/SSDI applications resources: ADRC, ERI, and Dane County Job Center. The Veterans' Administration Homeless Program and the Dane County Veteran Service Office will continue to serve as entry points for homeless veterans to connect to benefits.

Increase the number of participants obtaining mainstream benefits

	2017 Proposed Achievement
Percent of CoC-funded participants that obtain non-cash mainstream benefits from entry to exit.	80%

It is anticipated that seventy-five percent of participants will obtain/maintain non-cash mainstream benefits in 2016. They will do this with support provided by CoC member agencies and in conjunction with reporting that helps identify strengths and gaps in the local system. Streamlined communication among W2/Food Share agency, participants and case managers will be a related goal as will continued implementation of a system designed to eliminate benefits disruption by through electronic notification of case managers about case status and changes. The CoC will also continue to stay abreast of health insurance regulations as they relate to ACA by participating in available trainings.

Using Rapid Re-housing as a method to reduce family homelessness

	2017 Proposed Achievement
Number of homeless families assisted through CoC-funded rapid re-housing projects	15
Number of homeless families assisted through ESG-funded rapid re-housing projects	30
Number of families assisted with rapid re-housing that did not receive McKinney-Vento funding	50

Organizations that work with households with children and which will work to increase the number of households assisted through rapid re-housing include The Salvation Army, YWCA, The Road Home, Community Action Coalition and Porchlight. The local United Way also provides funding for rapid re-housing programs that serve households with children. Local service providers that receive ESG funds via the City of Madison work collectively to help determine how much of that funding should be allocated to rapid re-housing.