



**PUBLIC HEARING  
City of Madison  
CDBG Committee**

**HOME-ARP Funds  
5:30pm February 2nd, 2023**

**If you want to speak at this meeting you must register.**

Register here: <https://www.cityofmadison.com/MeetingRegistration>

*(When you register to speak, you will be sent an email with the information needed to join the virtual meeting).*

**Watch the Meeting:** If you would like to join the meeting as an observer, visit:  
<https://www.cityofmadison.com/watchmeetings>

**To Listen by Phone:** (877) 853-5257 (Toll Free) Webinar ID: **891 3826 7673**.

The City of Madison Community Development Division (CDD) and CDBG Committee invite you to provide feedback on the use of American Rescue Plan Act of 2021 funds—specifically, on HOME Investment Partnerships American Rescue Plan (HOME-ARP) funds allocated to the City by the U.S. Department of Housing and Urban Development. The City proposes to use its allocation of HOME-ARP funds on the development of affordable supportive housing. Additional information on housing needs and community input are in the draft HOME-ARP Substantial Amendment to CDD’s 2021 Action Plan.

The draft HOME-ARP Action Plan is available online at <https://www.cityofmadison.com/cdd>. Paper copies may be requested by contacting the Community Development Division's CDBG Unit directly at [cdbg@cityofmadison.com](mailto:cdbg@cityofmadison.com) or 608-266-6520.

Comments may be made at the public hearing, scheduled for February 2<sup>nd</sup>, or submitted in writing to the Community Development Division's CDBG Unit via regular mail (CDBG Unit, PO Box 2627, Madison, WI 53701) or via email ([cdbg@cityofmadison.com](mailto:cdbg@cityofmadison.com)). Comments must be received by February 20th, 2023.

After the public hearing the City will request letters of interest on the use of these funds to be due April 17th. For updates on the City’s HOME-ARP funds, including the forthcoming request for letters of interest, visit <https://www.cityofmadison.com/cdd> and subscribe for email updates on community development funding opportunities.

***If you need special accommodations such as a translator or sign language interpreter, please call the Community Development Division at 266-6520 at least 48 hours prior to the meeting so that we may make the arrangements for your participation.***



**D R A F T**

**City of Madison**  
*Satya Rhodes-Conway, Mayor*

**Department of Planning and  
Community & Economic Development**  
*Matt Wachter, Director*

**Community Development Division**  
*Jim O'Keefe, Director*



# City of Madison, Wisconsin

## **HOME-ARP Allocation Plan**

### **Substantial Amendment to 2021 Action Plan**

*Planned investments in community & neighborhood development projects and related efforts toward achieving the objectives described in Madison's 2020-2024 Consolidated Plan*

**City of Madison Community Development Division**

Madison Municipal Building, Suite 300 ♦ 215 Martin Luther King, Jr. Boulevard ♦ PO Box 2627 ♦ Madison, Wisconsin 53701-2627  
(608) 266-6520 ♦ [cdbg@cityofmadison.com](mailto:cdbg@cityofmadison.com) ♦ [www.cityofmadison.com/cdd](http://www.cityofmadison.com/cdd)

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## Executive Summary

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### PART A: Executive Summary

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 on these funds.

In March 2021, Congress passed and the President signed the American Rescue Plan Act of 2021 (ARPA), which provided critical supplemental funding to communities in their local response efforts to the COVID-19 pandemic. As part of ARPA, a special allocation of HOME Investment Partnership Program (HOME) funds through the American Rescue Plan was allocated to the City of Madison. To use these HOME-ARP funds, HUD requires a Grantee to submit a HOME-ARP Allocation Plan as a Substantial Amendment to its FY21 Annual Action Plan.

The overall purpose of the funding is to provide homelessness assistance and assistance to other vulnerable populations (referred to as qualifying populations), including:

- Those who are homeless as defined under 24 CFR 91.5
- Those who are at risk of homelessness as defined in 24 CFR 91.5
- Those who are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by HUD.
- Other populations where assistance would prevent the family's homelessness or serve those with the greatest risk of housing instability.

This plan 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 includes an outline of the consultation and public participation processes used to inform this plan and the feedback received through these processes. The plan also includes an assessment of the needs of the qualifying populations and the gaps in local housing and service systems. Finally, this plan lays out how the City of Madison will deploy its HOME-ARP funds to support plan priorities and the qualifying populations.

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## Consultation

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### PART B: Consultation

*Describe the consultation process including methods used and dates of consultation:*

The City of Madison's Community Development Division, in partnership with the Dane County Department of Human Services, consulted and obtained feedback from the required public and private agencies as part of the HOME-ARP allocation plan. An email survey was sent out on May 27th, 2022, to various list serves with a focus on government, service providers and individuals with lived experience which included all providers identified in Section V.A. of the Notice (page 13). The survey collected 111 responses when the survey closed on June 10th, mostly from direct service providers. On July 14th, an invite to a focus group was sent to 26 public and private agencies. On August 3rd, the focus group met and nineteen agencies.

*List the organizations consulted:*

The table below includes feedback provided to the City of Madison Community Development Division. Agencies were consulted in accordance with Notice CPD-21-10. The City of Madison's Community Development Division met with the following stakeholders:

- Continuum of Care
- Homeless and Domestic Violence service providers
- Agencies working with Veterans
- Public housing agencies
- Public agencies that address the needs of the qualifying populations
- Public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities.

| Agency                                | Type  | Method of Consultation   | Feedback   |
|---------------------------------------|---|--------------------------|--|
| Community Development Authority (CDA) | Public Housing Authority (PHA)                    | Focus Group Consultation | <p>The CDA agreed more units of housing was needed in the community. As a PHA, it is difficult for households to find units for the voucher program. The stakeholder was surprised by the gaps analysis presented to them in the meeting presentation showing larger gaps of available housing for singles, rather than families. They shared that the data might not show the true landscape.</p> <p>On supportive services, the participant agreed that they were needed. They shared that projects built around existing services, like libraries and senior centers, are impressive, create a sense of community and help people stay in their homes.</p> <p>Another CDA participant suggested that the City prioritize a mission driven, nonprofit developer for HOME-ARP funds. They would like to see a developer partner that understands the population needing to be served and will reduce barriers to entry accordingly.</p> |
| Dane County Housing Authority         | Public Housing Authority (PHA)                    | Focus Group Consultation | <p>The participant shared that they are working with 45 families with EHVs from HUD. Families have more funding in the first few years. For singles, they are on their own. This shows the gap in services for single households. For families, a big challenge has been finding units for large families (5-6 children).</p>  |
| Porchlight                            | Homeless Service Provider/Agency Serving Veterans | Online Survey            | <p>Porchlight is a non-profit organization that operates an emergency shelter for men, transitional housing for veterans, a day shelter for adults with mental illness, housing-related emergency assistance and operates 350 units of affordable housing across 26 sites. This service provider was invited to the Focus Group Consultation but did not participate. In their individual response to the email survey collected on May 31, 2022, a representative of Porchlight indicated a stronger preference for tenant-based rental assistance and new supportive housing. The respondent also indicated that gaps in supportive services existing in the community included access to AODA and mental health services as well as employment counseling. Other unmet needs (other than supportive services) include bus ticket assistance and gas vouchers.</p>   |
| Briarpatch Youth Services             | Homeless Service Provider                         | Focus Group Consultation | <p>This service provider agreed that there is a need for more units of housing, especially for singles. Another population that needs housing choice are 17-year olds and those exiting the foster care system. Funding for supportive services is needed, including case management, housing navigation and rental assistance. This provider also shared that housing with access to child care services is a great need in the community.</p>  |

