



# Housing Developer Survey

Housing Strategy Committee

March 2024

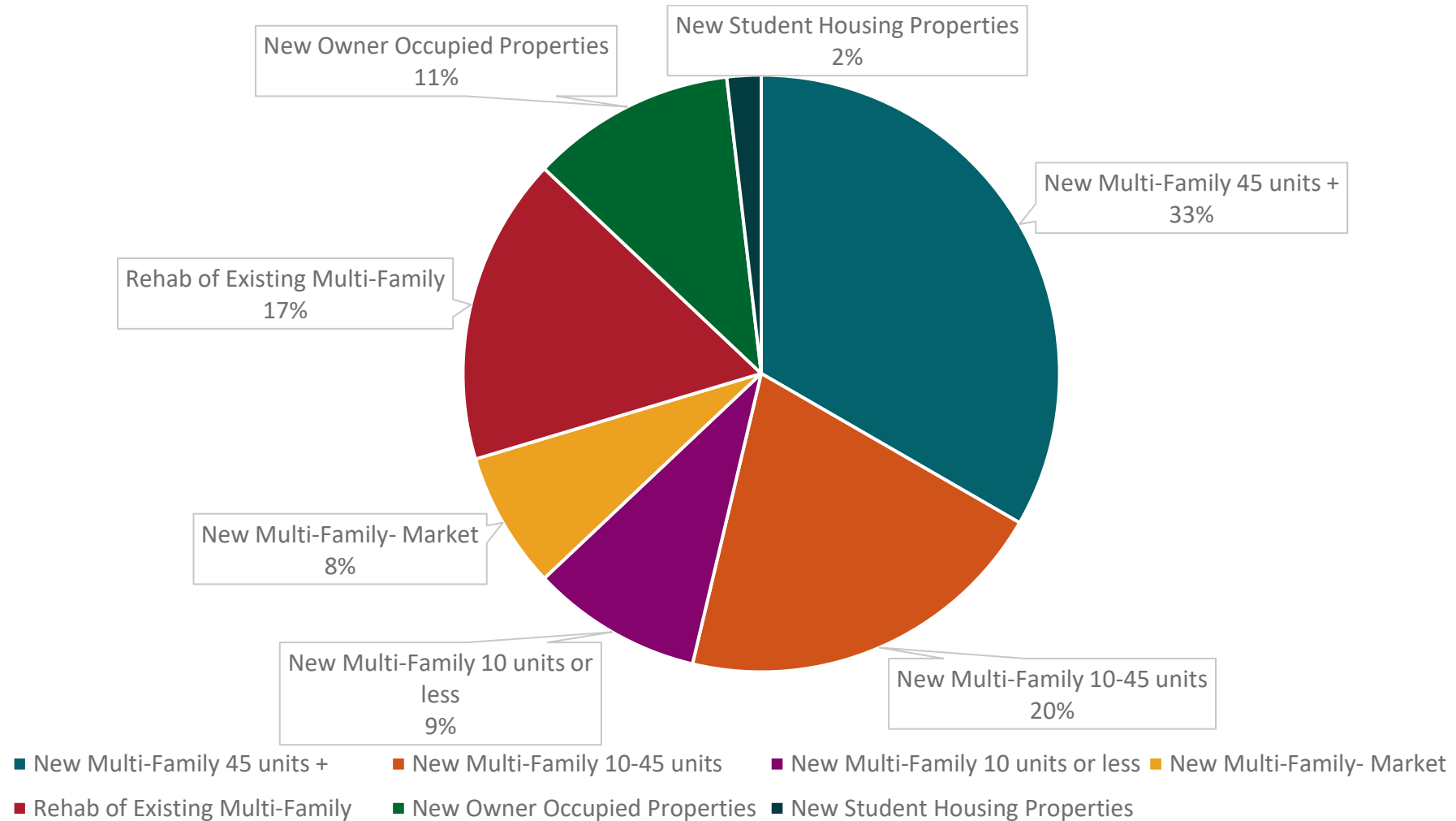
# Intended Audience

The City of Madison Housing Strategy Committee is charged with formulating recommendations to the Mayor and the Madison Common Council that can build on current efforts to expand housing options in our City – for renters as well as for those who wish to own their homes. This survey seeks to gather insight from those who know most about what it takes to develop housing in Madison.

