

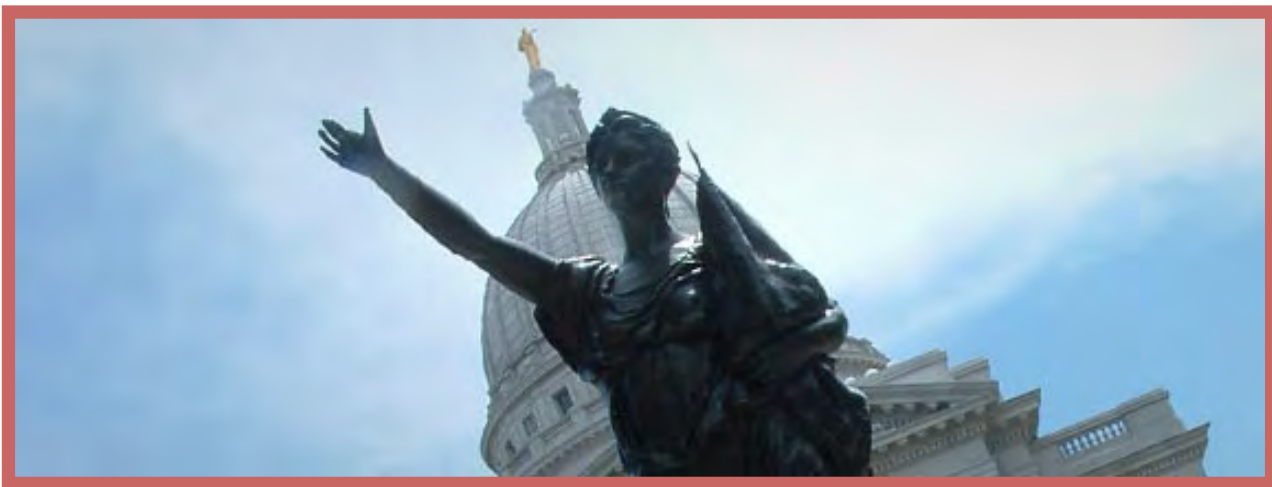


City of Madison
Satya Rhodes-Conway, Mayor

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

Community Development Division
Jim O'Keefe, Director

D R A F T



City of Madison, Wisconsin **2024 Action Plan**

for the period **January 1, 2024** through **December 31, 2024**

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

Adopted by the Madison Common Council, XXXX 2024
Submitted to the U.S. Department of Housing and Urban Development, XXXX 2024

City of Madison Community Development Division

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Executive Summary

AP-05 Executive Summary

24 CFR 91.200(c), 91.220(b)

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 these funds. This Action Plan covers the period January 1, 2024 through December 31, 2024. During this period, the City anticipates it will receive the following Federal formula funds:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships Program (HOME)
- Emergency Solutions Grant (ESG)

In addition to the formula funds listed above, the City expects to administer U.S. Department of Energy (DOE) Energy Efficiency and Conservation Block Grant (EECBG) funds, HUD Continuum of Care (CoC) funds, HUD Youth Homelessness Demonstration Program (YHDP) funds, and HUD CARES Act funds during the Plan period.

These funds 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's goals and objectives were developed in consultation with citizens, nonprofit organizations, developers, businesses, funding partners, schools and other governmental bodies. Their overarching purpose is to support the development of viable communities with decent housing, suitable living environments and economic opportunities for the City's low- to moderate-income households.

The Community Development Division will pursue these goals and objectives by working with the nonprofit community, housing developers, neighborhood groups, associated businesses, stakeholders, labor union representatives, other local government entities, residents and partners. The Division will also work closely with several other City agencies to jointly plan, implement and evaluate the Plan's core activities.

Summary of the objectives and outcomes identified in the Plan

The 2024 Action Plan includes the six goals outlined below, targeting community needs related to affordable housing, economic development and employment, and strengthening neighborhoods.

Goal 1 - Housing Development & Financing: Homeownership

- Housing Rehabilitation and Accessibility Improvements
- Owner-Occupied Housing Development (New Units)
- Homebuyer Assistance (Down Payment)

Goal 2 - Housing Development & Financing: Rental

- Rental Housing Acquisition and/or Rehabilitation
- Rental Housing Development (New Units)

Goal 3 - Homeless Services & Housing Stability

- Services for Homeless and Special Needs Populations
- Tenant-Based Rental Assistance (TBRA)
- Housing Resources

Goal 4 - Small Business Assistance

- Technical Assistance to Micro-Enterprises
- Support to Businesses Expanding to Create Jobs

Goal 5 - Neighborhood Asset Building

- Development and Maintenance of Community Facilities
- Neighborhood Revitalization Plans & Projects

Goal 6 - Program Administration

This Action Plan allocates a total of approximately \$22.4 million in anticipated 2024 Community Development Block Grant, HOME and ESG Entitlement¹ funds, City funds, State HCRI and EHH funds, CDBG and HOME program income, and other funds—plus another \$25.3 million in pre-2024 resources—to support the Community Development program. If additional Entitlement funds are made available, the CDD and the CDBG Committee will hold publicly noticed discussion(s) regarding how best to use those funds. Funds in excess of these previously approved allocations will be made available as part of the currently established reserve funds, for agencies to access throughout the year. The City set "target" allocation percentages to distribute the funds, based upon its *Community Development Program Goals and Objectives*.

Evaluation of past performance

The City of Madison continually strives to improve the performance of its operations and that of its funded agencies. During 2023, the fourth year of the City's current 2020-2024 Consolidated Plan, the Community Development Division invested over \$10.5 million in the community to meet the goals and objectives outlined in the City's 2023 Action Plan. CDBG, HOME and ESG funds were targeted primarily toward affordable housing, economic development and employment opportunities, and strong and healthy neighborhoods. In addition, \$2.4 million in CARES Act funding was also expended on activities to help prevent, prepare for, or respond to the coronavirus and associated impacts stemming from the COVID-19 pandemic.

Consolidated Annual Performance and Evaluation Reports (CAPERs) for previous program years are available on the City's website at www.cityofmadison.com/dpced/community-development/reports, for a more detailed summary of the City's evaluation of its past performance.

¹ On January 16, 2024, HUD issued Notice CPD-24-01, which instructed formula grantees (including the City of Madison) not to submit their FY 2024 Action Plans until the actual grant awards (for CDBG, HOME and ESG) have been determined and announced by HUD. As of February 24, 2024, Congress has not yet passed appropriations bills for the federal government's FY 2024 budget year. In accordance with the guidance provided in CPD-24-01, this draft of the City's 2024 Action Plan (AAP) uses *estimated* funding levels for Madison's annual formula grants from HUD (CDBG, HOME and ESG Entitlement funds). Once actual FY24 allocation amounts become known, the City will adjust the estimated figures in this proposed 2024 AAP to reflect the City's actual allocation figures, prior to submitting the final Plan to HUD.

Summary of citizen participation process and consultation process

The City's Community Development Division, in coordination with its CDBG Committee, developed this 2024 Action Plan and its 2020-2024 Consolidated Plan with consultation from a diverse group of individuals and organizations. A public hearing on the City's 2023-2024 Community Development Goals and Objectives was held on April 20, 2023. An additional public hearing, specifically on a draft version of the City's 2024 Action Plan, was held on March 7, 2024. The Action Plan flows from the 2020-2024 Consolidated Plan, which was approved by HUD in September of 2020. Activities included in the 2024 Action Plan were approved at publicly noticed meetings of the CDBG Committee and Common Council. Final approval of 2024 funds took place on November 14, 2023, as part of the City of Madison's 2024 Budget approval process. A limited number of other projects were approved subsequently, at publicly noticed meetings of the CDBG Committee and Common Council.

As part of the larger five-year planning process that includes the 2024 Action Plan period, the City conducted three focus group meetings between February 13, 2019 and March 1, 2019 to gather input regarding Madison's top community development needs. Citizen participation was also solicited through two electronic surveys, one for residents and one for stakeholders, sent to over 700 email recipients, forwarded through several community listservs, and made available on the City of Madison CDBG Office's website, accessible via Madison Public Library computers. Paper copies of the survey were distributed and mailed out upon request to individuals and at The Beacon homeless day shelter. A total of 511 individuals responded to the survey.