| Agency                         | Type                               | Method of Consultation   | Feedback   |
|--------------------------------|------------------------------------|--------------------------|--|
| Mach OneHealth                 | Homeless Service Provider          | Focus Group Consultation | <p>Mach OneHealth provides street and encampment outreach and offers health screenings through its clinic program. Mach OneHealth also operates the City of Madison's sheltered campground.</p> <p>This service provider shared that there are so many people to serve and not enough housing units to meet the demand. The community especially needs units managed by property managers or service providers who will reduce barriers for people. As for the population with the greatest need, Mach OneHealth urged that the greatest need is for singles and households without children. As a homeless service provider, they recognize that there is a substantial group of chronically homeless and those that need significant social services to stay housed.</p> <p>The service provider also agreed with others in the group that funding for case management is needed. Additional feedback they provided is that people identifying as LGBTQ and individuals/families fleeing domestic violence and other violent situations should be given priority. In their experience, people went back to violent situations because the hotel and shelter programs couldn't take them.</p> |
| Middleton Outreach             | Homeless Service Provider          | Focus Group Consultation | <p>The participant was surprised by the information presented in the meeting showing a higher need for units catering to singles than families. Their organization has a lot of difficulty housing large families, especially families with 3 or more children. The participant also agreed that more funding for supportive services was needed.</p>  |
| Salvation Army                 | Homeless Service Provider          | Focus Group Consultation | <p>No feedback provided.</p>   |
| Lutheran Social Services (LSS) | Homeless Service Provider          | Focus Group Consultation | <p>This service provider agreed that there is a need for more units of housing, especially large units for large families. LSS also shared that it is quite difficult to find property managers who will rent to people with barriers.</p>   |
| Unidos                         | Domestic Violence Service Provider | Focus Group Consultation | <p>No feedback provided.</p>   |
| DAIS                           | Domestic Violence Service Provider | Focus Group Consultation | <p>The participant agreed that more housing was needed. The biggest challenge for this service provider is in serving large families. DAIS also shared that their case managers are trained to provide trauma informed care and work with clients on health and safety issues, not necessarily housing. There is a need for more case managers and housing navigation. In the end, this participant urged that whoever will run the housing programs funded with this HOME-ARP funding, they need to understand trauma informed care.</p>  |

| Agency  | Type  | Method of Consultation   | Feedback   |
|---|---|--------------------------|--|
| Public Health – Madison and Dane County (PHMDC) | Public agency addressing the needs of the qualifying population | Focus Group Consultation | PHMDC when asked about supportive services suggested that the City increase tenant education in regards to tenant rights and navigating the ‘system,’ like how to submit complaints to building inspection, public health and what the process is, for example. On the other side, education among property owners/managers about what to expect if they are inspected by a governmental agency and how best to serve residents is also needed. The big goal from this participant is to increase relationships between tenants and owners/managers. From their work, this is an area that needs to be improved.   |
| Fair Housing Center of Greater Madison          | Civil Rights & Fair Housing                                     | Focus Group Consultation | <p>The participant shared that there is a need for larger units with three-to-four bedrooms. Another need is for developers and any property managers developing housing through this HOME-ARP program is to be knowledgeable of fair housing, ideally constructing units that are accessible to all. The participant also encouraged any housing development using these funds to function as a pro-integration study. They encouraged the City to award points or place priorities for funding that allow for that integration.</p> <p>For services, the participant referenced the Joining Forces for Family (JFF) program and encouraged HOME-ARP funds to fund these case workers as they are embedded into the community.</p>  |
| Tenant Resource Center                          | Civil Rights & Fair Housing                                     | Focus Group Consultation | No feedback provided.  |
| City of Madison Department of Civil Rights      | Civil Rights & Fair Housing                                     | Online Survey            | <p>This stakeholder was invited to the Focus Group Consultation but did not participate. In their individual response to the email survey collected on June 2, 2022, a representative indicated a strong preference for Tenant-Based Rental Assistance (TBRA) as a priority. For gaps in supportive services, the respondent commented that there is a need for critical support or a “plan B” for tenants where homelessness is imminent. Many tenants in marginalized communities are on a month-to-month lease and the law requires a landlord to only provide 30 days’ notice prior to not renewing a tenants’ lease. In their experience, this notice is not enough time for tenants with intersectional, marginalized identities in protected classes (receive Section 8, are victims of domestic abuse, are single with children, person of color, English as not a primary language, etc.). In their experience this isn’t enough time for the City to determine whether a landlord had legitimate business reasons to not renew a tenant or if the non-renewal was unlawful. A solution is needed.</p> <p>The respondent also indicated that there is a substantial need for tenant and landlord mediation services. The current system is overburdened. This respondent disagreed that HOME-ARP funds should be used for a Hotel Conversion strategy or new affordable housing. Instead, the respondent encourages TBRA, supportive services and non-congregate shelter.</p> |

| Agency   | Type  | Method of Consultation   | Feedback  |
|--|---|--------------------------|---|
| Movin' Out, Inc.   | Private agency addressing the needs of people with disabilities | Focus Group Consultation | <p>Movin' Out agreed that there is a need for more units, especially properties with permanent supportive housing. As a housing developer, they shared that their properties with supportive housing (30% AMI units) has interest lists hundreds of people long. They also shared that there is a tremendous need for units for large families. Their townhome units at a recently completed project were first to get leased up.</p> <p>Movin' Out shared that as a developer who integrates permanent supportive housing units within their projects, that they are consistently pushing back against forces pushing them to produce 100% supportive housing developments. In their view, an integrated housing model is more successful for the project and the tenants.</p> <p>For supportive services, Movin' Out agreed with others in the group that funds for case management were needed.</p> <p>When asked if they had additional feedback, Movin' Out shared that construction costs have created large gaps for affordable housing projects in the current environment. Construction contingencies are gone and some tax credit projects are stalled. There is a need for additional resources to get these projects finished. They also shared that climate change is a huge issue. Residents need to have safe and energy efficient places to live.</p> |
| ADRC   | Public agency addressing the needs of people with disabilities  | Focus Group Consultation | <p>The highest need identified by this participant other than long-term care is for available housing. They consider the lack of available housing as an unmet need. Regardless of the target population, they encourage new units to be ADA compliant or ensure that at least a select number of units are accessible.</p>   |
| William S. Middleton Memorial Veterans Hospital – HUD VASH Housing Program | Public agency addressing the needs of Veterans                  | Focus Group Consultation | <p>The contributor recognized that money is available to help the supply of affordable housing but there are not enough units to meet needs. As they work with VASH, veterans are generally single and so smaller units are needed. There are not enough units for people under the age of 55 years old. There is also a need for more accessible units and those that meet universal design.</p> <p>For support services, they recommended placing support services into existing properties that serve the qualifying population. The participant also encouraged more case managers at properties. They also encouraged new units of housing to be built near new or existing medical clinics.</p>   |



