DANE COUNTY

Pathways to Reducing Obstacles to Housing (PRO Housing)
FR-6800-N-98

County of Dane, Department of Human Services
Division of Housing Access & Affordability

DANE COUNTY

Community Development Block Grant
Home Investment Partnerships

For Submission to the U.S. Department of Housing and Urban Development.

PUBLIC HEARING: Tuesday, October 1, 2024 at 5 pm

Public comments on the PRO Housing Grant Application were accepted until noon on October 1, 2024, at cdbg@danecounty.gov, with the Subject line "PRO Housing Grant Application Comments."

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Exhibit A: Executive Summary

County of Dane

Exhibit A: Executive Summary

All sections in this grant application, including questions and tables, reflect the Pathways to Reducing Obstacles to Housing (PRO Housing) requirements, as described in Notice of Funding Opportunity FR-6800-N-98.

The Dane County Urban County Consortium ("Dane County" also referenced as "County") is applying for $7 million to proactively remove barriers to affordable housing and increase housing production while lowering housing costs for low- and moderate-income families over the long term. The application will be submitted to the U.S. Department of Housing and Urban Development (HUD) as the funds were appropriated under the authority of the Consolidated Appropriations Act, 2024 (Public Law 118-42, approved March 9, 2024) (Appropriations Act) utilizing the Community Development Block Grant (CDBG) statutory and regulatory framework.

Dane County's application to the PRO Housing grant will demonstrate:

- Dane County's progress and commitment to overcoming local barriers to facilitate the increase in affordable housing production and preservation;
- Dane County's acute demand for housing affordability to households with incomes below 100% of the Dane County area median income;
- Dane County's usage of the funds to identify and remove barriers to affordable housing in a manner that affirmatively furthers fair housing by expanding access to housing opportunities in well-resourced areas for protected class groups;
- Dane County's commitment and ability to identify and remove barriers to:
    - Expand affordable housing in a manner that would promote desegregation;
    - Expand affordable housing in well-resourced areas of opportunity for protected class groups that have systematically been denied equitable access to such areas;
    - Deconcentrate affordable housing and increase housing choice.
- Dane County's application advances its efforts regarding:
    - Housing equity;
    - Locating affordable, accessible housing near transit and bolstering access to services and opportunities;
    - Increasing community resilience and mitigating the effects of natural and environmental hazards;
    - Developing and preserving affordable housing following input from community members and other stakeholders;
    - Advancing strategies identified in the Dane County Regional Housing Study.

Dane County's application aligns with the following HUD's Strategic Plan Goals and Objectives: Strategic Goal 1: Support Underserved Communities; 1A: Advance Housing Justice; 1B: Reduce Homelessness; 1C: Invest in the Success of Communities; Strategic Goal 2: Ensure Access to and Increase the Production of Affordable Housing; 2A: Increase the Supply of Housing; Strategic Goal 4: Advance Sustainable Communities; 4A: Guide Investment in Climate Resilience; and 4B: Strengthen Environmental Justice.

Exhibit B: Threshold Requirements and Other Submission Requirements

County of Dane

Exhibit B: Threshold Requirements and Other Submission Requirements

Dane County meets all threshold eligibility requirements to submit a Pathways to Removing Obstacles to Housing (PRO Housing) grant application (FR-6800-N-98) to the U.S. Department of Housing and Urban Development (HUD).

1. ***Resolution of Civil Rights Matters:*** Dane County has: (a) no outstanding civil rights matter that must be resolved before submission; (b) no charges, causes, determinations, lawsuits, or letters of finding referenced in subparagraphs (1) – (5) that are not resolved to HUD's satisfaction before or on the application deadline date for the Notice of Finding Opportunity (NOFO).