Survey was sent, via email, to developers and property management lists maintained by the City's Community Development Division and Planning Division.

Survey had 29 responses. Included in this power point is a summary of responses.

# Developer Profiles



What specific City policies, zoning or land-use regulations do you find most detrimental to developing affordable or owner-occupied housing in Madison?

- Development review process
- Policies imposed on City funds
- Compliance requirements tied to construction
- Impact fees

**Follow up: What impact(s) do the policies & regulations listed above have on development projects?**

- Add costs
- Delay project timelines

Are there specific City procedural or administrative requirements that have significantly delayed or complicated housing developments?

- Timeliness of development review process
- Timeliness of obtaining contracts/agreements once approved
- Timeliness of underwriting and due diligence of funding
- Complexity of compliance reporting for construction

Are there any aspects of City policies, procedures or regulations that are favorable, or helpful, with regard to developing affordable housing?

- Availability of funding resources
- Priority of non-profit and permanently affordable housing
- Zoning code and permitted use improvements
- Technical support from City staff

What factors, other than City policies, practices and incentives affect your ability or willingness to develop affordable or owner-occupied housing in Madison?

- Construction costs
- Land availability and cost
- Financing options and subsidy
- Neighborhood support or opposition

What impact, if any, does the current labor market (e.g., labor costs, labor supply) have on the ability to develop affordable or owner-occupied housing?

- Increased costs of labor and materials
- Availability of contractors and sub-contractors



Have you seen or had occasion to work with successful program models elsewhere that could be adopted here to create more affordable housing?

- Manufactured housing communities
- Co-Housing
- Public Bond Financing
- Housing Accelerator Funds
- Social Equity Bonds
- Flexible Tax Incremental Financing Policies

What factors are most important to ensuring the long-term success and community integration of affordable housing projects?

- Quality property management
- Permanent affordability
- More development projects led by City or CDA
- Additional financial resources

**Follow up: How do you measure and ensure ongoing resident satisfaction and community well-being in your housing developments?**

- Tenant surveys
- Tenant turnover and complaints

The following factors are highly important in identifying sites on which to develop affordable or owner-occupied housing in Madison:

- Adjacent land uses
- Reaction to the proposed use by neighborhood residents
- Finding sites in Preferred Areas that also score well with WHEDA
- Cost of land
- Availability of adequately sized parcels

What potential partnerships or collaborations between housing developers, local government or non-profit organizations do you think could lead to the production of more housing to serve very low- income households, i.e., less than 30% AMI?

- Connection to supportive service providers
- Additional funding resources
- Access to Project Based Vouchers
- City lead developments

**Follow up: What additional challenges do you think come with developing housing that is affordable to very low-income households, i.e., those with incomes below 30% of the county median income? What measures might be used to help overcome them?**

- Increase supportive service needs/Increase capacity
- Operational cost for supportive services/Access to funding for operations
- Financial literacy and education/Access and requirements to participate in programs

What else, beyond the current programs, could the city do to help housing developers overcome the financial barriers associated with constructing income and rent-restricted housing?

- Landbanking
- Pre-development financing
- Expediated permitting/approval process
- New method of accessing property taxes

Are there steps the City of Madison could take that that would encourage the production of more condos or townhouses?

Answers predominantly - No

- Economics favor rental vs condos
- Barriers to financing of condos is with private market
- State condo laws create barriers to development

# Thank you!

We would like to thank all the developers who took time to respond to this survey. Your perspectives will help the Housing Strategy Committee identify and better understand the current challenges, opportunities, and potential gaps in meeting the City's housing needs and shape new policies that can help respond to them.

Questions please contact:

[HousingStrategy@cityofmadison.com](mailto:HousingStrategy@cityofmadison.com)