| Agency                                      | Type   | Method of Consultation   | Feedback  |
|---|--|--------------------------|---|
| Homeless Services Consortium of Dane County | Continuum of Care serving jurisdiction                           | Focus Group Consultation | <p>The CoC discussed that there are not enough units in the community to support the need. There is potential for funding sources to help with rent but not sufficient amount of units available. The participant also urged for adding supportive services to current properties, ideally in an effort to move them to a housing first model.</p> <p>The participant shared that the community needs more engagement among landlords. Their hope was that funds could be used to improve landlord communication.</p>                                   |
| Urban Triage                                | Private agency addressing the needs of the qualifying population | Focus Group Consultation | <p>This participant agreed that more units of housing was needed in the community. As for the target population, they saw a need for both housing for individuals and families. For services, they shared that housing stability services were important and needed. When asked for additional feedback, the participant urged for more engagement among community members that are more likely to live in the housing that is built. Affordable housing development should focus on the humanity of the people who will live in it once completed.</p> |

**Table 1 – Agency Feedback from Consultation Process**

**List the organizations invited to consultation session that did not participate:**

- Catholic Charities (homeless services, addresses the needs of the qualifying population)
- Tellurian (homeless services, addresses the needs of the qualifying population)
- Dane County Veterans Service Office (veterans, addresses the needs of the qualifying population)

**Summarize feedback received and results of upfront consultation with these entities:**

Feedback received from both the email survey and the focus group indicates strong support for the development of new affordable housing. Supportive services also had broad support, however, many of the public and private agencies consulted expressed significant challenges locating housing units for their clients.

**Action Plan Public Contact Information**

Linette Rhodes, Community Development Grants Supervisor  
608-261-9240 / [lrhodes@cityofmadison.com](mailto:lrhodes@cityofmadison.com)

**PART C: Public Participation**

**Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:**

- Date(s) of public notice: January 19, 2023
- Public comment period: start date – January 19, 2023 end date – February 20, 2023
- Date(s) of public hearing: February 2<sup>nd</sup>, 2023

***Describe the public participation process:***

A public hearing on the amendment to the 2021 Action Plan was held on February 2<sup>nd</sup>, 2023 after a consultation process that began with an email survey in May, 2022, and a focus group held in July, 2022. During this time the City also held a public hearing on the draft 2022 Action Plan, held on July 7, 2022.

***Describe efforts to broaden public participation:***

In addition to email surveys and the consultation process, the City of Madison shall encourage public participation in the development of its Allocation Plan through the following means:

- The draft plan was made available for review via electronic notification to a diverse array of citizens, agencies, developers other funders and governmental bodies through several community distribution lists.
- The draft plan was posted on the Community Development Division's website. Paper copies were made available for review by request.
- Notice of a public hearing was published in the Wisconsin State Journal.
- Notice of a public hearing was published at the City of Madison Clerk's Office.
- Notice of a public hearing was published on the Community Development Division's website.
- During its development, the Allocation Plan was discussed at publicly-noticed CDBG Committee meetings where specific opportunity for public comment is always provided.

***Summarize the comments and recommendations received through the public participation process either in writing, orally at a public hearing:***

[To be completed after February 2<sup>nd</sup>, 2023]

***Summarize any comments or recommendations not accepted and state the reasons why:***

[To be completed after February 2<sup>nd</sup>, 2023]

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# Title

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## PART D: Needs Assessment and Gap Analysis

*Describe the size and demographic composition of qualifying populations within the PJ's boundaries:*

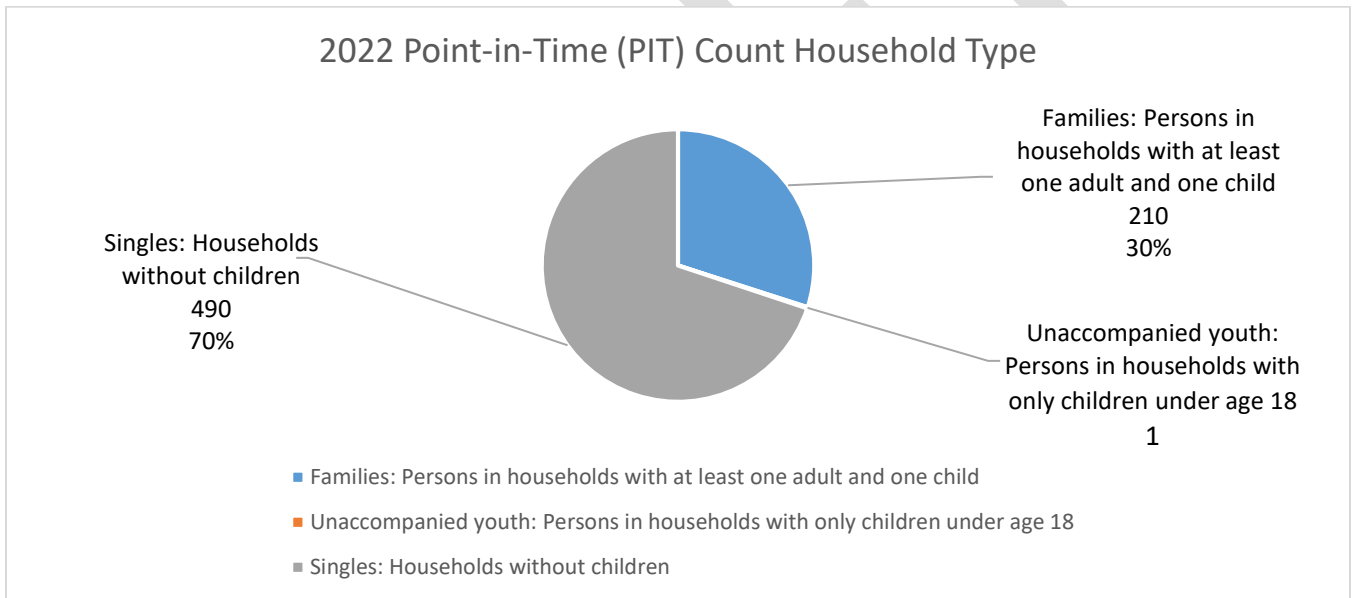
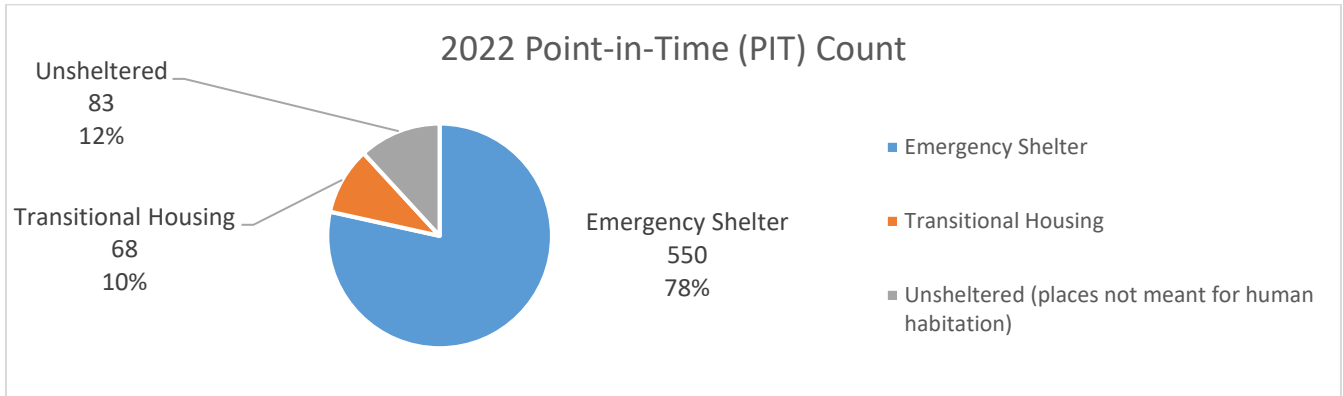
### Homeless as defined in 24 CFR 91.5