During its development, the Consolidated Plan was discussed at publicly-noticed CDBG Committee meetings where specific opportunity for public comment is always provided. The draft Plan was made available for review via electronic notification to a diverse array of citizens, agencies, developers, other funders and governmental bodies, and also posted on the Community Development Division's website. Paper copies were made available for review at all public libraries and City-funded neighborhood centers. A public hearing was held on September 5, 2019 to solicit public comment on needs, trends and potential obstacles for 2020-2024. An additional public hearing to solicit input on the Draft 2020-2024 Consolidated Plan was held on October 3, 2019. Finally, the Plan was provided to the Common Council on February 25, 2020, where another opportunity for public comment was provided. All meeting locations were accessible to persons with disabilities, and all meeting notices included information about how to request accommodation such as a translator or signing assistance.

Summary of comments or views not accepted and the reasons for not accepting them

Not applicable.

The Process

PR-05 Lead & Responsible Agencies

24 CFR 91.200(b)

Describe agency/entity responsible for preparing the Action Plan and those responsible for administration of each grant program and funding source.

The following are the agencies/entities responsible for preparing the Action Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MADISON, WI	Community Development Division
HOME Administrator	MADISON, WI	Community Development Division
ESG Administrator	MADISON, WI	Community Development Division

Table 1 – Responsible Agencies

Lead Agency

The City of Madison has designated its Community Development Division as the lead agency for administration of the CDBG, HOME and ESG programs. The City CDBG Committee serves as the lead policy body overseeing the development of the Consolidated Plan, the Annual Action Plan and related community development programs. The City works with numerous community-based organizations, partners, businesses and funders, as well as other City of Madison departments to plan, develop, implement and evaluate activities outlined in this Plan.

Action Plan Public Contact Information

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AP-10 Consultation

24 CFR 91.100, 91.200(b), 91.215(l)

This section includes consultation the City of Madison Community Development Division utilized to reach out to various community partners.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (24 CFR 91.215(l)).

A public hearing on the draft 2024 Action Plan was held on March 7, 2024. In addition, numerous focus groups, general meetings and two public hearings were held as part of the larger planning process for the 2020-2024 Consolidated Plan. The 2024 Action Plan fits within the larger context of this overall five-year Plan.

The Community Development Division, in coordination with the CDBG Committee, developed the Action Plan to be consistent with its five-year Consolidated Plan, and in consultation with diverse groups and organizations. These included nonprofit partners, housing developers, other funders and other governmental bodies. Throughout the five-year planning process, a number of themes coalesced, which resulted in the development of the goals and objectives outlined in both the Consolidated Plan and this Action Plan. Affordable housing for both renters and homeowners, economic development and employment opportunities, and strong and healthy neighborhoods were each identified as key current and emerging needs. In addition, the need for

continued coordination and collaboration with agencies, schools, local governments, and other funders was discussed.

The City's Community Development Division regularly coordinates with and participates alongside local nonprofits, community service groups and funders. Community Development Division staff meet regularly with groups such as the Dane County Continuum of Care, neighborhood center directors, and Home Buyers Round Table. In addition, staff participates in various ad hoc City committees, such as Housing Strategy, Equal Opportunities, Urban Design, City-County Homeless Issues and Community Services Committees—all in an effort to improve service delivery and initiate systematic improvements for low-income and underserved populations. Community Development Division staff also work regularly on housing-related issues with staff of the City's Community Development Authority (CDA).

The Community Development Division, in coordination with the CDBG Committee, worked with a diverse array of groups and organizations at various public and accessible locations, as part of both its annual Action Plan process and its related five-year Consolidated Plan process. These included:

- Affordable housing providers
- After school programs
- City/County government
- Community gardens
- Economic development organizations
- Engineering services
- Funding organizations
- Homeless shelters and providers
- Information technology services
- Neighborhood centers
- Persons experiencing homelessness
- Persons with disabilities
- Persons with mental illness
- Residents
- Seniors
- Veterans organizations

Listed below are a few examples of the City's activities intended to enhance this coordination:

- CDD leads the City's Inter-Agency Housing Team, pulling together multiple City department to address the City's housing and community development programs, and to coordinate regarding their implementation.
- The City's Information Technology (IT) Department leads the City's efforts on reducing the digital divide in low-income neighborhoods, along with the Madison Public Library. State of Wisconsin law prohibits municipalities from providing internet services; however, consultation with IT on expanding access is part of consultation for neighborhood plans.
- CDD staff consults with engineering services on emergency management plans for vulnerable populations.
- Through membership on the Equity Team, CDD staff participates regularly in the citywide Racial Equity and Social Justice Initiative.
- CDD staff members serve on, and frequently lead, the City's multi-agency Neighborhood Resource Teams, which were established to enhance and improve the provision of City services to neighborhoods.
- CDD staff coordinates regularly with Dane County and area nonprofits in relation to a significant construction employment initiative, designed to increase the number of women and people of color employed in the construction trades.

- As part of its work to affirmatively further fair housing, the CDD coordinates with City Planning staff and local nonprofits to encourage non-traditional housing types; coordinates with the CDA in development of a Comprehensive Housing Strategy; and resists neighborhood opposition to affordable housing. A summary of actions to address identified impediments to fair housing choice is included in **Appendix B**.

The CDD also regularly participates alongside, and coordinates with, other funders such as United Way, Dane County and various community nonprofits. Staff from the CDD meets with several groups, including the Homeless Services Consortium, Third Sector Housing, Home Buyers Round Table and various ad hoc City committees. The goal is to improve delivery methods and initiate systematic improvements.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City of Madison is an active partner with the Dane County Continuum of Care (CoC), known locally as the Homeless Services Consortium (HSC). Together, they assess the ongoing needs of homeless populations and those at risk of homelessness, and respond with new or expanded services and programs as resources become available. The City of Madison is the collaborative applicant for the annual CoC application to HUD. The City employs the CoC Coordinator using the Planning Grant; this position staffs the HSC Board of Directors, which meets on a monthly basis to discuss homeless needs.

Through its membership in the Homeless Services Consortium, the City has implemented a number of recommendations from the *Community Plan to Prevent and End Homelessness in Dane County*. This plan was developed in collaboration with the City, County, United Way and HSC, and has served as a blueprint for ending homelessness in Madison and Dane County. In 2023, the City continued to participate in efforts to update the Plan, so that it can continue to serve as a guide for local stakeholders and funders. The City contracted with HomeBase, as a consultant, to assist the community in creating a new Community Plan. Multiple engagement opportunities were made available to members of the CoC and the Community in general (presentations, focus groups, surveys, etc.). There was particular emphasis on engaging people with lived experience of homelessness to hear their feedback and receive input on strategies in the new Plan. The updated (and newly titled) *Dane Forward: A Five-Year Plan to Prevent and End Homelessness* is expected to be completed by February 29, 2024.

The City has long supported—and will continue to give preference to—projects that develop permanent supportive housing units that serve special needs populations. The City requires coordination with CoC’s Coordinated Entry housing priority list when approving new Tenant Selection Plans for developments seeking Low Income Housing Tax Credits (LIHTCs). The City also uses General Purpose Revenue to fund outreach efforts that connect chronically homeless individuals and families with housing and services provided by CoC agencies.

These services include:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Long-term case management and other supportive services such as CCS • Day and overnight shelter case management services • Housing navigation services • Restorative justice court program and other legal advocacy • Eviction prevention financial assistance and services | <ul style="list-style-type: none"> • Mediation services • Rapid re-housing • Permanent supportive housing • Sober living programs • Transitional housing • Fair housing services |
|---|--|

By supporting the Coordinated Entry System, the City is able to support the needs of vulnerable underserved populations such as veterans, youth and families. The City provides a portion of funding for Coordinated Entry in Dane County, the immediate goal of which is to move more individuals from homelessness to stable housing as quickly as possible.

Describe consultation with the Continuum of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS.

Dane County CoC has a Board of Directors that oversees several committees that guide the CoC's objectives, including Shelter Providers, Education & Advocacy, Core (addressing performance, written standards and coordinated entry) and Funders Committees. In its role as partner in the CoC, the City of Madison ensures that City staff leads or has a representative on most of these committees. Through the committees, the CoC has been able to develop a set of written standards the City references when developing proposals for homeless facilities and services, and when awarding or administering ESG and other homeless-related funds. HSC members are notified through an email distribution list of key CDBG Committee meetings where input is requested on City plans and performance.

Notifications regarding CDD funding processes are sent via e-mail distribution and also made available on the Division's website. Online access to the website is available via many options, including via public workstations at all Madison Public Library branch locations. The City reviews written applications from those who apply for ESG and other homeless-related funds. The allocation and award process includes negotiation with the applicant regarding its performance goals, as well as CDBG Committee approval of the grant award and outcomes. Each written agreement includes a scope of service and standards for assessment of performance. The CoC regularly reviews information from HMIS to determine program effectiveness. The City currently contributes approximately 2.5% of its annual ESG allocation to the operation of the HMIS system.