a) Charges from HUD Concerning a systemic violation of the Fair Housing Act or receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a substantially equivalent state or local fair housing law proscribing discrimination because of race, color, religion, sex (including sexual orientation and gender identity), national origin, disability or familial status;

b) Status as a defendant in a Fair Housing Act lawsuit filed by the United States alleging a pattern or practice of discrimination or denial of rights to a group of persons raising an issue of general public importance under 42 U.S.C. 3614(a);

c) Status as a defendant in any other lawsuit filed or joined by the Department of Justice, or in which the Department of Justice has intervened, or filed an amicus brief or statement of interest, alleging a pattern or practice or systemic violation of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Americans with Disabilities Act, Violence Against Women Act, or a claim under the False Claims Act related to fair housing, non-discrimination, or civil rights generally including an alleged failure to affirmatively further fair housing;

d) Receipt of a letter of findings identifying systemic non-compliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974; Violence Against Women Act; or the Americans with Disabilities Act; or

e) Receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of provisions of a state or local law prohibiting discrimination in housing based on sexual orientation, gender identity, or lawful source of income.

2. ***Timely Submission of Application:*** Dane County will submit the PRO Housing grant application before the deadline stated in the NOFO of October 15, 2024, 10:59:59 CST.
3. ***Eligible Applicant:*** Dane County (01—County Governments) is an eligible applicant in accordance with Section III.A of the NOFO.
4. ***Number of Applications:*** Dane County intends to submit only one application.

Statutory and Regulatory Requirements Affecting Eligibility: Dane County meets all eligibility requirements outlined in the Eligibility Requirements for Applicants of HUD's Financial Assistance Programs section in the PRO Housing NOFO.

Other Submission Requirements: All items outlined in the PRO Housing NOFO (i.e., application exhibits, required forms, and certifications) will be attached and uploaded to grants.gov with the final application package.

Exhibit C: Need
County of Dane

Exhibit C: Need

Progress and Commitment to overcoming local barriers to facilitate the increase of affordable housing production and preservation, primarily by having enacted improved laws and regulations

Improved laws, regulations, or land use local policies

Over the last decade, Dane County and its municipalities have made a concerted and unified effort to eliminate local barriers to increase affordable housing production and preservation. Dane County, along with municipal partners, nonprofit and for-profit developers, housing industry experts, elected officials, and members of the community, engaged in the Dane County's Regional Housing Strategy (RHS) by creating "A Road Map to Solving Dane County's Housing Crisis Strategic Action Plan 2024 – 2028". (https://rhs.danecounty.gov/documents/pdf/DCRHS-ExecSummary-FNL-web.pdf) The Action Plan is explicit in that Dane County is experiencing a severe housing crisis caused by rapid job and household growth and the underproduction of new housing units to meet the increased demand. One of the strategies to address this underproduction, *Strategy #4: Advance Zoning Reforms and Update Local Zoning Codes*, is an approach to support municipalities throughout the County and significantly help resource-challenged communities increase the overall number of housing units as a direct result of the changes guided by model ordinances that incorporate best practices and options for various zoning updates. Dane County is currently undergoing a procurement process to hire a consultant to write the model residential zoning codes applied to all townships in Dane County. While Dane County does not have the legislative authority to improve laws and regulations in the cities and villages, our partner municipalities in Dane County have requested the model zoning code so they can align their residential zoning regulations as much as possible. Together, we continuously work to improve laws and regulations to overcome local barriers to affordable housing production and preservation by addressing key challenges such as restrictive zoning, inefficient permitting processes, and high land costs.

Changes to zoning regulations and Land Use Policies: A notable change to zoning regulation was with the City of Middleton from 2021-2024, which prepared a new Zoning Ordinance and map. The project modernized the City's zoning regulations, streamlined processes, encouraged reinvestment, and implemented the City's Comprehensive Plan. One significant reform by the City of Sun Prairie was expanding housing options identified as a priority. This policy change has increased residential densities to "High-intensity residential overlay" areas. There are at least two cities (the City of Sun Prairie and the City of Fitchburg) located in the urban core of Dane County actively working to change their zoning regulations to encourage affordable housing development through changes to zoning ordinances, subdivision regulations, or other land development regulations to increase development density, expedite approvals, reduce impact fees, or reduce parking, building or other development costs. Meanwhile, many of the rural villages and townships are exploring similar changes. By implementing these changes, municipalities in Dane County could access the $275 million Wisconsin Housing and Economic Development Authority (WHEDA) Infrastructure Access Loan program, which covers the cost of infrastructure related to workforce housing or senior housing. These municipalities are connecting with the City of Middleton to learn best practices and strategies to achieve such efforts.