#### **DEFINITIONS**

Homeless, as defined in 24 CFR 91.5 Homeless (1), (2), or (3):

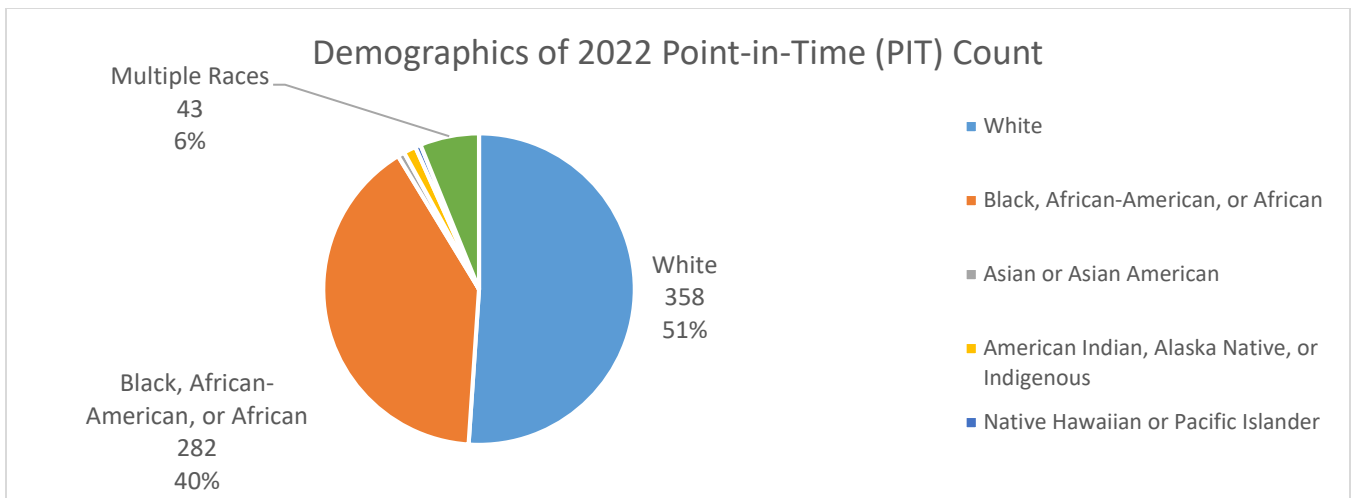
- (1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
  - An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
  - An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or
  - An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;
- (2) An individual or family who will imminently lose their primary nighttime residence, provided that:
  - The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
  - No subsequent residence has been identified; and
  - The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks needed to obtain other permanent housing;
- (3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:
  - Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);
  - Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
  - Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
  - Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment;

Using the January 2022 Point in Time Count (PIT), 701 people were identified as experiencing homelessness. Of the 701 people identified 490 persons were in single or couple households. Moreover, 210 persons made up 64 families experiencing homelessness. The PIT count only includes people in shelters, transitional housing and unsheltered locations. People who are doubled up, self-paying for motel/hotel nights and those in institutions are not counted and are difficult to quantify.



A chronically homeless individual is defined as a person with a disability who has been continuously homeless for one year or more or has experienced at least four episodes of homelessness in the last three years where the combined length of time homeless is those occasions is at least 12 months. During the January 2022 PIT count, 169 persons were considered chronically homeless.

People of color are considerably overrepresented among the homeless population compared to the overall Dane County population. While accounting for 5.5% of the Dane County population, Blacks, African Americans, or Africans accounted for 40% of all people identified as experiencing homelessness.



According to FY2021 Annual Homeless Data, there were 2,135 people who were served in shelters and transitional housing programs. Of this population, 56% of adults who used emergency shelter or transitional housing in had at least one disabling condition.

The Wisconsin Department of Instruction tracks occurrences of reported homelessness among school aged children in the State. During the 2020-2021 school year, the Madison Metropolitan School District, which serves the City of Madison, identified 716 students who experienced homelessness at any time during the school year. The vast majority of homeless students, 680 minors, were in the physical custody of a parent or legal guardian. 36 students were unaccompanied.

The majority of students experiencing homelessness were living in settings that are not tracked by the point-in-time count. The district reported 443 students whose primary nighttime residence at some point throughout the school year was in a Doubled-Up environment. Doubled-Up as defined in McKinney-Vento refers to shared living arrangements due in-part to economic hardship or housing loss. Moreover, 146 students who experienced homelessness during the 2020-2021 school year used hotel and motels as their primary nighttime residence, 100 students stayed in shelters or transitional housing programs and 27 students were unsheltered.

| Primary Nighttime Residence      | Number of Students |
|----------------------------------|--------------------|
| Doubled-Up                       | 443                |
| Hotel/Motel                      | 146                |
| Shelter and Transitional Housing | 100                |
| Unsheltered                      | 27                 |

Source: Wisconsin Department of Instruction. WISEdash 2020-2021.

**At risk of homeless as defined in 24 CFR 91.5**

| <b>DEFINITIONS</b>   |
|--|
| Households at-risk of homelessness is defined as an individual or family who: <ul style="list-style-type: none"> <li>• Has an annual income below 30% of AMI;</li> </ul> |

- Does not have sufficient resources or support networks immediately available to prevent them from moving to an emergency shelter;
- Meets one of the following conditions:
  - Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
  - Is living in the home of another because of economic hardship;
  - Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
  - Lives in a hotel or motel and the cost of the stay is not paid by a charitable organization or by federal, state, or local government programs;
  - Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 people per room;
  - Is exiting a publicly funded institution, or system of care; and/or
  - Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness.
- A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(l) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(l)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or There are 17,595 households in the City of Madison whose household income falls at or below 30% of area median income (AMI). Approximately 77% of these households, or 13,585, have one or more severe housing problems as defined by HUD.
- A child or youth who does not qualify as “homeless” under this section but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

In the City of Madison, approximately 11,995 renter households and 1,590 households who owned their own home had incomes at or below 30% of AMI. Other than income, other characteristics that point to instability and increased risk of homelessness as defined in 24 CFR 91.5 for households at risk of homelessness are difficult to quantify. One such indicator is the Severe Housing Problems dataset through CHAS, which consists of custom tabulations of data from the U.S. Census Bureau. The Indicators of having a severe housing problem are defined as having: (1) a housing unit that lacks complete kitchen facilities; (2) housing unit that lacks complete plumbing facilities; (3) household that is overcrowded; and (4) a household that is cost burdened. For renter populations in the City of Madison, 28,290 renter households have one or more of the four housing problems described above. This is approximately 74% of all renter households in the City. The distribution of households experiencing one or more of the four housing problems by household type and income are illustrated in the tables below.