Describe agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities.

Agency/Group/Organization	See Appendix A-2.
Agency/Group/Organization Type	
What section of the Plan was addressed by Consultation?	
How was the Agency, Group or Organization consulted, and what are the anticipated outcomes of the consultation or areas for improved coordination?	

Table 2 – Agencies, groups, organizations who participated

Identify any Agency Types not consulted and provide rationale for not consulting.

As part of the 2024-focused planning processes, the City of Madison undertook significant outreach and consultation with a diverse array of for-profit and nonprofit agencies in an effort to maximize contributions to the Plan's needs, priorities and strategies.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	City of Madison Community Development Division	<i>Five-Year Plan to End Homelessness in Dane County:</i> The goals of the Strategic Plan are closely coordinated with the goals of the CoC. CDD is an applicant and is the administering agency for CoC and Emergency Solutions Grant, in addition to City's CDBG and HOME allocations.
Fair Housing Equity Assessment	Capital Area Regional Planning Commission	Actions to address issues identified in the FHEA are incorporated into the Action Plan.
Analysis of Impediments to Fair Housing Choice	City of Madison	Actions to address impediments identified in the AI are incorporated in the Action Plan. (See Appendix B.)
City of Madison Housing Strategy	Community Development Authority of the City of Madison	Housing-related issues are addressed as part of the Plan's "Housing Development & Financing: Homeownership," "Housing Development & Financing: Rental" and "Homeless Services & Housing Stability" goals.
Economic Development Strategy	City of Madison Economic Development Division	Economic development issues are addressed as part of the Plan's "Small Business Assistance" goal.
2014 Neighborhood Center Study	City of Madison Community Development Division	Neighborhood Centers are addressed as part of the Plan's "Neighborhood Asset Building" goal.
Race to Equity	Wisconsin Council on Children and Families	Under-resourced and disconnected neighborhoods are addressed as part of the Plan's "Neighborhood Asset Building" goal. Workforce challenges are addressed as part of the Plan's "Small Business Assistance" goal.

Table 3 – Other local / regional / federal planning efforts

As part of its ongoing work, the Community Development Division consults with local stakeholders and organizations, as well as state and federal agencies, regarding their planning processes. A diverse array of local, regional, state and federal planning efforts were considered during the development of the Action Plan.

AP-12 Participation 24 CFR 91.105, 91.200(c)

Summarize citizen participation process and how it impacted goal-setting.

On a regular and ongoing basis, the City's CDBG Committee serves as the main citizen participation resource for the community development process. The Committee meets on the first Thursday of each month, with additional meetings scheduled as needed, and regularly provides time within each meeting for public comments and presentations. The Committee annually holds at least two public hearings to assess the overall progress of its investment program and to solicit feedback about future and emerging needs within the community. In addition to the two public hearings held in conjunction with the Action Plan, monthly CDBG Committee meetings were used to solicit input and share information. The CDD's CDBG Unit staff undertook significant citizen participation efforts as part of the City's larger five-year plan. Among those efforts was an extensive survey, sent to over 700 email recipients and distributed at various public locations, as well as numerous focus groups.

As a policymaking body—with members appointed by the Mayor—the CDBG Committee also serves as a primary mechanism for citizen participation regarding the City's community development program. The Committee includes eleven membership slots, designating three for Alders and two for low- to moderate-income individuals. The Committee is the lead policymaking group for the community development program, listening to and acting upon recommendations from citizens, community groups, nonprofit agencies and businesses as it plans, makes funding recommendations for and evaluates the overall program.

In the year leading up to the preparation of the 2024 Action Plan, the Committee regularly held discussions and received public comment regarding the use of HOME, CDBG and ESG funds, as well as other local, State and federal funds. All funding recommendations and/or decisions were made in open, publicly noticed meetings.

The CDBG Committee and CDD initiated and/or participated in a number of outreach and consultation efforts designed to broaden participation from community groups and other stakeholders. These efforts included:

- Providing an extensive website (www.cityofmadison.com/cdd) to report on five-year goals, annual projects and special issues. The site includes a means to directly comment on any aspect of the Plan or the program.
- Providing staff representation on the City's nine Neighborhood Resource Teams (NRTs), and regularly soliciting comments on emerging community needs and recommended solutions.
- Actively participating in various groups such as the Homeless Services Consortium, the City-County Homeless Issues Committee, Home Buyers Round Table, and other groups related to housing issues.
- Meeting quarterly with area neighborhood center directors to better understand emerging needs in neighborhoods throughout the City, and develop effective strategies to meet these needs.
- Holding meetings with nonprofit service providers and stakeholders in targeted neighborhoods.
- Meeting with an array of service groups that work with underrepresented populations.
- Providing interpreters at meetings, as needed.
- Providing information in alternate formats, as needed.

The Community Development Division initiated a number of efforts to broaden its outreach and the participation of various community groups. In an effort to gather additional input, the draft Consolidated Plan was made available for review online via public workstations at an array of Madison Public Library branches and neighborhood centers. CDD used the following processes to receive input on the Consolidated Plan process as the draft report was introduced:

- Posted the draft Plan on the Division website.
- Advertised via specific homeless, housing and business email distribution lists, regarding public hearings on the draft Plan.
- Sent the draft Plan to the Neighborhood Resource Teams as part of a strategy to gather input from underserved communities.
- Continued to solicit feedback from community partners, residents and local organizations, regarding needs the City should be addressing with HUD funding.

Citizen Participation Outreach

The Community Development Division posted all 2024 programs and contracts on the Division's website on January 1, 2024. This contract list is publicly accessible and remains posted on the website to date. The public is also notified of any new projects receiving federal funds throughout 2024 through the City's Committee process. New projects must be listed as an agenda item on Common Council, CDBG Committee and Finance Committee agendas. There is a public notice of each meeting and the opportunity for public comment at each session.

The draft 2024 Action Plan was posted on the Community Development Division's website on February 27, 2024. A notice was sent out via email listservs and also posted publicly to online City calendars on February 27, 2024, listing the website and the location, date and time of the public hearing, as well as where written comment could be submitted. Public comments on the Plan were accepted through March 18, 2024 (a total public comment period of 21 days).

The City of Madison received the following comments from the public during the comment period: (TBD).

The following specific outreach efforts and meetings were conducted regarding the 2024 Action Plan.

Mode of Outreach	Target of Outreach	Summary
Public Hearing	Non-targeted/broad community	<p>A public hearing on the draft Plan was held on March 7, 2024 at the CDBG Committee meeting.</p> <p>A draft of the Plan was posted and made available for review. The public was notified of the meeting through email distribution and publicly posted notices (both physical placement and online) of City meetings. The CDD website also contained information about the meeting. The widely distributed CDBG Committee agenda also included notice and information about the public hearing.</p> <p>Citizens were given the opportunity to attend the meeting, send their comments by mail or email, or contact CDD's CDBG Unit.</p>
Internet Outreach	Non-targeted/broad community	Throughout the citizen participation period, the City's draft 2024 Action Plan was posted for public comment on the CDD website, along with a copy of the adopted 2020-2024 Consolidated Plan and information about how to participate in related public processes.
Public Meeting	Non-targeted/broad community	A publicly noticed meeting of the City Finance Committee was held on March 11, 2024. Approval of the 2024 Action Plan was listed on the agenda for action.
Public Meeting	Non-targeted/broad community	A publicly noticed meeting of the Madison Common Council was held on March 19, 2024. Approval of the 2024 Action Plan was listed on the agenda for action.

Table 4 – Citizen Participation Outreach

(The City of Madison's *Citizen Participation Plan* is also attached to this Action Plan as **Appendix A.**)

Annual Action Plan

AP-15 Expected Resources

24 CFR 91.220(c)(1,2)

The anticipated resources articulated in this Action Plan are based on assumptions about 2024 funding levels. Because funding levels are subject to annual Congressional appropriations and changes in funding distribution formulas, the Plan's accomplishment projections and planned activities may be subject to commensurate changes.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Remainder of Con Plan	Narrative Description
			Annual Allocation	Program Income	Prior Year Resources	Total		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	2,177,251	1,000,000	4,163,385	7,340,636	0	Estimated five-year average annual CDBG Entitlement allocation: \$1,870,505
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership Tenant Based Rental Assistance (TBRA)	1,407,602	750,000	11,017,778	13,175,380	0	Estimated five-year average annual HOME PJ allocation: \$1,405,772
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	165,145	0	75,539	240,684	0	Estimated five-year average annual HESG Entitlement allocation: \$163,194

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Remainder of Con Plan	Narrative Description
			Annual Allocation	Program Income	Prior Year Resources	Total		
Future Madison	private	Services	23,397	0	0	23,237	0	Estimated five-year average annual Future Madison allocation: \$20,773
EHH (ESG, HPP, HAP)	public - state	Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Services Transitional housing Other	627,616	0	0	627,616	0	Estimated five-year average annual state EHH allocation: \$574,080
HCRI	public - state	Homebuyer assistance	143,333	110,000	660,003	913,336	0	Estimated average award per 2-year HCRI grant period: \$275,000
City of Madison	public - local	Housing Services	16,282,668	0	10,724,041	27,006,709	0	Estimated five-year average annual City allocation: \$7,450,000

Table 5 – Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied.