Improved Permitting Processes: The City of Sun Prairie has streamlined and modernized the permitting and licensing process by implementing an online system (OpenGov) for permit and license applications. This reform reduced staff time and decreased the average inspection time from 35 minutes to 3 per permit. Manual processes 20-30 years old were reduced to only 10% of what they were before. A notable difference was calculated as it reduced the average time for permit approval, allowing developers to break ground faster and reducing overall project costs.

Timeframe: Updates to the municipality building inspection reviews and zoning code helped streamline the development timeline, ultimately reducing housing costs. In the City of Sun Prairie, from 2016 to the present, 85% of the 3,904 residential units (single- and multi-family) developed in Sun Prairie have been in Planned Developments (PD). The PD process creates a longer and more uncertain timeline for developers and the public, which increases housing costs. This challenge has been a critical factor prompting Sun Prairie's zoning code revision. According to a study by Smart Growth Greater Madison, which analyzed housing projects with a developer's letter of intent dated January 2018 or later, the average time from letter of intent to building permit in Sun Prairie was 452 days for the nine projects reviewed – placing it in the middle range compared to peer communities in Dane County. The City of Madison and Fitchburg had shorter timelines, averaging 429 and 321 days, respectively.

Other recent actions to overcome barriers to facilitate the increase of affordable housing production and preservation while addressing acute needs and identifying the remaining needs

As a HUD-identified geographic priority, Dane County is facing an extreme housing shortage. Madison, the primary urban center in the County, had a vacancy rate of 2.5% at the end of 2022 and the beginning of 2023 (CapTimes). From 2010 to 2017, Dane County underproduced about 11,000 housing units relative to the County's growth (Dane County Regional Housing Strategy (RHS) Workbook). To keep up with demand, Dane County must produce 2,000 housing units per year. To complement, the CDBG PRO Housing program, Dane County is currently evaluating its capital funds to infuse funding in the production and preservation of affordable housing units. Additionally, the County is considering changing the period of affordability from the previous 30-year requirement to 40 years. When discussing with the municipalities in Dane County how to support removing barriers to improve laws and regulations to increase affordable housing, the primary barrier is a need for more available funding. Municipalities have expressed costs ranging from $175,000 to nearly $300,000 simply to hire a consultant and improve their zoning regulations.

During engagement sessions with partners in the housing industry, a primary barrier they identified was the need for more infrastructure improvements to develop or preserve affordable housing. In particular, they pointed to the need for last-mile infrastructure that connected land identified or purchased for affordable development to existing municipal infrastructure. The cost of the last mile infrastructure usually falls on the developer, which increases the project's overall cost, leading to fewer affordable units as more market-rate units are needed to make the project work financially.

Dane County has consistently worked to identify barriers to affordable housing production, particularly since the creation of the Dane County Affordable Housing Development Fund (AHDF) in 2015 and the establishment of the Dane County Housing Initiative (DCHI) shortly after. The DCHI is a public-private partnership of housing stakeholders that includes residents,

elected officials, financial institutions, housing developers, non-profit housing agencies, and more. DCHI has developed a network of information and resources, facilitated communication and learning, and built strategies to expand housing options in Dane County.

In collaboration with Professor Kurt Paulsen, Ph.D., AICP, an Associate Professor of Urban Planning at the University of Wisconsin–Madison, the DCHI released a Housing Needs Assessment in 2015 and 2019. Both reports found that Dane County's population growth consistently outpaces the housing available, particularly at lower income levels. One measure of this "Housing Gap" is the difference between the number of renting households with incomes below 30% of AMI and the number of units whose rent would be affordable to households at 30% of AMI income levels. Dane County's "Housing Gap" is 10,812 affordable units.

