

1. Homelessness Recommendation 1 - For individuals with alcohol and drug as well co-occurring mental health issues (who also have high levels of chronic homelessness), **harm reduction and wet housing options that do not require sobriety should be investigated**, particularly in medium scale multiunit buildings with integrated case management. This population is a large user of detox programs, emergency rooms, police, services, and shelter facilities that are extremely expensive. Creating housing options for these individuals with particularly high barriers to housing could provide relief for the overall system of services.
    - a. Fund Phase 2 of “Permanent Supportive Housing for Chronically Homeless Adults” as part of the Affordable Housing Fund
    - b. Prioritize funding non-profits expansion of harm reduction and “wet” housing programs
    - c. Pursue partnerships with healthcare providers to make an economic case for cost savings through reduced use of services
  2. Homelessness Recommendation 3 - As shelter facilities approach the end of their usable life, **new shelters should be constructed as purpose built shelters (rather than retrofitting churches and gymnasiums)** with designated space for service providers, abundant showers and laundry, and bedbug machines. Options should be expanded to include “pay to stay” sections to serve as a transitional housing option.
    - a. Local government should actively participate in land acquisition for new shelter construction to control siting and ensure adequate space and amenities
    - b. Work with shelter providers to develop long-term facility plans to guide development
  3. Low-Income Rental Recommendation 3 - **For new multifamily developments pursuing Section 42 tax credits, City funding programs should be aligned** 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.
    - a. Coordinate HOME, CDBG, TIF, Affordable Housing Fund, and Project-based Voucher award timelines to ensure that projects have awards in place in time to apply for Section 42 tax credits in January
    - b. **Coordinate HOME, CDBG, TIF, Affordable Housing Fund, and Project-based Voucher award criteria** and processes so that projects that meet a common set of criteria in line with City and WHEDA priorities (access to transportation, schools, grocery, walkability, not in a concentration of poverty) get funded by the City and therefore score higher on their tax credit applications
    - c. **Annually release coordinated RFPs to drive development that achieves the priorities**
    - d. Actively recruit developers to apply for Section 42 tax credits in the City of Madison
  4. Low Income Ownership Recommendation 1 - For households interested in homeownership focus first on homebuyer education. The best way to increase a household’s chance of successful homeownership is to prepare them to budget for the unexpected costs and work that homeownership requires and to correct problems in their credit history that will improve their financial standing.
    - a. Fund **Individual Development Accounts with City matching funds and pair them to a comprehensive homebuyer education program funded by the City**
    - b. Incentivizes households to participate in long-term education programs
    - c. Helps build a nest egg for downpayment or future home repairs
    - d. Enhance partnerships with the Homebuyer Roundtable, Neighborhood Resource Teams, and hold homebuyer resource fairs in underserved neighborhoods to provide homebuyer education to populations of color.
  5. Low-Income Ownership Recommendation 2 - Simplify the City of Madison’s ownership program structure to three tracks with a single intake stream
    - a. **Use downpayment assistance programs as a tool to reduce mortgage size in order to increase affordability**
      - i. Consolidate existing downpayment programs (ADDI, Home-Buy)
      - ii. The goal of these programs is to provide stable housing for individual households
      - iii. Reduce future housing cost burden and risk of foreclosure
      - iv. Target low-income households with high likelihood of successful homeownership or particular housing need (disability, large family size)
    - b. **Use acquisition/rehab programs as a tool to stabilize and revitalize neighborhoods**
      - i. Consolidate existing acquisition rehab programs (HBA, Small-Cap TIF)
        - ii. Should be geographically targeted to neighborhoods with aging/blighted housing stock or land use issues (single-family homes used as multifamily rental, high turnover)
        - iii. Allow moderate income households to participate (80-120% of AMI) to mix area incomes
  - c. **Use rehab programs as a tool to stabilize existing low-income homeowners in their housing**
    - i. Consolidate existing rehab programs (DPL, Installment, Green Madison)
    - ii. Target projects that makes houses safer and less expensive to operate
    - iii. Goal of reducing housing cost burden and risk of foreclosure for existing owners
    - iv. Allow condo associations to jointly apply for rehab funds
6. Low Income Ownership Recommendation 3 - **Expand revamped ownership programs**
  - a. Rebrand and market programs through advertising and outreach
  - b. Educate alders on programs to serve as a toolkit for improving their districts
  - c. Dedicate a larger portion of City of Madison funds to subsidize low-income ownership programs through the Affordable Housing Fund
7. Market Rate Ownership Recommendation 1 - Create programs to make our existing reasonably priced neighborhoods more attractive to first-time and middle income homebuyers
  - a. Identify and create a designation for Opportunity Neighborhoods that are based on factors such as:
    - i. Aging housing stock
    - ii. Average property value below the City average
    - iii. Flat or declining property values
    - iv. Located outside of the city center
    - v. Longer than average days on market
  - b. Encourage the development of mixed-use nodes along transit corridors in Opportunity Neighborhoods to bring amenities (restaurants, retail, civic uses) to the neighborhood to increase its desirability
    - i. Create new TIF districts to support development
    - ii. May require rezoning and demolition of existing single family homes
    - iii. Create a pilot neighborhood program to test strategies
  - c. **Create a “Residential Facade Grant Program”** targeting houses on high traffic residential streets in Opportunity Neighborhoods based on the City’s successful Business Façade Grant Program
    - i. Identify high priority corridors
    - ii. Fund small matching grants or loans repaid by special assessment (~\$5,000) to support exterior upgrades
    - iii. Potentially funded by TIF
  - d. **Modify existing homeownership loan programs to drive first-time and middle income homebuyers into Opportunity Neighborhoods**
    - i. Increase loan limits and/or reduce interest rates for homes located within Opportunity Neighborhoods
    - ii. Raise income requirements to 120% of AMI within Opportunity Neighborhoods
    - iii. Rebrand and market programs through advertising and outreach