The City developed this Action Plan with the expectation that the Federal government will provide approximately \$3.7 million for the 2024 program year, through such grant programs as CDBG, HOME and HESG. The City expects to leverage these funds with its own housing funds, as well as State of Wisconsin funds for homeless services and homebuyer assistance.

If appropriate, describe publicly-owned land or property located within the jurisdiction that may be used to address the needs identified in the Plan.

Not applicable.

Goals Summary Information

Sort Order	Objective Name	Start Year	End Year	Category	Goal Addressed	Funding	Outcome Indicator
1	Housing Development & Financing: Homeownership	2024	2024	Affordable Housing	Affordable Housing	CDBG: \$2,896,573 HOME: \$4,475,285 HCRI: \$705,893 City: \$1,317,900	211 units of homeowner housing rehabilitated (includes 35 units of housing made accessible) 8 units of homeowner housing added 45 homebuyers provided with direct financial assistance
2	Housing Development & Financing: Rental	2024	2024	Affordable Housing	Affordable Housing	CDBG: \$2,184,169 HOME: \$5,647,869 City of Madison: \$18,858,141	77 units of rental housing constructed 191 units of rental housing rehabilitated
3	Homeless Services & Housing Stability	2024	2024	Affordable Housing Homeless Non-Homeless Special Needs	Affordable Housing	HOME: \$400,000 ESG: \$229,602 City of Madison: \$2,230,998 EHH (ESG / HPP / HAP): \$617,834	2,400 homeless persons assisted with overnight shelter 2,000 persons assisted through homelessness prevention services 4,000 persons assisted with other homeless services or housing resources 12 tenant households provided with TBRA
4	Small Business Assistance	2024	2024	Non-Housing Community Development	Economic Development and Employment Opportunities	CDBG: \$1,375,612	50 jobs created 1,005 businesses assisted
5	Neighborhood Asset Building	2024	2024	Non-Housing Community Development	Strong and Healthy Neighborhoods	CDBG: \$1,398,884 City of Madison: \$3,924,028 Future Madison: \$23,397	38,000 persons assisted through participation in neighborhood center activities 27,828 persons assisted through the creation or improvement of Public Facilities or Infrastructure 2,000 persons assisted through concentration neighborhood planning efforts and associated revitalization activities

Sort Order	Objective Name	Start Year	End Year	Category	Goal Addressed	Funding	Outcome Indicator
6	Program Administration	2024	2024	Planning / Administration	Effective Planning and Program Administration	CDBG: \$539,900 HOME: \$217,300 ESG: \$12,524 City of Madison: \$675,642 EHH (ESG / HPP / HAP): \$9,782 HCRI: \$36,790	115 contracts managed by CDD staff

Table 6 – Goals & Objectives Summary

Objective Descriptions

1	Objective Name	Housing Development & Financing: Homeownership
	Description	Preserve, improve and expand the supply of affordable housing for homeowners.
2	Objective Name	Housing Development & Financing: Rental
	Description	Preserve, improve and expand the supply of affordable housing for renters.
3	Objective Name	Homeless Services & Housing Stability
	Description	Support vulnerable populations in stabilizing their homes and families.
4	Objective Name	Small Business Assistance
	Description	Improve economic opportunities for individuals and business owners.
5	Objective Name	Neighborhood Asset Building
	Description	Develop, maintain and support community facilities; support the development of revitalization plans and implementation of associated projects.
6	Objective Name	Program Administration
	Description	Implement a well-managed Community Development Program with effective progress toward five-year goals.

Table 7 – Objective Descriptions

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 24 CFR 91.215(b):

Approximately 23 low- and moderate-income families will be provided affordable housing, as defined by HOME 24 CFR 91.215(b). These activities include Habitat for Humanity's and Movin' Out's Homeownership Programs.

The City of Madison's Community Development Division, through CDD-staffed citizen committees, makes its funding allocation decisions based on a Request for Proposals (RFP) process. Through this process, funds are awarded to eligible activities that support the goals (and address the priority needs) articulated as part of the Strategic Plan. Expected resources cited in RFPs are based on assumptions about future funding levels, and the allocations awarded to activities are contingent upon the City's receipt of sufficient funds for the period covered by the RFP.

As required by HUD regulations at 24 CFR 92, the City plans to use at least 15% of its annual HOME allocation for eligible housing development activities to be undertaken by locally-certified Community Housing Development Organizations (CHDOs), a roster which presently includes Common Wealth Development, Movin' Out, and Wisconsin Partnership for Housing Development (WPHD).

As required by HUD regulations at 24 CFR 576, the City plans to use no more than 60% of its annual ESG allocation for homeless outreach and emergency shelter activities. It will also comply with applicable ESG Match requirements, as well as the 7.5% cap on administration.

Projects

#	Project Name
1	Housing Rehab and Accessibility
2	Owner-Occupied Housing Development
3	Homebuyer Assistance
4	Rental Housing
5	Homeless and Special Needs Populations
6	Tenant-Based Rental Assistance (TBRA)
7	Housing Resources
8	Micro-Enterprise Development
9	Job Creation and Business Expansion
10	Neighborhood Focal Point Support
11	Capital Improvements for Community Organizations
12	Neighborhood Revitalization Plans and Projects
13	Overall Program Administration
14	ESG23 Madison

Table 8 – Project Information

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

The allocation of funds for the activities listed in this Action Plan are closely aligned with the top housing and community development needs identified in the needs assessment and housing market analysis articulated in the City's 2020-2024 Strategic Plan, and through input contributed by stakeholders and citizens who participated in its development.

The primary obstacle to addressing underserved needs continues to be the diminishing availability of funds vis-à-vis the increasing funding needs of the nonprofit agencies with whom the City contracts for services. To illustrate this point, during its RFP processes, the City routinely receives funding proposals requesting funds far in excess (often up to 160% or more) of the total projected funds available.

AP-38 Project Summary

Project Summary Information

1	Project Name	Housing Rehab and Accessibility	
	Objectives Supported	Housing Development & Financing: Homeownership	
	Goals/Needs Addressed	Affordable Housing	
	Funding	CDBG: \$1,712,905 HOME: \$398,845	
	Description	Preserve and Improve the supply of affordable housing for homeowners	
	Expected Beneficiaries	Approximately 179 LMI households will benefit from the activities proposed within this Project.	
	Location Description	Citywide	
	Planned Activities	Capital Improvements for Non-Profit Housing (CINH) Grant Program PH Home Repair Program PH South Madison Home Repair Grants	PH Home Rehab Loan Program Habitat Home Repair Program MACLT Housing Maintenance Fund
2	Project Name	Owner-Occupied Housing Development	
	Objectives Supported	Housing Development & Financing: Homeownership	
	Goals/Needs Addressed	Affordable Housing	
	Funding	CDBG: \$263,668 HOME: \$1,401,608 City: \$1,212,900	
	Description	Expand the supply of affordable housing for homeowners	
	Expected Beneficiaries	Approximately 52 LMI households will benefit from the activities proposed within this Project.	
	Location Description	Citywide	
	Planned Activities	CWD Fremont Avenue New Construction Habitat Owl Creek Homeownership Development Kaba Ball Owl Creek Homeownership Development MACLT Northside Housing Acquisition & Rehab	WPHD Mosaic Ridge Homeownership Development WPHD Scattered Site Acquisition & Rehab Housing Development Reserve Fund activities TBD
3	Project Name	Homebuyer Assistance	
	Objectives Supported	Housing Development & Financing: Homeownership	
	Goals/Needs Addressed	Affordable Housing	
	Funding	CDBG: \$920,000 HOME: \$2,674,832 HCRI: \$705,893 City of Madison: \$105,000	
	Description	Improve housing stability for homebuyers	
	Expected Beneficiaries	Approximately 40 LMI households will benefit from the activities proposed within this Project.	
	Location Description	Citywide	
	Planned Activities	Habitat Affordable Homeownership for Families Home-Buy The American Dream (HBAD) Program	MO Homeownership Program
4	Project Name	Rental Housing	
	Objectives Supported	Housing Development & Financing: Rental	
	Goals/Needs Addressed	Affordable Housing	
	Funding	CDBG: \$2,184,169 HOME: \$5,647,869 City of Madison: \$18,858,141	
	Description	Preserve, improve and expand the supply of affordable housing for renters	
	Expected Beneficiaries	Approximately 268 LMI households will benefit from the activities proposed within this Project.	
	Location Description	Citywide	
	Planned Activities	Small-Scale Rental Rehab Loan Program Capital Improvements for Non-Profit Housing (CINH) Grant Program Bayview Foundation Apts Rental Housing Renovation CDA/MRCDC Scattered Site Preservation Fourteen02 Park (aka Truman Olson) Rental Housing JTK University Park Rental Housing MCC Hancock Cooperative Rental Rehab MDC The Lillian Rental Housing Development MO Red Caboose Apts Rental Housing MSP The Heights Rental Housing Development MSP The Oscar Rental Housing Development	Occupy Madison Solar Project Odessa Avenue Square Apts Rental Housing Development ReJenerate Rental Housing Cooperative Development SSD/MACHA Zapata Housing Cooperative Sustain Dane NOAH Energy Efficiency Upgrades Temp Family Shelter Boiler Replacement Temp Men's Shelter Roof Replacement Uno Terrace Rental Housing Development Affordable Housing Initiative activities TBD Housing Development Reserve Fund activities TBD