The Housing Needs Assessment has been foundational to Dane County's efforts to increase housing stock and community awareness of the housing shortage. This has been accomplished through outreach efforts from the Dane County Planning and Development, staffing the DCHI, and hosting annual housing summits (2015 – 2019) to increase connection and collaboration in the housing industry among housing advocates, developers, supportive services partners, and municipal government units.

In 2020, Dane County created its first division of Housing Access and Affordability (HAA) within the Dane County Department of Human Services to manage contracts and community partnerships focused on preventing and ending homelessness, increasing access to and availability of affordable housing, and supporting economic and workforce development. The HAA Division manages and administers the Dane County CDBG and HOME funds, the Dane County Affordable Housing Development Fund (AHDF), and other county-funded housing initiatives.

Most recently, Dane County has engaged in an unprecedented countywide effort to identify, address, mitigate, and remove barriers to affordable housing production and preservation through a collective effort known as the Dane County Regional Housing Strategy (RHS).

The RHS was launched in 2022 to address Dane County's extreme housing shortage by building on local and regional efforts, celebrating the unique character of our communities, assessing ongoing challenges, identifying and strengthening regional collaboration and partnerships, creating a vision for the future of housing in Dane County for the next 10-20 years, and opening doors for our Dane County workforce that is typically below 50% of the area median income–school teachers, entry-level professionals, public safety professionals, maintenance and service employees–as well as families with children, residents of color, seniors, and those with disabilities. To assess the housing needs within our region, the RHS has undertaken a study examining housing barriers in Dane County. Released in April 2024, the study report details a strategic action plan for 2024 -2028 to inform a County-wide regional strategic action plan for 2024 – 2028 to address Dane County's housing crisis.

While the RHS is a long-term data-driven coalition that identifies, addresses, mitigates, or removes barriers, the County has also worked to mitigate or remove barriers to affordable housing by financially investing in the AHDF to create new affordable housing units. The greatest need in this area is access to funding to keep up with the demand for new housing units.

Since the inception of the AHDF in 2015, Dane County has invested $41,707,792.00 in housing developments throughout the county, which has supported the anticipated production of 2,808 housing units, including 2,547 units that are considered affordable to low- and moderate-income households. ***Yet, there's still a gap in the number of new units produced to keep up with demand***. The AHDF also plays a critical role in increasing access to the affordable units it supports by incentivizing developers to adopt flexible screening criteria for tenants with a less-than-perfect housing history, adopting additional tenant protections via a tenancy addendum for the development, and setting aside units for referrals from the Dane County/Madison Continuum of Care's (CoC) by-name housing referral list for people experiencing homelessness.

The fund's priorities reflect feedback from a community engagement process conducted before the fund opened in 2015 and reaffirmed in 2021. Some of those priorities include projects with a more significant number of three-bedroom units for families, projects that support people experiencing homelessness, veterans, people with disabilities, people with arrest and conviction records, and seniors. Additional preferences include projects that nonprofit organizations develop, commit to permanent affordability, include units for 30% AMI households, align with State of Wisconsin requirements for low-income housing tax credit (LIHTC) awards, and provide access to jobs, schools, and transportation.

As a HUD priority geography, Dane County has an acute demand for housing in general and affordable housing in particular. Driven in part by the increase in population, the county is the fastest-growing county in Wisconsin and the Midwest and one of the fastest-growing counties in the country. In U.S. Census data released March 2023, Dane County accounted for more than half of Wisconsin's population increase, with 6,479 new people from July 1, 2021, to July 1, 2022. For Counties of comparable size (500,000 to a million) people, Dane County saw the most significant population increase of any County outside the South (US Census data March 2023) from April 1, 2020, to July 1, 2022.