| <b>Renter Occupied Households with incomes less than or equal to 30% of HAMFI</b> |   |  |  |
|---|---|--|--|
| <b>Renter Occupied Household</b>  | <b>Has 1 or more of the 4 severe housing problems</b> | <b>Has none of the 4 severe housing problems</b> | <b>Percent of HH with 1 or more of the 4 severe housing problems</b> |
| All Households  | 11,995  | 3,325  | 78.3%  |
| White alone, non-Hispanic   | 7,855   | 1,850  | 80.9%  |
| Black or African-American alone, non-Hispanic                                     | 1,385   | 605  | 69.6%  |
| Asian alone, non-Hispanic   | 1,490   | 555  | 72.9%  |

|  |   |  |  |
|--|---|--|--|
| American Indian alone, non-Hispanic  | 30  | 20   | 60%  |
| Pacific Islander alone, non-Hispanic   | 0   | 0  | 0%   |
| Hispanic, any race   | 895   | 195  | 82.1%  |
| <b>Renter Occupied Households with incomes greater than 30% but less than or equal to 50% of HAMFI</b> |   |  |  |
| <b>Renter Occupied Household</b>   | <b>Has 1 or more of the 4 severe housing problems</b> | <b>Has none of the 4 severe housing problems</b> | <b>Percent of HH with 1 or more of the 4 severe housing problems</b> |
| All Households   | 3,320   | 7455   | 30.8%  |
| White alone, non-Hispanic  | 2,185   | 4,550  | 32.4%  |
| Black or African-American alone, non-Hispanic  | 285   | 1,100  | 20.6%  |
| Asian alone, non-Hispanic  | 350   | 715  | 32.9%  |
| American Indian alone, non-Hispanic  | 4   | 100  | 3.8%   |
| Pacific Islander alone, non-Hispanic   | 0   | 0  | 0%   |
| Hispanic, any race   | 340   | 690  | 33%  |
| <b>Renter Occupied Households with incomes greater than 50% but less than or equal to 80% of HAMFI</b> |   |  |  |
| <b>Renter Occupied Household</b>   | <b>Has 1 or more of the 4 severe housing problems</b> | <b>Has none of the 4 severe housing problems</b> | <b>Percent of HH with 1 or more of the 4 severe housing problems</b> |
| All Households   | 1,025   | 10,465   | 8.9%   |
| White alone, non-Hispanic  | 675   | 8,095  | 7.7%   |
| Black or African-American alone, non-Hispanic  | 125   | 825  | 13.2%  |
| Asian alone, non-Hispanic  | 115   | 580  | 16.5%  |
| American Indian alone, non-Hispanic  | 0   | 105  | 0%   |
| Pacific Islander alone, non-Hispanic   | 0   | 4  | 0%   |
| Hispanic, any race   | 75  | 620  | 10.8%  |
| <b>Renter Occupied Households with incomes greater than 80% of HAMFI</b>                               |   |  |  |
| <b>Renter Occupied Household</b>   | <b>Has 1 or more of the 4 severe housing problems</b> | <b>Has none of the 4 severe housing problems</b> | <b>Percent of HH with 1 or more of the 4 severe housing problems</b> |
| All Households   | 510   | 19,350   | 2.6%   |
| White alone, non-Hispanic  | 285   | 15,495   | 1.8%   |
| Black or African-American alone, non-Hispanic  | 10  | 790  | 1.3%   |
| Asian alone, non-Hispanic  | 185   | 1,860  | 9%   |
| American Indian alone, non-Hispanic  | 0   | 50   | 0%   |
| Pacific Islander alone, non-Hispanic   | 0   | 35   | 0%   |
| Hispanic, any race   | 0   | 680  | 0%   |

Eviction filings can also help shape the qualifying population who are at the imminent risk of losing their housing. The Wisconsin Department of Administration Eviction Data Project tracks eviction filings and judgements across all counties in Wisconsin. The most current data available shows that from January to August of 2022, Dane County saw 968 eviction filings. 3.2% of these filings resulted in a judgement. The City of Madison works with the Tenant

Resource Center, a housing justice organization that serves low-income households at-risk of homelessness, provide eviction prevention and mediation services to households facing eviction.

**Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by HUD in the Notice**

| <b>DEFINITIONS</b>   |
|--|
| <p>HOME-ARP defines this qualified population as any individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking. This population includes cases where an individual or family reasonably believes that there is a threat of imminent harm from further violence due to dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual’s or family’s primary nighttime residence or has made the individual or family afraid to return or remain within the same dwelling unit. In the case of sexual assault, this also includes cases where an individual reasonably believes there is a threat of imminent harm from further violence if the individual remains within the same dwelling unit that the individual is currently occupying, or the sexual assault occurred on the premises during the 90-day period preceding the date of the request for transfer.</p>                             |
| <p><u>Domestic violence</u>, which is defined in 24 CFR 5.2003 includes felony or misdemeanor crimes of violence committed by:</p> <ul style="list-style-type: none"><li>• A current or former spouse or intimate partner of the victim (the term “spouse or intimate partner of the victim” includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship);</li><li>• A person with whom the victim shares a child in common;</li><li>• A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner;</li><li>• A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving HOME-ARP funds; or</li><li>• Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.</li></ul> |
| <p><u>Dating violence</u> which is defined in 24 CFR 5.2003 means violence committed by a person:</p> <ul style="list-style-type: none"><li>• Who is or has been in a social relationship of a romantic or intimate nature with the victim; and</li><li>• Where the existence of such a relationship shall be determined based on a consideration of the following factors:<ul style="list-style-type: none"><li>○ The length of the relationship;</li><li>○ The type of relationship; and</li><li>○ The frequency of interaction between the persons involved in the relationship.</li></ul></li></ul>  |
| <p><u>Sexual assault</u> which is defined in 24 CFR 5.2003 means any nonconsensual sexual act proscribed by Federal, Tribal, or State law, including when the victim lacks capacity to consent.</p>  |
| <p><u>Stalking</u> which is defined in 24 CFR 5.2003 means engaging in a course of conduct directed at a specific person that would cause a reasonable person to:</p> <ul style="list-style-type: none"><li>• Fear for the person’s individual safety or the safety of others; or</li><li>• Suffer substantial emotional distress.</li></ul>   |



Human Trafficking includes both sex and labor trafficking, as outlined in the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7102). These are defined as:

- Sex trafficking means the recruitment, harboring, transportation, provision, obtaining, patronizing, or soliciting of a person for the purpose of a commercial sex act, in which the commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or
- Labor trafficking means the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

Quantifying victims who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking is difficult and underreported. Data sources that can help shape the size of this population comes from our homeless service providers, advocacy organizations and local law enforcement.