5	Project Name	Homeless and Special Needs Populations <i>[also see Project #14]</i>	
	Objectives Supported	Homeless Services & Housing Stability	
	Goals/Needs Addressed	Affordable Housing	
	Funding	City of Madison: \$1,653,778 EHH (ESG / HPP / HAP): \$617,834	
	Description	Improve housing stability for renters, homeless and special needs populations	
	Expected Beneficiaries	Approximately 8,398 homeless persons or persons at-risk of homelessness will benefit from the shelter, street outreach and homelessness prevention activities proposed within this Project. <i>(Figure includes anticipated beneficiaries from certain ESG-funded activities under Project #14, ESG23 Madison.)</i>	
	Location Description	Citywide	
	Planned Activities	CFC State Street Outreach & Mediation DCHS The Beacon Support FSSF Emergency Hotel Rooms & Supportive Services HI Permanent Housing Supportive Services ICA Dane CoC Coordinated Entry MACH OneHealth Housing-Focused Street Outreach Porchlight Permanent Housing Case Management	Porchlight Transportation Assistance Grant TRH Voucher Supportive Services TSA Diversion Case Manager TSA Emergency Shelter Operations & Case Management Sankofa Tree Lane Apartments Supportive Services Tellurian Rethke Terrace Supportive Services YWCA Family Shelter Rent subsidy, shelter and homelessness prevention activities TBD through 2023-24 state RFP process (EHH)
6	Project Name	Tenant-Based Rental Assistance (TBRA)	
	Objectives Supported	Homeless Services & Housing Stability	
	Goals/Needs Addressed	Affordable Housing	
	Funding	HOME: \$400,000	
	Description	Rental assistance payments to eligible households	
	Expected Beneficiaries	Approximately 12-15 LMI tenant households will be assisted by the activity proposed within this Project.	
	Location Description	Citywide	
	Planned Activities	FAI Tenant-Based Rental Assistance (TBRA) Program	
7	Project Name	Housing Resources	
	Objectives Supported	Homeless Services & Housing Stability	
	Goals/Needs Addressed	Affordable Housing	
	Funding	City of Madison: \$577,220	
	Description	Provide information or other non-monetary resources to LMI persons, and support access to affordable housing opportunities	
	Expected Beneficiaries	Approximately 4,000 LMI households will benefit from the public services or fair housing activities proposed within this Project.	
	Location Description	Citywide, with some activities targeted to Madison's Southside and Owl Creek neighborhoods	
	Planned Activities	EOTO Oak Creek HBE/Financial Wellness Program MO Southside HBE/Financial Wellness Program TRC Tenant Services	Permanent Supportive Housing Case Management / Capacity Building activities TBD ULGM Homebuyer Education / UEE Center
8	Project Name	Micro-Enterprise Development	
	Objectives Supported	Small Business Assistance	
	Goals/Needs Addressed	Economic Development and Employment Opportunities	
	Funding	CDBG: \$499,723	
	Description	Assist entrepreneurs, particularly those from populations that are under-represented, seeking to start or grow small businesses and micro-enterprises (as defined by HUD) that create jobs	
	Expected Beneficiaries	Approximately 1,000 entrepreneurs/micro-enterprises will be assisted via the activities proposed within this Project.	
	Location Description	Citywide	
	Planned Activities	LCC Small Business Technical Assistance MBCC Smarter Black Businesses	WWBIC Business Development Loans Economic Development Reserve Fund activities TBD

9	Project Name	Job Creation and Business Expansion		
	Objectives Supported	Small Business Assistance		
	Goals/Needs Addressed	Economic Development and Employment Opportunities		
	Funding	CDBG: \$875,889		
	Description	Create jobs, especially for under-represented individuals, by supporting new or expanding businesses		
	Expected Beneficiaries	Approximately 50 jobs for LMI persons will be created or retained across an estimated 5 assisted small businesses as a result of the activities proposed within this Project.		
	Location Description	Citywide		
	Planned Activities	MDC Business Loan Program	Economic Development Reserve Fund activities TBD	
10	Project Name	Neighborhood Focal Point Support (NFPS)		
	Objectives Supported	Neighborhood Asset Building		
	Goals/Needs Addressed	Strong and Healthy Neighborhoods		
	Funding	CDBG: \$366,000	City of Madison: \$924,028	Future Madison: \$22,622
	Description	Create, enhance or sustain the development and operation of physical assets, such as community and neighborhood centers, other physical amenities that help bring people of diverse backgrounds together or that help residents develop skills or take advantage of opportunities that will strengthen neighborhoods		
	Expected Beneficiaries	Approximately 38,000 LMI persons will benefit from the public service activities proposed within this Project.		
	Location Description	The overall Project has a Citywide focus; however, each assisted center has its own defined service area.		
	Planned Activities	NFPS: Bayview International Ctr for Education & the Arts NFPS: BGC Allied Family Center & BGC Taft Street Site NFPS: Bridge Lake Point Waunona Neighborhood Center NFPS: Badger Rock Neighborhood Center NFPS: East Madison Community Center NFPS: Goodman Community Center NFPS: Kennedy Heights Neighborhood Center	NFPS: Lussier Community Education Center NFPS: MSCR Meadowood Neighborhood Center NFPS: Neighborhood House Community Center NFPS: Vera Court Neighborhood Center NFPS: Wil-Mar Neighborhood Center NFPS: WYC Elver Park Neighborhood Center NFPS: WYC Theresa Terrace Neighborhood Center	
11	Project Name	Capital Improvements for Community Organizations		
	Objectives Supported	Neighborhood Asset Building		
	Goals/Needs Addressed	Strong and Healthy Neighborhoods		
	Funding	CDBG: \$743,384	City of Madison: \$3,000,000	
	Description	Create or improve safe, accessible, energy-efficient and well-maintained community and neighborhood facilities		
	Expected Beneficiaries	Approximately 27,828 LMI persons will benefit from the activities proposed within this Project.		
	Location Description	Citywide		
	Planned Activities	BLPW New Center Development Bayview Neighborhood Investment Fund	Community Facilities Loan (CFL) Program Acquisition/Rehab Reserve Fund activities TBD	
12	Project Name	Neighborhood Revitalization Plans and Projects		
	Objectives Supported	Neighborhood Asset Building	Program Administration	
	Goals/Needs Addressed	Strong and Healthy Neighborhoods	Effective Planning and Program Administration	
	Funding	CDBG: \$289,500		
	Description	Help residents within designated neighborhoods identify, plan for and implement projects and activities that promise to enhance the quality of life for neighborhood residents		
	Expected Beneficiaries	Approximately 2,000 LMI persons will benefit from neighborhood revitalization activities proposed within this Project.		
	Location Description	Concentration neighborhood planning efforts for 2023 continue to be focused on the Hawthorne-Truax neighborhood. Ongoing revitalization projects/activities arising from prior Plans include those focused on South Madison.		
	Planned Activities	Concentration Neighborhood Planning EDD/OBR South Madison Building Improvement Grants (BIG)	Hawthorne-Truax Neighborhood Revitalization Projects TBD	