As of 2020, Dane County had 250,000 housing units, of which 52% (129,300 units) were in Madison. According to the Capital Area Regional Planning Council, to meet its housing needs by 2050, Dane County will need to add 100,000 new housing units. ***<u>To reach</u>***

the 2050 target, Dane County needs to add 3,875 units annually. Dane County's RHS identified 91,510 rental units compared to 91,500 renting households from 2016-2020. Of the 91,510 rental units, 80,280 are affordable to 30-60% AMI (40,680 units) and 60-100% AMI (39,600 units). In contrast, units affordable to households with 30% AMI there are only 5,500 units, while there are 5,680 units affordable to households with over 100% AMI. While the total available rental units to total renting households looks comparable at this level, the distribution of affordable units at different levels squeezes low-income households out of the rental market. On the above median to high-income side, 22,450 households are making 100% or more AMI, but only 5,680 units at that level for a shortage of 16,770 units, exacerbating the need for workforce housing. This means that for those households to find rental lodging, they need to seek rental units that are affordable to those below 100% AMI, which in turn makes those rental units more competitive. This is particularly dire for those making under 30% AMI as there is a shortfall of 13,300 rental units affordable to those under 30% AMI (18,860 households to 5,550 units). Extreme competition for households under 60% AMI and severe cost-burden households below 30% AMI is generated from the 'Big Squeeze' as lower AMI households pay more than they can afford and 100% and higher AMI squeeze into the 60-100% AMI rental units.

In terms of equity, this housing squeeze results in households of people of color experiencing more turbulence and high housing cost burden than white households do. The Median Household Income in Dane County for a white household is $80,000, while it is $38,000 for a black household (PUMs ACS 5-Year (2016-2020)). Before COVID-19, 49% of black households, 47% of Hispanic/Latino households, 33% of Asian-American households, and 26% of white households were cost-burdened. While pandemic-related challenges, inflation, and rising interest rates are putting increased pressure on households at all levels, households of people of color who were already negatively impacted by the acute affordable housing needs in Dane County are especially hard-pressed as rent prices have increased sharply in Dane County.

In August 2024, Apartment List conducted a national study on rent prices. It was found that the rent prices in Madison increased by 6.6% year over year (YoY). This was the second highest year-over-year increase in the country, behind only Cleveland, OH. In contrast, the national rent growth has decreased at -0.7 percent YoY. Looking further into their data (Apartment List Historic Rent Estimates(Jan 2017 – Present)) from 2017 (which falls within the timeline of the RHS data) and August 2024, the cost of the average one-bedroom rose from $861 to $1,440 a month, and a two-bedroom rose from $989 to $1,642 a month. In Dane County, a one-bedroom rose from $865 to $1,396 a month, and a two-bedroom rose from $992 to $1,603 monthly in the same time frame.

To determine the current cost burden, we annualized the rents for one—and two-bedroom apartments in Madison. We found the percentage of the rent in HUD's FY 2024 Income Limits Summary for Households of two (2) and (4) at low, very low, and extremely low income. We learned that very low (50%) income households are rent-burdened, while extremely low (30%) households are extremely rent-burdened and pay more than 50% of their income for rent.

Table 1: Rent Burden					
FY 2024 Income Limit Area		Persons in Family		1-bedroom Rent Burden for Households of 2	2-bedroom Rent Burden for Households of 4
	Income Limits ($)	2	4	Average Annual one-bedroom rent: $17,280	Average Annual two-bedroom rent: $19,704
Madison, WI HUD Metro FMR Area	Low (80%)	78,250	97,800	**22.08%**	**20.14%**
	Very Low (50%)	50,400	62,950	**34.28%**	**31.30%**
	Extremely Low (30%)	30,200	37,750	**57.22%**	**52.19%**

Table 2: Dane County Emergency Rental Assistance (ERA)	
Income Range	Number of Households
Under 30% AMI	6,339
Between 30% and 50% AMI	1,932
Between 50% and 80% AMI	538
Total	8,810
Source: Dane County ERA Data Set September 1, 2021 to January 27, 2023	

Households at the most significant risk of housing instability are those with incomes less than or equal to 30% of AMI and paying more than 50% of monthly household income toward housing costs. Table 3 below, using Comprehensive Housing Affordability Strategy (CHAS) (2017-2021) data, shows that 20,995 households are identified as having severe cost burdens by paying more than 50% of monthly household income toward housing costs up to the 30% HAMFI level.

