

## DRAFT RECOMMENDATIONS FOR HOUSING STRATEGY COMMITTEE 6/27/24

### RECOMMENDATIONS

#### **A. How can the City help scale up the development of new affordable rental units beyond the current 400 per year pipeline?**

##### 1A Strategy:

Sustain, and build on, the City's Affordable Housing Initiative which focuses primarily on the production and preservation of affordable rental housing by leveraging federal low-income housing tax credits. In doing so:

1. Within the structure of WHEDA's tax credit program, prioritize City Affordable Housing Fund (AHF) support to developments most responsive to areas of acute need in the Madison market – housing for households with very low incomes (30% CMI), larger (3- and 4-bedroom) units, or those that face higher barriers to housing (permanent supportive housing).
2. Steer developments to amenity-rich areas of the city – close to public transit corridors, parks, employment and retail centers, etc.
3. Strengthen efforts to acquire desirable properties and make them available for affordable housing development.
4. Use City financial support to leverage longer periods of affordability.

##### 2A Strategy:

Continue efforts to support a variety of affordable housing development types and scales, acknowledging that the amount of City subsidy per home may be far greater than when leveraging federal low-income tax credits.

1. Continue to dedicate a portion of City AHF funds for smaller scale developments.
2. Prioritize efforts of mission-driven, non-profit housing developers, particularly those that serve lower-income households and/or offer longer-term, or permanent, affordability.
3. Conduct a systematic review of all City-owned properties to identify sites that might be suitable for affordable housing development, and where appropriate, make those sites available for development.
4. Use land banking funds to acquire properties suitable for a variety of development types and sizes including duplexes, fourplexes and similar small-scale projects.
5. Maximize the redevelopment potential of CDA-owned public housing sites for a variety of new affordable housing options.
6. Technical Assistance: Beyond one-on-one technical assistance provided now, establish an annual or biennial workshop to inform new developers about opportunities to finance projects and details of the development review and permitting processes. Record all or portions of this workshop so that it can be viewed on-demand.

## Question for HSC: Should Technical Assistance be a stand along strategy?

### 3A Strategy:

Pursue a regulatory framework that ensures high quality development outcomes without imposing unnecessary burdens on developers.

1. Regularly review, and invite developer input on, the full range of reviews and approvals to which development proposals are subject.
2. Establish performance and accountability measures around review processes.
3. Explore ways for the City to streamline the scheduling and review of affordable housing development proposals.
4. Explore creation of pre-approved building plans for very small-scale developments that could be used by developers/property owners to help expedite the permitting process.
5. Explore opportunities to improve communications and alignment between City agencies involved in the review of housing development.

### 4A Strategy: [Private Sector?]

Explore and leverage partnerships with community technical colleges and trade programs to promote and encourage careers in construction trades.

Advocate for State/Federal funding for technical school recruitment and training for careers in the trades

### 5A Strategy:

Leverage federal infrastructure funding for the production, preservation, and improvement of local housing supply by aligning housing, infrastructure and climate resilience planning.

1. Seek support from Inflation Reduction Act (IRA)

### 6A Strategy:

Expand efforts to support development community in Madison. (This could include a variety of financial and technical aspects).

1. The technical assistance described above
2. Review TIF policy to more aggressively support affordable housing development

3. Explore policies that could relieve a portion of public infrastructure improvement costs from affordable housing developers
4. Consider policies to reduce the risk of pre-development costs for non-profit (and BIPOC?) developers

#### 7A Other Strategies:

**Question for HSC: Should these be included under a strategy for Advocacy?**

Play an active role in regional efforts to promote affordable housing development outside of Madison

Explore what can be done to encourage “overhoused” homeowners to downsize and, in turn, free up existing housing stock in the Madison market.

#### **B. How can the City support the creation of more ownership housing types?**

##### 1B Strategy:

Engage local developers, real estate professionals, residential homebuilders and community members to refine local housing supply goals. Host community listening sessions to gather feedback on challenges to increasing, preserving and improving homeownership housing.

1. Annual Public Hearing on the topic by Housing Policy Committee

##### 2B Strategy:

Capacity building for new ownership models, such as co-housing

##### 3B Strategy:

Pursue a regulatory framework that ensures high quality development outcomes without imposing unnecessary burdens on developers. (Same strategy as rental development.)

##### 4B Strategy:

Create more opportunities for owner occupied housing to be created.

1. Explore infill opportunities for low density residential, that results in net gain of units. Including lot sub-division, single lot re-development and allowing 2 family dwelling units or Accessible Dwelling Units.
2. Explore partnerships for manufactured and modular housing to be created in Madison.

5B Strategy:

Make a concerted effort to address current market barriers to residential condominiums

1. Support revisions to State law affecting condominium conversions.
2. Advocate to WHEDA to provide financial support for condominium developments
3. Encourage local lenders to ease financing restrictions (pre-sale requirements) for condominium developments Explore development of a local pipeline of interested condominium buyers

6B Strategy:

Consider AHF-scale initiative for expansion of affordable owner-occupied opportunities.

**C. How can the City support the creation of affordable student housing?**