13	Project Name	Overall Program Administration		
	Objectives Supported	Program Administration		
	Goals/Needs Addressed	Effective Planning and Program Administration		
	Funding	CDBG: \$539,900 HOME: \$217,300 City of Madison: \$675,642 EHH (ESG / HPP / HAP): \$9,782 HCRI: \$36,790		
	Description	Provides staffing for City Community Development Program development, staffing of CDD Committees, contract development and monitoring and general program management; also provides support services including affirmative action, public information, historic preservation, administrative and bid services		
	Expected Beneficiaries	Not applicable; these are planning/administrative and fair housing activities. CDD anticipates that its CDBG Unit staff will administer or manage approximately 115 contracts during 2023.		
	Location Description	Citywide		
	Planned Activities	Direct Administration and Support Services FHC Fair Housing Services	EQT Older Adult Services Outreach & Engagement Futures Fund Reserve activities TBD	
14	Project Name	ESG23 Madison <i>[also see Project #5]</i>		
	Objectives Supported	Homeless Services & Housing Stability		
	Goals/Needs Addressed	Affordable Housing		
	Funding	ESG: \$242,126 <i>(includes \$22,693 from ESG21 and \$52,550 from ESG22)</i>		
	Description	Improve housing stability for homeless		
	Expected Beneficiaries	Anticipated beneficiaries of activities funded within this Project are included in the figures reported under <i>Project 5 (Homeless and Special Needs Populations)</i> , and are not listed here to prevent double-counting. Actual numbers served by ESG-funded activities will be reported via HMIS (not via IDIS/eConPlan).		
	Location Description	Citywide		
	Planned Activities	ESG23 Homelessness Prevention, including: - CAC Prioritize Madison ESG23 Shelter, including: - TSA Emergency Family Shelter Operations & Case Management - YWCA Family Shelter	ESG23 Street Outreach, including: - CFC State Street Outreach & Mediation ESG23 HMIS Services ESG23 Administration	

Table 9 – Project Summary

AP-50 Geographic Distribution

24 CFR 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed.

The City of Madison, part of a dynamic and growing region, is the seat of both State of Wisconsin and Dane County government, and has more than 100 very active neighborhood, business and community organizations. Madison is also home to the University of Wisconsin, a nationally recognized research institution, known for a tradition of academic excellence. The City includes portions of three lakes, and is located upon an isthmus, which gives the City its defining geographical characteristics.

The City has chosen to describe its community development goals and objectives primarily in terms of the functional components of a well-developed community: providing affordable housing; expanding employment opportunities and enhancing neighborhood vitality by supporting new and existing businesses; and strengthening neighborhoods by providing opportunities that expand neighborhood cohesion and stability. The City has identified, within each goal, a geographic priority to stabilize or improve areas of high priority to the City, including Neighborhood Resource Team focus areas. These areas are comprised of neighborhoods with poverty.

The City also intends to prioritize and allocate a small portion of its funds annually (approximately 4% of CDBG entitlement funds) to activities that seek to improve neighborhoods and provide a low/moderate area (LMA) benefit. These efforts will focus on the Neighborhood Resources and Stabilization objective within the Plan.

The City's Neighborhood Revitalization Program targets neighborhoods with high concentrations of low- and moderate-income persons for a special planning and project development process. The CDBG Committee and Common Council select target neighborhoods for this process by analyzing census tract data, such as number of LMI individuals, race, ethnicity, age and housing tenure. The process involves a three-year period for each neighborhood, with the first year involving intensive work with a neighborhood association and a steering committee comprised of representatives of the area. This steering committee works closely with a CDBG-supported City planner to identify the neighborhood's needs and develop a neighborhood plan. The City's Planning Department and CDD are currently working with the Northeast area to develop the next neighborhood plan.

Target Area	Percentage of Funds
<i>(See this section's narrative.)</i>	

Table 10 – Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City identifies, as target areas for investment, Census Tracts where 51% of the individuals meet HUD's low/moderate-income standards (80% or less of the area median income).

(Refer to www.cityofmadison.com/dpced/community-development/documents/targets_map.pdf for a map of census tracts identified by the City as target areas for the five-year period covered by the current Strategic Plan.)

The City also considers, as target areas for investment, any Neighborhood Resource Team (NRT) area with high concentrations of poverty.

(Refer to www.cityofmadison.com/mayor/nrt/ for a map of NRT areas identified by the City as high priority, as well as related information.)

AP-55 Affordable Housing 24 CFR 91.220(g)

One-Year Goals for the Number of Households to be Supported	
Homeless	12
Non-Homeless	297
Special-Needs	0
Total	309

Table 11 - One-Year Goals for Affordable Housing by Support Requirement

One-Year Goals for the Number of Households Supported Through	
Rental Assistance	12
The Production of New Units	85
Rehab of Existing Units	167
Acquisition of Existing Units	45
Total	309

Table 12 - One-Year Goals for Affordable Housing by Support Type

Actions planned during the next year to address the needs to public housing

The City's Community Development Authority (CDA) is in the process of a major redevelopment plan for an area of the City commonly known as the Triangle. This neighborhood is the City's largest public housing and Project-Based Section 8 housing site, currently containing over 300 combined units of public and Section 8 housing. Once the community engagement and master plan are complete, the City will use it as a guide for the redevelopment of existing units, as well as the potential development of additional units under HUD guidance. The City is collectively leveraging its Affordable Housing Funds to support at least two CDA sponsored housing developments annually, one focused on preservation of units and another on new construction.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The CDD and CDA continue to work through implementation steps to engage with public housing residents interested in homeownership. Through the CDA's Self-Sufficiency program, and through the use of down payment assistance programs, some Section 8 Voucher holders have been able to transition to homeownership. In 2024, the CDD and CDA plan to create more educational opportunities for residents to learn about homeownership opportunities. The CDA is in the early stages of exploring additional homeownership options for residents of public housing, which may include other federal programs that can leverage ownership opportunities for residents.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable.

AP-65 Homeless and Other Special Needs Activities

Describe the jurisdiction's one-year goals and actions for:

- *Reducing and ending homelessness, including reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs.*
- *Addressing the emergency shelter and rapid rehousing needs of homeless persons.*
- *Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.*
- *Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.*

Responses to these items are addressed in the Emergency Solutions Grant (ESG) portion of section AP-90 of this Plan (*Program Specific Requirements*), and in **Appendix E**, *One-Year Goals for Madison and Dane County CoC*.

The cost of developing, maintaining and improving affordable housing in the City of Madison is affected by several key factors. Among the most important of these are the time it takes developers to take a project from start to finish; the clarity and ease of use of zoning codes; and property tax policies. The City has identified these as barriers to affordable housing, and continues to proactively implement strategies to remove their negative effects.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City has a policy that exempts developers of affordable housing from the normally required park impact fees. This policy has already begun to produce significant cost savings for affordable housing projects, thus helping to facilitate their development. In 2024, City Community Development Division staff will continue to work closely with other key City departments to ensure successful implementation of the park fee waiver policy.

Because the City zoning code is one of the primary tools used to regulate development, staff from the City's Department of Planning and Community & Economic Development (DPCED) actively monitors its use. Careful attention is paid to address any issues that may impact the development of affordable housing.

Due to concerns that the code was sometimes confusing and especially challenging for developers to navigate, the City undertook, and completed in 2013, a major rewrite of its zoning code (Chapter 28, Madison General Ordinances). The result was a much-improved code that is easier for affordable housing developers to use and understand. The previous code was originally adopted in 1966. Until the new code was adopted, nearly every housing project—whether market-rate or affordable—required a rezoning to a unique Planned Development District in order to accommodate it.

Through its updated zoning code, the City now allows several additional housing types that it believes will encourage the development of additional affordable housing units:

- The updated comprehensive plan recommends greater or expanded density across most residential and mixed-use zoning districts throughout the City.
- Accessory dwelling units (ADUs, sometimes called "granny flats") are now allowable as a conditional use on single-family lots, which can provide new small-scale affordable housing opportunities.
- Cooperative housing is more broadly allowed.
- In some zoning districts, housing projects with up to eight units are allowable as a permitted use. Under the previous code, any building with over two units required conditional use review. This was often onerous for small-scale projects or conversions.
- In many zoning districts, the code allows for (and encourages) residential units in mixed-use buildings. Previously, this was allowable only with unique Planned Development zoning.

Beginning in 2021, the Plan Commission has been entertaining discussions about another revision to the zoning code that would expand the definition of what is considered a "permitted use" in certain residential and mixed-use zones, the goal of which is to further lower barriers to developers of low-income housing by reducing costs associated with applying for conditional use permits, while also decreasing the amount of time spent pursuing additional land use approvals.