As the HUD Area Median Family Income increases, the number of households substantially decreases in those with a more than 50% cost burden. The practitioners in Dane County shared that households with incomes less than or equal to 30% of AMI and pay more than 50% of monthly household income towards housing costs have predominantly been at the most significant risk of housing instability. The limited amount of affordable housing units for households earning at or below 30% of AMI has led to the overpayment of housing costs despite the limited income. As the "Big Squeeze" table shows, there is a significant gap in rental units available that would need to serve the households at or below 30% of AMI. This considerable gap has led Dane County to set up preferences with first serving households that are experiencing homelessness being identified through our local Continuum of Care (CoC), then serving other populations within the referral list, such as those at imminent risk of homelessness, those fleeing domestic violence, dating violence, stalking, sexual abuse, or human trafficking, or those whose homelessness could be prevented with service provision.

Table 3: Households (HH) with Severe Cost Burdens Income by Cost Burden– Owners and Renters			
	Cost burden > 30%	Cost burden > 50%	Total
HH Income less than or equal to 30% HAMFI	25,140	20,995	30,130
HH Income >30% to less than or equal to 50% HAMFI	19,320	5,430	27,475
HH Income >50% to less than or equal to 80% HAMFI	13,490	1,530	44,510
HH Income >100% HAMFI	3,200	335	108,265

Data Sources: 1. Comprehensive Housing Affordability Strategy (CHAS) (2017-2021)

Dane County has grown rapidly over the last 15 years. Much of the growth is around renter households and those earning very high incomes. This trend has created high tension and competition within the housing market, and as shown previously, supply has not kept up with demand. The ownership market applies further pressure on Dane County's rental market. New home construction is unaffordable to the median renter and median households. In 2022, 1,241 single-family permits were acquired in Dane County. The high interest rate environments, high construction and land costs, and a lack of supply have increased barriers to access. This causes households entering the ownership market to continue to rent, applying further market pressure on renter households who cannot afford to leap into owning.

While Dane County needs more housing options available to households of all incomes, Dane County has explicitly prioritized increasing the number of rental units for families at the lowest end of the economic spectrum – at or below 30% AMI. Table 5 listed below will display the 'Housing Inventory and Gaps Analysis for Homeless Populations' highlighting the variances within the gaps analysis, and Table 6 will display the 'Permanent Supportive Housing (PSH) and Rapid Rehousing (RRH) Inventory' stressing the needs in Dane County. According to Table 4 below, a total gap of 675 affordable units is needed to support households at or below 50% AMI, of which there's a total of 100 units as the gap shows the need for households at or below 30% AMI. High construction and material costs, increases in the price of financing, and other factors have made these units impossible to build without a deep subsidy. Moreover, Dane County's Affordable Housing Development Fund, which provides soft debt to Low-Income Housing Tax Credit projects, requires that projects include integrated supportive housing for households at or below 30% of AMI.

A review of the current inventory of emergency shelters, transitional housing, rapid rehousing, and other permanent housing programs in Dane County and data from the annual 2021 Point-in-Time count shows that gaps persist between households with and without children. However, the most significant gaps were among adult-only households. Table 5 below shows a gap of 1,180 beds or 1,350 units to serve homeless adults compared to 135 beds or 26 units for homeless families with children. Tables 4 – 6 exemplify why Dane County is in an emerging need to develop more affordable housing units in Dane County.

Table 4: Non-Homeless Housing Needs Inventory and Gap Analysis Table			
	Current Inventory	**Level of Need**	**Gap Analysis**
	# Units	# Households	# Households
Total Rental Units	93,190		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	21,295		
Rental Units Affordable to HH at 50% AMI	13,475		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		19,620	
30%-50% AMI Renter HH w/ 1 or more severe housing problems		14,080	
Current Gaps			(1,070)

Data Sources: 1. American Community Survey (ACS); 2. Comprehensive Housing Affordability Strategy (CHAS) (2017-2021)