- 2021 annual data of people experiencing homelessness who were tracked through the system found that out of 2,135 people, 9% (191 people) identified themselves as a domestic violence survivor and currently fleeing. Moreover, 18% (382 people) identified themselves as a domestic violence survivor but were not currently fleeing or their fleeing status was unknown.
- A total of 701 people were identified as experiencing homelessness during the 2022 point-in-time count. During the census, 48 out of 570 adults responded that they were experiencing homelessness because they are currently fleeing domestic violence, dating violence, sexual assault or stalking. This question was only asked to people who were over the age of 18.

| Additional Homeless Populations      | Sheltered |              |            | Unsheltered | Total |
|--------------------------------------|-----------|--------------|------------|-------------|-------|
|                                      | Emergency | Transitional | Safe Haven |             |       |
| Adult Survivors of Domestic Violence | 36        | 11           | 0          | 1           | 48    |

Source: 2022 Point-in-Time (PIT) Count – 1/26/2022

- The Madison Police Department in 2021 investigated 235 incidents of sexual assault.
- The Madison Police Department in 2021 investigated 16 incidents of a person(s) knowingly violating a domestic abuse injunction and 26 incidents of contact after a domestic abuse arrest.
- Between 2017 and 2021, the Madison Police Department has investigated three incidences of human trafficking.
- In 2020, the National Human Trafficking Hotline reported 97 unique incidents of potential human trafficking reported in Wisconsin.

Moreover, Domestic Abuse Intervention Services (DAIS) who operates the only domestic violence shelter in Dane County reported through its 2020 annual report that it received 8,399 phone calls through its help-line, served 223 individuals through case management, housed 238 adults and children through their shelter program and served 742 people through legal advocacy.

**Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability, as defined by HUD in the Notice**

**DEFINITIONS**

Other Populations where providing supportive services or assistance under section 212(a) of NAHA (42 U.S.C. 12742(a)) would prevent the family's homelessness or would serve those with the greatest risk of housing instability. HUD defines these populations as individuals and households who do not qualify under any of the populations above but meet one of the following criteria:

- Other Families Requiring Services or Housing Assistance to Prevent Homelessness is defined as households (i.e., individuals and families) who have previously been qualified as "homeless" as defined in 24 CFR 91.5, are currently housed due to temporary or emergency assistance, including financial assistance, services, temporary rental assistance or some type of other assistance to allow the household to be housed, and who need additional housing assistance or supportive services to avoid a return to homelessness.
- At Greatest Risk of Housing Instability is defined as household who meets either paragraph (i) or (ii) below:
  - has annual income that is less than or equal to 30% of the area median income, as determined by HUD and is experiencing severe cost burden (i.e., is paying more than 50% of monthly household income toward housing costs);
  - has annual income that is less than or equal to 50% of the area median income, as determined by HUD, AND meets one of the following conditions from paragraph (iii) of the "At risk of homelessness" definition established at 24 CFR 91.5:
    - Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
    - Is living in the home of another because of economic hardship;
    - Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
    - Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;
    - Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau;
    - Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
    - Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as defined in the approved consolidated plan.

*Other Families Requiring Services or Housing Assistance to Prevent Homelessness*

| <b>TABLE D-4: Emergency Rental Assistance (ERA)</b> |                      |
|---|----------------------|
| Income Range  | Number of Households |
| Under 30% AMI                                       | 2,504                |
| Between 30% and 50% AMI                             | 846                  |
| Between 50% and 80% AMI                             | 261                  |
| Total   | 3,611                |

*Households at greatest risk of housing instability*

Households who are at greatest risk of housing instability are defined as households with incomes less than or equal to 30% of AMI and paying more than 50% of monthly household income toward housing costs.

**TABLE D-5: Households (HH) with Severe Cost Burdens (paying more than 50% of income towards housing)**

|   | Owner | Renter | Owner/Renter Total |
|---|-------|--------|--------------------|
| HH Income less-than or equal to 30% HAMFI         | 1,570 | 11,680 | 13,255             |
| HH Income >30% to less-than or equal to 50% HAMFI | 755   | 2,655  | 3,410              |
| HH Income >50% to less-than or equal to 80% HAMFI | 475   | 570    | 1,050              |
| Total   | 2,800 | 14,905 | 17,715             |

*Veterans and Families that include a Veteran Family Member (and meet the criteria for the QP above)*

According to 2021 American Community Survey estimates, there were 9,689 veterans in the City of Madison. Approximately 2,009 had some form of a disability and 239 had incomes below the poverty level.

***Describe the unmet housing and service needs of qualifying populations:***

The City of Madison has grown in a rapid pace since the Great Recession (2008). Much of that growth has occurred among renter households and those earning very high incomes. The effect of this trend is that there is increased tension and competition within the housing market, and supply has not kept up with demand. 2021 saw a record breaking issuance of building permits for 3,633 dwelling units, the highest since 2013. On average, the City issues about 2,000 building permits for new dwellings per year. While there is robust construction of new housing, the City's vacancy rate is still far below healthy levels.

The ownership market applies further pressure on Madison's rental market. New home construction is not only unaffordable to the median renter household, but to the median household overall. Recent interest rate environments, high construction and land costs, and a lack of supply have increased barriers to access. This causes households who would enter the ownership market to continue to rent, applying further market pressure on renter households who can't afford to make the leap into owning.

***Rental Housing Supply and Demand Mismatch***

There is a significant shortage of rental units for both the lowest and highest income renter households. Even at the top end of the market there is a feasible limit to what can be charged for a given unit, even though a household's income may well exceed that amount. What the chart below shows is that many households at the top of the income spectrum are under consuming (rent-down) within the housing market. For households who rent-down, rents are incredibly affordable to them. This creates a market where the highest-income households rent is generally affordable, while being drastically unaffordable for the lowest-income households.

Madison is home to a large University population. Removing the estimated number of student renters from the graph below, the lowest income band has a gap of 11,300 rental units. This gap has increased by 755 units since 2010.



|                              |     |     |     |       |     |       |        |       |    |     |    |       |       |
|------------------------------|-----|-----|-----|-------|-----|-------|--------|-------|----|-----|----|-------|-------|
| Permanent Supportive Housing | 401 | 122 | 422 | 422   | 181 |       |        |       |    |     |    |       |       |
| Rapid Rehousing (RHH)        | 357 | 104 | 171 | 171   | 7   |       |        |       |    |     |    |       |       |
| Other Permanent Housing      | 454 | 122 | 399 | 399   | 6   |       |        |       |    |     |    |       |       |
| Sheltered Homeless           |     | 367 |     | 1,350 |     | 63 HH | 399 HH | 38 HH | 47 |     |    |       |       |
| Unsheltered Homeless         |     |     |     |       |     | 1 HH  | 81 HH  | 1 HH  | 1  |     |    |       |       |
| <b>Current Gap</b>           |     |     |     |       |     | 64 HH | 480 HH | 39 HH | 48 | 135 | 26 | 1,180 | 1,350 |

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

The housing inventory for non-homeless households shows inventory gaps for both units affordable to households at or below 30% AMI and 50% AMI. The most extreme gap as shown in Table D-8 below is housing inventory available to households at or below 30% AMI. According to CHAS, there are 11,995 households in the City of Madison whose incomes are at or below 30% AMI and have one or more severe housing problems, defined as either severely cost burdened, overcrowded, or occupying housing that lacks complete kitchen and bathroom facilities. Only 4,320 rental units are affordable to these households.

