



CDBG Committee Meeting – Housing Forward: Financing for Homeownership RFP

October 6, 2022

Presenters:

Theodore Yancey, Senior Housing Counselor

Vivien Rayam, Housing Counseling & Homeownership Director

Additional Staff:

Rebecca Wiese, Lead Housing Counselor

Jamal Mosley, Housing Counseling Specialist



Agenda

- ☐ Movin' Out Overview
- ☐ Why Funds are Needed
- ☐ Budget Request
- ☐ Mortgage reduction assistance
- ☐ Financial Wellness Program
- ☐ Homebuyer Education
- ☐ Marketing Plan
- ☐ Questions





Movin' Out Overview

- Movin' Out is a HUD-approved housing counseling agency
- Our housing counseling team currently consists of 3 HUD certified Housing Counselors & Program Director
- We provide housing solutions for low-and-moderate income adults, children, and the BIPOC community with disabilities.

Why Our Program is Important:

- The counseling and HBE we provide to our first-time homebuyers ensures that they are equip with the knowledge and tools to be successful homeowners
- Without the City of Madison's funding our buyers would not have the ability to obtain their dream of home ownership

Why These Funds Are Needed

- Housing stability is a critical social determinant of health
- Helping low-moderate-income households that includes someone with a disability gain and maintain safe affordable housing is now more important than ever especially in the Black/African American, American Indian/Alaska Native, and Hispanic communities
- Wisconsin is ranked last for minority homeownership behind all other U.S. states and the District of Columbia *(Based on a 2021 study from the United Way of the National Capital Area in Washington D.C.)*
- Since the beginning of 2004, MOI has helped approximately 190 households purchase their first home
- All of these households had a family member with a permanent disability, and our success rate at using the funds awarded is high.
- Our higher subsidy amount will provide individuals and families with more leverage in this competitive market
- MOI's Mortgage Reduction and HBE/Financial Wellness program will allow us the ability to continue to promote homeownership for the communities we serve





Budget Request

- Movin' Out is requesting a total of **\$932,350** including fees.
- **\$750,000** to assist 15 first-time homebuyers households, up to \$50,000 of CDBG/HOME funds for assistance with the acquisition of their first home
- **\$50,000** to assist with the creation, development, and implementation of a Financial Wellness Program & Online Homebuyer Education Program for the Southside community



Mortgage Reduction Assistance

- All 15 households will be first-time homebuyers and below 80% county median income
- Preference will be given to households who have a family member with a disability and BIPOC families
- Income barriers will be addressed by providing enough of a deferred payment loan to allow the first mortgage payment to be manageable for the household.
- Pre and post purchase individualized housing counseling will be provided to each household
- Layering of funds from other programs will be used as needed

Southside Financial Literacy & Homebuyer Education

Southside Financial Wellness Program

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- Target: Southside
 - 6 Virtual Group Workshops
 - Group Financial Coaching
 - Topics: Credit, budgeting, savings, etc.
 - Peer-to-Peer Exchange
 - Quarterly Counseling



Homebuyer Education

- Online Homebuyer Education Program
- Launch in 2023 by Q4
- Target: 100 households/70% less than % 80 CMI
- National Industry Standards
- 24 Hours/7 days a Week availability
- State programs: down payment assistance, programs for households with a family member with a disability



Homebuyer Education

Accessibility Features:

- Captioning for people with a hearing disability
- Audio descriptions of videos for people who may be blind
- Teaching and materials that are inclusive of various disability challenges and learning styles.
- As we launch this effort, other tools will be added as determined by our end user.
- Homebuyers ready in year one for homeownership will be referred to HUD-approved homebuyer education programs and will receive counseling through Movin' Out as needed.



Marketing Plan

Target DPA: Movin' Out's target population is low-income households with disabilities and the BIPOC community.

HBE/Financial Wellness Target: Residents of the Southside of Madison

Referrals: Project HOME, OWN IT, Habitat for Humanity, Southwest Wisconsin Realtors Association, Wisconsin Partnership for Housing Development, Metropolitan Milwaukee Fair Housing Council, Operation Fresh Start and various city, county and state housing programs, realtors, lenders, and word of mouth

Workshops: Presentations for lenders and community organizations

Marketing Documents: FAQs and brochure will be translated into Spanish and Hmong



Questions?

www.movin-out.org


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