Table 5: Housing Inventory and Gaps Analysis for Homeless Populations													
	Current Inventory					**Homeless Population**				**Gap Analysis**			
	Family		Adults Only		Vets	Family HH (1+ child)	Adult HH (w/o child)	Vets	DV Victims	Family		Adults Only	
	# Beds	# Units	# Beds	# Units	# Beds					# Beds	# Units	# Beds	# Units
Emergency Shelter	354	106	481	465	0								
Transitional Housing	66	17	64	64	24								
PSH	401	122	422	422	181								
RHH	357	104	171	171	7								
Other Permanent Housing	454	122	399	399	6								
Sheltered Homeless		367		1,350		63 HH	399 HH	38 HH	47				
Unsheltered Homeless						1 HH	81 HH	1 HH	1				

Current Gap						64 HH	480 HH	39 HH	48	135	26	1,180	1,350

Data Sources: 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

Table 6: Permanent Supportive Housing (PSH) and Rapid Rehousing (RRH) Inventory				
Housing Intervention	Existing Stock on Point-in-Time	Available Annuall through Turnover	Annual Needs	Over/(Under Units-Annua
PHS - Families	131 units	13 units	39 units	(26 units)
PHS - Individuals	450 beds	45 beds	180 beds	(135 beds)
RRH & Other Permanent Housing Programs – Families	129 units	182 units	170 units	12 units
RRH & Other Permanent Housing Programs – Individu	364 beds	151 beds	1,196 beds	(1,045 beds)

Key Barriers and Needs Addressed to Produce and Preserve More Affordable Accessible Housing

To address the acute housing shortage, Dane County has identified three (3) priority areas for program activities to produce and preserve more affordable, accessible housing. 1.) Addressing Zoning and Building Code Barriers to Affordable Housing; 2.) Build Emerging Developers Capacity; and 3.) Infrastructure and Affordable Multi-Family Rental Development. The barriers to affordable housing are addressed by these three priority areas in many cases due to historical policies that have disproportionately impacted low-income households and people of color.

Zoning and Building Code Barriers to Affordable Housing

Zoning and Building Codes are among the most significant barriers to affordable housing in Dane County. Much of Dane County is rural outside the "urban core" areas. As Dane County grows, housing on the periphery of the expanding "urban core" areas is ripe for development. Many of Dane County's towns and villages are not zoned for multi-family. RHS examined the distribution of different housing unit types in Dane County to determine if housing supply and zoning regulations provide the range of housing sizes and types that meet their community's needs. Some communities have policies in their comprehensive plans to promote "complete neighborhoods," defined as providing a full range of housing types in every neighborhood. The table below shows the percentage of each municipality's housing stock in various kinds of buildings. 1-attached to 4-unit buildings can be considered "attached single-family" homes, as buildings with up to 4 units are assessed as residential properties under Wisconsin law and are financed as single-family properties under Fannie Mae/Freddie Mac and the Federal Housing Administration. Buildings with 5-9 units can be considered "small multifamily" properties and are generally owned and operated by "mom-and-pop" landlords rather than management companies.

While Zoning and Building Code changes are recognized in Dane County as one of the most significant existing barriers to affordable housing, funding those efforts to change the Zoning and Building Codes can be beyond many of the County's towns and villages. Sun Prairie, one of the consortium partners and part of the "urban core" area, recently contracted out with a consultant to work on their zoning code. The budget for this is $173,470.00 and is expected to run from late fall 2023 to summer 2025. Other places in Dane County had suggested they needed between $50,000

to $100,000 for zoning code changes. Financially, it stands as a barrier to making the necessary changes.