Discussion

The City's DPCED has established (and continues to work to refine) a Development Services Center (DSC) model that provides a central location for information on development, review, permitting and inspection processes for all City agencies. Under this model, department staff works to streamline the development process with the goal of improving timeliness, thus reducing developer costs associated with developing a variety of projects including affordable housing. Department staff leads weekly Development Assistance Team meetings that include staff from an array of stakeholder agencies, with a focus on proactive problem solving and guidance to developers as projects move forward. The Community Development Division staff will participate in these weekly meetings whenever its issues or projects are the subject of discussion. The Division will also continue to review and evaluate its efforts to fund affordable housing, and where possible, seek Council action to remove non-financial obstacles to the construction of affordable housing within the City.

Property tax exemption is another issue that impacts the ability to develop affordable housing. With the implementation of relatively recent State legislation, property owned by nonprofit benevolent associations can be developed as low-income housing and be exempt from local property taxes. Without this provision, owners of these kinds of low-income housing projects would pay property tax, resulting in increased expenses that would almost certainly be passed on to tenants in the form of higher rents.

Community Development Division staff will continue to meet periodically with Third Sector Housing, a group of nonprofit housing development agencies. An important goal of these meetings will be to enhance coordination and collaboration associated with the development of affordable housing. The CDD will work with Third Sector representatives to identify ways to improve the capacity of nonprofit housing development organizations and streamline the City's funding and contracting processes.

In addition to the efforts listed above, **Appendix B** lists specific additional work that will be taken to alleviate impediments to fair housing in 2024.

AP-85 Other Actions

24 CFR 91.220(k)

Proposed actions associated with the City's 2024 Action Plan are described primarily in the specific related sections of the Plan. In addition to descriptions found in those sections, the following actions are planned for 2024.

Any other actions planned to:

- ***Address obstacles to meeting underserved needs***

In 2024, the City of Madison will continue to focus on the following three primary areas as it addresses obstacles to meeting underserved needs: (1) affordable housing; (2) economic development and employment opportunities; and (3) strong and healthy neighborhoods.

The obstacles to meeting **housing needs** in the City of Madison revolve primarily around the high cost of housing and need for additional affordable housing. While housing quality, race and non-housing factors play a role in the city's housing needs, housing cost burden is by far the leading challenge in the market. Moreover, the limited supply and rising cost of housing makes challenges like homelessness and racial inequity in housing even more difficult to address.

The obstacles related to **economic development and employment needs** specifically targeted by the City of Madison relate most often to the need to enhance neighborhood vitality. In 2024, this need will continue

to be addressed through support for employment opportunities for low- and moderate-income people, as well as support for new and existing micro-enterprises and small businesses. Most of the City's support in this goal area will go to community-based nonprofit organizations that support job creation and community business development, as well as those that support small business development through assistance to entrepreneurs.

Neighborhood needs associated with the City's 2024 Action Plan relate primarily to strengthening and enhancing the health of neighborhoods with a focus on support for low- and moderate-income persons. Needs will continue to be addressed through support for strategic investments in community assets and amenities, as well as other planning and revitalization efforts. Neighborhood centers and neighborhood plans in low- to moderate-income neighborhoods will continue to be the City's highest priority in this area for 2024.

- ***Foster and maintain affordable housing***

Among the strategies the City of Madison will continue to use in 2024 to foster and maintain affordable housing are the following:

- For new multifamily developments pursuing Section 42 tax credits, align City funding programs 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.
- Coordinate funding timelines to maximize opportunities for projects to have City awards in place in time for the December Section 42 tax credits deadline.
- Coordinate funding award criteria and processes so that projects that meet a common set of criteria that is in-line with City and WHEDA priorities (access to transportation, number of 3-bedroom units, walkability, etc.) get funded by the City and therefore score higher on their tax credit applications.
- Actively recruit developers to apply for Section 42 tax credits in the City of Madison.
- Provide financing to demonstration projects to test the viability of alternative housing forms (Accessory Dwelling Units, Micro Housing, Cottage Housing).
- Consider exceptions to existing funding programs and zoning rules to allow for demonstration projects.

- ***Reduce lead-based paint hazards***

The City will continue to work to reduce lead-based paint hazards by requiring subrecipients and developers to comply with the lead-based paint requirements set forth in 24 CFR Part 35. These include meeting requirements for notification, identification and stabilization of deteriorated paint; identification and control of lead-based paint hazards; and identification and abatement of lead-based paint hazards. The *Protect Your Family from Lead in Your Home* pamphlet, developed by the EPA, HUD and the U.S. Consumer Product Safety Commission, will be distributed. The City-administered down payment assistance programs will also be required to comply with the lead-based paint requirements.

The City and County Board of Health's Environmental Health Division will continue to provide community education programs related to lead-based paint hazards. Information about lead is currently incorporated into the nutritional counseling conducted at the WIC (Women, Infants and Children) Clinics held throughout the City and County. Evaluation of homes of children found to have elevated blood lead levels, as well as

consultation for renovation and remodeling, are provided through this program. The City-County Public Health Department and City Building Inspection staff will continue to coordinate implementation of a local ordinance designed to reduce lead paint removal and dust hazards to neighbors.

Division staff will also continue to educate realtors and lenders that utilize mortgage reduction assistance about the dangers of lead paint in City of Madison housing stock. Lead-based paint remediation policies and procedures are included in each housing development contract provided through the Division. Contractors are required to follow Division Rehabilitation Standards, which include local, state and federal requirements on the proper implementation of lead-based paint mitigation. The City will also continue to allow a higher per-unit subsidy for rehabilitation projects that involve lead paint reduction, due to the increased costs of mitigation.

- ***Reduce the number of poverty-level families***

To reduce the number of poverty-level families in Madison, the City will continue to support the availability and accessibility of employment, education, transportation, health care and family support services to low- and moderate-income households. In each case, the focus will be help individuals and families attain greater independence and promote neighborhood involvement.

The City will also continue to implement the following major strategies to achieve the goal of reducing family poverty:

1. Market information about resources to poverty-level households;
2. Refine housing assistance programs to better link housing assistance with related resources, such as neighborhood centers and employment resources;
3. Improve City service delivery systems so that they are more responsive to neighborhoods where poverty-level families reside in greater numbers, and encourage goals, policies and practices that involve these neighborhoods in City's decision-making processes and revitalization efforts;
4. Increase the quantity of safe, quality, affordable rental housing throughout the City—particularly in locations that are well served by transit and are proximate to places of employment, schools, parks, health care and other basic amenities;
5. Increase economic development and employment and training opportunities; and,
6. Improve collaboration between local governments, nonprofits, schools and businesses.

In addition, the City will continue its poverty reduction strategies and efforts in geographically defined Neighborhood Resource Team (NRT) areas. This work will include working more closely with residents, owners and community groups to address emerging issues and needs and bringing additional services and opportunities to residents who may have been previously underserved or isolated. Key NRT strategies include those listed below.

- Improve public infrastructure within target areas.
- Support Neighborhood Resource Teams, which include representatives from Civil Rights, Building Inspection, Public Health, Police, Community Development Division, Fire and Parks, in each of the designated NRT areas.
- Increase effectiveness of law enforcement efforts to reduce criminal activity.
- Stabilize the management of rental housing in transitioning and challenged neighborhoods.

- Support efforts of owners and residents to reduce energy consumption.
- Assess and refine the City's efforts to support resident involvement and empowerment in the community.
- Coordinate City-funded programs and services with other funders, agencies, businesses and neighborhood organizations.

- ***Develop institutional structure***

In its efforts to develop institutional structure during 2024, the City of Madison will continue to undertake the following activities:

- Participate in the City's Performance Excellence/Results Madison Initiatives. The key element of these Initiatives is to create outcome-based budgeting, streamline City services and create transparency for City residents.
- Support and coordinate with the Dane County Continuum of Care (CoC) to help ensure the best possible system of supports for people who are homeless or at risk of homelessness. The addition of a full-time CoC Coordinator located in a CDD office has allowed this coordination to be simpler and more effective.
- Consider roles and responsibilities within the Division's various lending programs and continue to work toward developing a revised system structure that best addresses stated goals and objectives.
- Implement revised internal Division outcome reporting structures to optimize efficiency and accuracy associated with annual performance reporting.
- Review internal and external policies and procedures and create technical assistance trainings for subrecipients.