|  | Current Inventory | Level of Need   | Gap Analysis    |
|--|-------------------|-----------------|-----------------|
|  | # of Units        | # of Households | # of Households |
|  |                   |                 |                 |

|   |        |        |        |
|---|--------|--------|--------|
| Total Rental Units  | 54,295 |        |        |
| Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)                  | 4,320  |        |        |
| Rental Units Affordable to HH at 50% AMI (Other Populations)                        | 21,725 |        |        |
| 0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness) |        | 11,995 |        |
| 30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)      |        | 3,320  |        |
| <b>Current Gaps</b>   |        |        | 10,730 |

*Identify any gaps within the current shelter and housing inventory as well as the service delivery system, including unmet housing and service needs of the qualifying populations:*

#### *Service Delivery System*

The homeless services system in the City of Madison is categorized by tenant support, prevention, crisis response and permanent housing. The City’s investment in tenant supports include housing counseling, fair housing services and housing stabilization. Housing counseling includes funds for counseling, outreach and education of fair housing. Housing stabilization services provide legal services to qualifying households who are at risk of losing their housing. Moreover, the City’s investment in prevention strategies include rental assistance to avoid evictions, legal aid to support households who are within the eviction court system, and diversion programs that aim to quickly house families and women who are experiencing homelessness.

Almost half of the City’s investment in the homeless services system is in crisis response. This includes funding the Dane Continuum of Care (CoC) Coordinated Entry program as well as the Homeless Management Information System (HMIS). Other activities under crisis response include street outreach, housing navigation, transportation, employment, healthcare, transitional housing and shelter.

#### *Shelter Inventory*

The City’s emergency shelter inventory, which also includes seasonal shelter options and motel vouchers, is 843 beds and 595 units. Facilities include the Beacon Day Center, a day-time shelter available to individuals and households experiencing homelessness where basic needs and wellness can be addressed and can connect individuals and households to support services. The City also has a dedicated family shelter and a family and women’s shelter. One gap in the system has been with the men’s shelter. To improve shelter facilities available to homeless men, the City has invested significantly in the development of a temporary men’s shelter and a much larger project to build the first purpose built men’s shelter in the City. The distribution of emergency shelter and transitional housing inventory are illustrated in Table D-9 below.

| <b>TABLE D-9: Shelter Inventory</b> |                              |                               |  |                              |              |
|-------------------------------------|------------------------------|-------------------------------|--|------------------------------|--------------|
| <b>Category</b>                     | <b>Total Year-Round Beds</b> | <b>Total Year-Round Units</b> | <b>Only Children (under 18) and Veterans</b> | <b>Seasonal and Overflow</b> | <b>Total</b> |

|   | HH With Children | HH Without Children | HH With Children | Only Children Beds | Veteran Specific Beds | Seasonal Beds | Overflow | Beds (B) / Units (U) |
|---|------------------|---------------------|------------------|--------------------|-----------------------|---------------|----------|----------------------|
| <b>Emergency Shelter, Seasonal Shelters, Motel Vouchers</b><br><i>(HMIS &amp; non-HMIS)</i> | 354              | 481                 | 106              | 8                  | 0                     | 0             | 33       | 843 B / 595 U        |
| <b>Transitional Housing and Transitional Living</b><br><i>(HMIS &amp; non-HMIS)</i>         | 66               | 64                  | 17               | 0                  | 24                    | 0             | 0        | 154 B / 105 U        |

Moreover, in 2021 the City also opened a temporary sheltered campground for people experiencing homelessness. The users of the facility are housed in 30 small climate controlled modular housing structures with electricity and heat. The campground also includes sheltered bathroom facilities and a small building that houses meeting room space and on-site staff. The temporary sheltered campground was developed in response to the COVID-19 pandemic and for persons who are experiencing homelessness and not using the shelter system. The chronic shortage of affordable housing in Madison continues to make it difficult for many to find housing. The sheltered campground is intended to provide safe, short-term places for people to stay until they are connected to housing. The sheltered campground helps fill a gap in services available to individuals and households who are not served by Madison’s shelter system. For example, shelters are not able to accommodate couples without children and they do not work for persons who have difficulty being around large groups of people, many of whom have extensive trauma histories and/or may be in crisis.

#### *Housing Inventory*

The City’s investment in permanent housing includes rapid re-housing, permanent supportive housing, other permanent housing and supportive services. The distribution of beds and units are illustrated in Table D-10 below.

| Category  | Total Year-Round Beds |                     | Total Year-Round Units | Only Children (under 18) and Veterans |                       | Seasonal and Overflow |          | Total Beds (B) / Units (U) |
|---|-----------------------|---------------------|------------------------|---------------------------------------|-----------------------|-----------------------|----------|----------------------------|
|   | HH With Children      | HH Without Children | HH With Children       | Only Children Beds                    | Veteran Specific Beds | Seasonal Beds         | Overflow |                            |
| <b>Permanent Supportive Housing</b><br><i>(note: does not include integrated supportive housing units)</i>  | 424                   | 422                 | 122                    | 0                                     | 158                   | 0                     | 0        | 846 B / 544 U              |
| <b>Other Permanent Housing</b><br><i>(long-term housing with or without supportive services, does not require disability, must be homeless. Does not include integrated supportive housing)</i> | 454                   | 399                 | 122                    | 0                                     | 6                     | 0                     | 0        | 853 B / 521 U              |
| <b>Rapid Re-Housing</b>   | 357                   | 171                 | 104                    | 0                                     | 0                     | 0                     | 0        | 528 B / 275 U              |

*Identify priority needs for qualifying populations:*

As concluded from consultation with service providers who work with the qualifying populations as well as the gaps and needs assessment, the priority needs identified are the development of permanent supportive housing available to households at or below 30% AMI and supportive services available to help households maintain their housing. Feedback received from the consultation process indicates strong support for the development of new permanent supportive affordable housing and support services. Service providers who serve the qualifying populations prioritized getting new units of housing built to alleviate demand.

***Explain how the PJ determined the level of need and gaps in the PJ’s shelter and housing inventory and service delivery systems based on the data presented in the plan:***

The needs and gaps presented above were identified after reviewing all available resources to assist households experiencing homelessness and households at-risk of homelessness. These include:

- Point-in-Time (PIT) Count
- American Community Survey
- Homeless Management Information System (HMIS) data
- Comprehensive Housing Affordability Strategy (CHAS) data
- City of Madison Housing Snapshot Report (2022)
- WISEdash Public Portal – Wisconsin Department of Public Instruction

Data specific to every qualifying population was always not readily available. However, the City analyzed all available data and combined it with qualitative information gathered from housing providers and service agencies that work with the qualifying populations. This multi-layered approach gives the City confidence that our proposed activities represent the best use of HOME-ARP funds to meet existing needs and gaps.

**PART E: HOME-ARP Activities**

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

The City of Madison will allocate its HOME-ARP funds to new affordable housing development projects to increase the supply of rental housing for the qualifying populations. The City aims to allocate \$3,056,197 of its HOME-ARP allocation to develop new units of permanent supportive housing. In addition, the City recognizes that supportive services are necessary to support the qualifying population as they transition out of homelessness. The need for more supportive service dollars, especially around case management, was a main theme in the City’s consultation with service providers and other agencies that work with the qualifying populations in accordance with Notice CPD-21-10.