- ***Enhance coordination between public and private housing and social service agencies***

The City of Madison will continue its ongoing efforts to increase coordination and collaboration with and between public and private housing and social service agencies engaged in related activities, especially where there are clear opportunities to enhance local initiatives. The City's Community Development Division will work with local service providers, public and private housing organizations, businesses, labor union representatives, City of Madison departments, Dane County, the State of Wisconsin and other funders to more effectively deliver the City of Madison's community development program.

Historically, the City's community development program has been used primarily to fund nonprofit agencies that provide direct services to City of Madison residents. Over the next five years, the CDBG Committee will continue that emphasis, but will also consider the role that for-profit businesses might play in achieving stated goals and objectives, especially in its affordable housing goal area.

The City uses CDBG program funds to ensure decent affordable housing, to provide services to the most vulnerable in our communities, to create jobs through the expansion and retention of businesses and to support strong and healthy neighborhoods. A minimum of 70 percent of CDBG funds are used for activities that benefit low- and moderate-income persons, and each funded activity meets at least one of the following national CDBG objectives:

- to benefit low- and moderate-income persons;
- to prevent or eliminate slums or blight; or,
- to address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, for which other funding is not available.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. <i>The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed</i>	\$ 760,921
2. <i>The amount of proceeds from Section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.</i>	\$ 0
3. <i>The amount of surplus funds from urban renewal settlements</i>	\$ 0
4. <i>The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan</i>	\$ 0
5. <i>The amount of income from float-funded activities</i>	\$ 0
Total Program Income:	\$ 760,921

Other CDBG Requirements

1. <i>The amount of urgent need activities</i>	\$ 0
2. <i>The estimated percentage of CDBG funds that will be used for activities that benefit persons of low- and moderate-income</i>	100 %
3. <i>Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.</i>	2024

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(l)(2)

1. *A description of other forms of investment being used beyond those identified in Section 24 CFR 92.205 is as follows:*

Not applicable.

2. *A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 24 CFR 92.254, is as follows:*

The Community Development Division will use recapture provisions for all assistance provided as direct subsidies allowable in homebuyer activities per 92.254. Direct subsidies will be provided in the form of a 0% interest-bearing loan with shared appreciation due upon the sale, transfer of title or the unit no longer remaining owner-occupied. CDD will recoup the amount invested in the property, plus shared appreciation. The recapture amount is based on the net proceeds available from the sale, rather than the entire amount of the HOME investment. "Net proceeds" is defined as the sales price, minus superior loan repayment and any closing costs incurred by the borrower(s). CDD will record with the Register of Deeds a mortgage and a written agreement with the City of Madison to enforce the recapture provisions and period of affordability requirements of 92.254 on each property.

3. *A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds [see 24 CFR 92.254(a)(4)] are as follows:*

The City of Madison will implement HUD-required recapture provisions per Notice CPD 12-003 to recoup all or a portion of the assistance provided to homebuyers, if housing funded at least in part with City-administered HOME funds does not continue to be the principal residence of the family for the duration of the period of affordability. When the recapture requirement is triggered by a sale (voluntary or involuntary) of the housing unit and the net proceeds are not sufficient to recapture the full HOME investment, then the City of Madison will recapture the net proceeds (if any). Recapture will be implemented in conformance with 24 CFR 92.25(a)(4) to ensure the affordability of units acquired with HOME funds. The City's loan portfolio is reviewed annually to determine whether each home remains the borrower's primary residence. This process is undertaken using tax assessment information and through verification sent by U.S. Postal Service requesting that households complete and return a survey that is reviewed by City staff.

CDD's full Recapture Policy is attached as **Appendix G**.

4. *Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:*

The CDD does not plan to use HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

Emergency Solutions Grant (ESG)

Reference 24 CFR 91.220(l)(4)

1. *Include written standards for providing ESG assistance. (May include as attachment.)*

See **Appendix F1**, *City of Madison ESG Policies and Procedures Manual* and **Appendix F2**, *Dane County Written Standards*.

2. *If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.*

The Dane CoC is responsible for operating and overseeing a Coordinated Entry (CE) system, which is supported by the City of Madison through matching funds and participation in system design and evaluation processes. In addition, a City staff member has been co-chairing the Reimagine CE workgroup since 2022, which aims to provide recommendations to the CoC Board of Directors on new assessment and prioritization systems in 2024. The current CE system descriptions follow.

Access:

The Institute for Community Alliances (ICA) is the lead agency for the Dane CoC Coordinated Entry (CE) system. ICA receives the CoC's CE grant and establishes subcontracts or Memorandum of Understandings with other agencies that serve as access points for the CE system. Individuals seeking assistance through the Dane CoC CE can access services through several access points, including:

- The Tenant Resource Center for prevention resources.
- Emergency shelters such as The Salvation Army Women Shelter and Family shelter, Porchlight Men's shelter, The Beacon Day Resource Center, and Domestic Abuse Intervention Services.
- Street outreach programs that serve as mobile CE hubs.
- The Coordinated Entry office located at The Beacon Day Resource Center.
- The Coordinated Entry phone line.
- The CE contact form available on the Dane CoC website.

Assessment:

- Individuals seeking assistance through the coordinated entry system must have experienced literal homelessness for at least 7 days.
- The Vulnerability Index - Service Prioritization Decision Assistance Tool (VI-SPDAT) is used as the assessment tool for single adults, households with children, and transition age youth (ages 18-24).
- Formal diversion is provided by TSA (The Salvation Army) for single women and families.
- Assessors follow up with individuals every 30-45 days to assess their current need and update information.

Prioritization:

- Individuals must be experiencing Category 1 (Literally Homeless) or Category 4 (Fleeing Domestic Violence) as defined by HUD to be prioritized for assistance.

- There is a priority list for single adults and for households with minor children.
- Individuals are prioritized based on their chronic homeless status, length of time homeless (capped at 36 months), and VI-SPDAT score.
- Permanent Supportive Housing (PSH) serves individuals whose situation meets the chronic definition, have been homeless the longest, and have the highest VI-SPDAT score.
- Rapid Re-housing (RRH) serves individuals whose situation has not yet met the chronic definition.

Individuals may receive a lesser intervention than their score suggests based on available resources and other factors.

3. *Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).*

Emergency Solutions Grant (ESG) funds have traditionally been combined with other federal (HOME and CDBG) and City funds as part of homeless service-focused funding processes. After reviewing proposals and receiving feedback from the public, funding decisions are generally made by the CDBG Committee and submitted to the Common Council for approval, as part of the annual operating budget process. Funded agencies then enter into contracts with the City and start providing housing/services at the beginning of the following calendar year. During 2021, a homeless services funding process was held to determine the use of 2022-2025 homeless service resources.

4. *If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.*

To ensure homeless individuals' voices are heard, Madison's Dane CoC has established a Lived Experience Council (LEC), which consists of people with personal experience of homelessness. The LEC advises the CoC Board on significant policy matters and participates in the funding process, such as serving as review team members for the State ESG. Additionally, Madison's CoC Youth Action Board (YAB) has participation from youth with lived experience and advises the board on youth-related policy matters and participates in funding review processes. Furthermore, the CoC has designated seats for appointed members of the LEC and YAB on the board. The City of Madison actively engages LEC and YAB to inform the City's policies and program designs funded with ESG.

The City of Madison also invites currently and formerly homeless individuals and families to provide feedback and participate in city planning and evaluation activities. We do this by organizing specific listening sessions or focus groups to hear their feedback for planning and evaluation purposes. In addition, the City-County Homeless Issues Committee (CCHIC) provides feedback to the City of Madison. Committee structure requires that two members are homeless or formerly homeless individuals. Overall, the City of Madison's approach ensures that people with lived experience of homelessness have meaningful input in decision-making processes that affect them, as required by 24 CFR 576.405(a).

5. *Describe performance standards for evaluating ESG.*

The CoC created a list of criteria for evaluating both ESG- and CoC-funded programs. Each agency's performance on a specific outcome is awarded a point value, determined by the CoC's Board of Directors, outside of a specific funding process. The points are totaled, and agency programs are ranked from highest to

lowest. The agency is only ranked on those criteria that are applicable to its program. The score is a percentage of the number of possible points and is used by the agencies to determine which programs are funded.

The following criteria are used specifically for proposals seeking ESG funds:

- Agency is on-course to spend 100% of its awarded funds by the end of the contract;
- Agency meets the HMIS data quality standards;
- Agency submits requested reports to the City in a timely manner;
- Agency meets percentage goal for participants who remain or leave for stable housing;
- Agency meets percentage goal for participants who did not enter shelter within 12 months;
- Agency meets percentage goal for participants who maintain housing at six months; and
- Agency meets percentage goal for unsheltered participants who move into housing.

DRAFT