***Describe whether the PJ will administer eligible activities directly:***

The City of Madison plans to administer its HOME-ARP funding directly and in partnership with Dane County to increase the development of affordable rental housing.

***Use of HOME-ARP funding:***

| TABLE E-1   |                |                      |                 |
|---|----------------|----------------------|-----------------|
|   | Funding Amount | Percent of the Grant | Statutory Limit |
| Supportive Services                                   | \$2,020,000    |                      |                 |
| Acquisition and Development of Non-Congregate Shelter | \$0            |                      |                 |



|  |                    |    |    |
|--|--------------------|----|----|
| Tenant Based Rental Assistance (TBRA)    | \$0                |    |    |
| Development of Affordable Rental Housing | \$3,056,197        |    |    |
| Non-Profit Operating                     | \$0                | 0% | 0% |
| Non-Profit Capacity Building             | \$0                | 0% | 0% |
| Administration and Planning              | \$0                | 0% | 0% |
| <b>Total HOME-ARP Allocation:</b>        | <b>\$5,076,197</b> |    |    |

*Describe how the PJ will distribute HOME-ARP funds in accordance with its priority needs identified in its needs assessment and gap analysis:*

The City plans to request letters of interest on the use of HOME-ARP funds for the development of affordable housing in April, 2023. Feedback from submissions will help inform interest in using these HOME-ARP funds and how it will serve the qualifying populations.

Ultimately, the City of Madison will distribute HOME-ARP funds through an RFP process to select a qualified developer and a service provider partner. HOME-ARP funds allocated to the development of affordable rental housing will be used for capital costs and funds allocated to supportive services will be offered to the project to support the qualifying population served through the activity. The City will not be able to identify project-based rental subsidy to reduce rents to affordable levels for the qualifying population. Due to the complex needs of the qualifying population, the City will allow its HOME-ARP funds to fully capitalize the cost of each HOME-ARP unit created to reduce debt and operating costs.

*Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:*

The City’s deficit in permanent housing programs, particularly for non-family households as illustrated in Table D-7, provides for the City’s rationale to concentrate its HOME-ARP allocation on the development of new housing units with supportive services to serve the qualifying populations.

## PART F: HOME-ARP Production Housing Goals

*Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:*

The City anticipates that its HOME-ARP funds will produce 10-11 units of housing. Due to increasing costs of development, the City took a conservative approach to estimate that the per-unit cost of development landing between \$250,000 and \$300,000 per unit.

*Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how the production goal will address the PJ’s priority needs:*

The City will fund one housing development with its HOME-ARP allocation. Per HOME-ARP requirements, the per-unit subsidy cap has been removed to provide flexibility in financing units targeting the qualifying populations. The City anticipates covering the majority of the cost to construct a unit to reduce the need to carry debt on HOME-ARP units. This strategy allows HOME-ARP units to carry much lower rents without a needed subsidy. The balance of the City’s HOME-ARP allocation will provide supportive services to these units to help stabilize the project over its first several years.

## PART G: Preferences

*Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:*

The City of Madison establishes a preference for households experiencing homelessness as defined in Section 3205 of the American Rescue Plan Act of 2021. The City may use its HOME-ARP funds to assist in funding the construction of units to be permanent supportive housing and preference households currently literally homeless. If there are no eligible households referred from the local Continuum of Care the units may move to a referral wait list of households at imminent risk of homelessness, those fleeing domestic violence, dating violence, stalking, sexual abuse, or human trafficking, or those whose homelessness could be prevented with service provision.

The City will ensure that selected projects comply with all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to requirements listed in 24 CFR 5.105(a). In accordance with federal and Wisconsin Fair Housing laws, no housing or services will be denied to persons based on race, color, family status, disability, sex, national origin, religion, marital status, ancestry, source of income, sexual orientation, age and the status as a victim of domestic abuse, sexual assault or stalking.

The City of Madison's equal opportunities ordinance further enforces the equal opportunity in housing, employment, public accommodations and City facilities to persons without regard to sex, race, religion, color, national origin or ancestry, citizenship status, age, handicap/disability, marital status, source of income, arrest record, conviction record, less than honorable discharge, physical appearance, sexual orientation, gender identity, genetic identity, political beliefs, familial status, student status, domestic partnership status, receipt of assistance, unemployment or status as a victim of domestic abuse, sexual assault, or stalking.

*If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:*

As detailed in the needs assessment, Madison has significant shortages of housing for households in each of the HOME-ARP qualifying population or subpopulation of the qualifying population. The shortage of housing units is most apparent for individuals and families experiencing homelessness, particularly those who are chronically homeless. The City prioritizes Housing First strategies to create safe, stable, affordable homes. The HOME-ARP funds will likely contribute to one development, to be solicited by an RFP process. There will be a preference for households who are homeless, prioritized by their VI-SPDAT score. While there will be a preference for people experiencing homelessness, who may themselves fall into other qualifying population categories, HOME-ARP units would not exclude any qualifying population or subpopulation of the qualifying population from a waitlist.

## PART H: Referral Methods

*Identify the referral methods that the PJ intends to use for its HOME-ARP projects and activities. PJ's may use multiple referral methods in its HOME-ARP program (Optional).*

Referral methods that the PJ intends to use for HOME-ARP rental housing will include coordinated entry as the City is implementing a preference for households experiencing homelessness. Qualifying populations that are not served through coordinated entry will be served through other referral methods including a waitlist that is developed through coordination with service providers who serve the qualifying population. Units will be held

open for a period of 30 days when a vacancy arises for referrals from coordinated entry. If a referral is unsuccessful, applicants on the waiting list will be selected in chronological order.

*If the PJ intends to use the coordinated entry (CE) process established by the CoC, describe whether all qualifying populations eligible for a project or activity will be included in the CE process, or the method by which all qualifying populations eligible for the project or activity will be covered. (Optional):*

Not all qualifying populations eligible for a HOME-ARP rental project are included in the CE process. For qualifying populations that are not included, the HOME-ARP rental project will be required to work with agencies that serve the qualifying populations that aren't served by CE and set up a waiting list.

*If the PJ intends to use both a CE process established by the CoC and another referral method for a project or activity, describe any method of prioritization between the two referral methods, if any. (Optional):*

The City will implement a preference for households experiencing homelessness. The City plans to use the CE process to refer potential tenants into HOME-ARP funded units. If the CE process is not successful in filling a HOME-ARP unit, the waitlist will be used.

## **PART I: Limitations in a HOME-ARP rental housing or NCS project**

*Describe whether the PJ intends to limit eligibility for a HOME-ARP rental housing or NCS project to a particular qualifying population or specific subpopulation of a qualifying population identified in section IV.A of the Notice:*

The City of Madison does not intend to limit eligibility for a HOME-ARP rental housing project to a particular qualifying population or specific subpopulation.

## **PART J: HOME-ARP refinancing guidelines**

The City of Madison will not use its HOME-ARP funds to refinance existing debt secured by multifamily rental housing.