	Single-family detached	1 (attached) - 4 units	5-9 units	10+ units
Cities				
Madison	42.8%	17.7%	8.5%	31.0%
Sun Prairie	45.2%	26.3%	6.5%	21.9%
Fitchburg	41.8%	16.7%	8.4%	33.0%
Middleton	42.7%	16.0%	8.6%	32.4%
Stoughton	61.1%	20.1%	5.3%	11.6%
Verona	56.0%	19.4%	4.4%	18.3%
Monona	55.4%	8.5%	4.1%	32.0%
Cities Total	***44.4%***	***18.2%***	***8.0%***	***29.4%***
Villages				
Waunakee	66.8%	17.7%	3.1%	12.5%
Oregon	65.5%	18.6%	5.4%	10.6%
DeForest	62.7%	24.9%	3.1%	9.3%
McFarland	72.3%	18.6%	3.5%	5.6%
Madison (town)	15.2%	27.9%	14.8%	42.1%
Mount Horeb	63.9%	19.6%	6.4%	10.2%
Cottage Grove	65.0%	18.0%	1.4%	13.1%
Cross Plains	68.5%	13.5%	7.8%	10.3%
Marshall	60.7%	34.6%	1.5%	3.1%
Deerfield	77.5%	18.7%	2.3%	1.5%
Belleville	72.1%	22.0%	4.5%	1.4%
Mazomanie	75.9%	15.1%	5.2%	3.8%
Shorewood Hills	76.8%	0.5%	0.0%	22.7%
Black Earth	69.9%	20.7%	3.3%	6.1%
Maple Bluff	95.7%	0.5%	1.5%	2.3%
Cambridge	57.4%	32.2%	2.7%	7.7%
Dane	71.9%	17.1%	7.8%	3.2%
Blue Mounds	89.5%	7.8%	2.7%	0.0%
Brooklyn	78.8%	16.6%	4.6%	0.0%
Rockdale	82.9%	16.3%	0.0%	0.8%
Villages Total	***63.3%***	***19.8%***	***4.8%***	***12.0%***
County Total	***53.4%***	***16.7%***	***6.6%***	***23.3%***

Source: US Census Bureau, American Community Survey 2017 (5-year data).

Build Emerging Developer Capacity

Another barrier to producing and preserving affordable housing in Dane County is the need for more access to capital for emerging developers. Dane County and the municipalities are working to bring in more developers who are new to the process. A challenge seen repeatedly is that with the limited funding sources and stringent application process, it can take new organizations multiple cycles to gain access to the needed capital. Unfortunately, some have stopped the development due to lack of funding. Funding to build emerging developer capacity is crucial for ensuring they have access to the capital they need.

Infrastructure and Affordable Multi-Family Rental Development

One of the primary barriers that Dane County faces in producing affordable housing is funds to develop new affordable rental construction and the infrastructure required for the new affordable rental developments. Compared to the County's growth, Dane County under-produced 11,000 housing units from 2010-2017. To reach the Capital Area Regional Planning Council's 2050 target of adding 100,000 housing units, Dane County needs to add 3,875 units annually. While zoning and building ordinance changes can open up new areas for housing and building the capacity of emerging developers can bring more and new players to the table, at the end of the day, funding is needed to create the new housing units and required infrastructure to meet the County's rising housing demand. The cost of building an affordable housing unit is increasing. For Dane County's Affordable Development Fund, the average per unit cost for eligible projects submitted was $306,822 in 2022 and $353,820 in 2023. With this rising cost, arguably the most prominent remaining barrier to producing affordable housing in Dane County is funding for new construction of rental units and the infrastructure necessary to increase the County's overall capacity for new housing.

Exhibit D: Soundness of Approach

County of Dane

Exhibit D: Soundness of Approach

Dane County's Mission and Vision

Dane County's mission is to provide access to effective, innovative, and evidence-based services and resources that support well-being, opportunities to thrive, safety, and justice to persons of all backgrounds. Our vision is to empower people to thrive in a safe, just, and caring community by reducing barriers to increase affordable housing production across the Dane County geographic area in alignment with the Dane County Regional Housing Strategy (RHS) aimed at meeting the population growth of 2040. To address the forecasted household growth, Dane County must produce ***at least 2,000 more housing units per year***. As a result, Dane County is requesting $7 million in PRO Housing grant funds to support the planning and development activities that will remove barriers to affordable housing. The Dane County PRO Housing program will approach it in three phases: 1) Addressing Zoning & Building Codes Barriers to Affordable Housing; 2) Capacity Building for Emerging Developers; and 3) Infrastructure and Affordable Multi-Family Rental Development.

Proposed Activities Tie-Back to Need and Applicant Capacity While Addressing Key Barriers and Lessons Learned Which Complements Existing Planning Initiatives

Addressing Zoning & Building Codes Barriers to Affordable Housing: As shown through Dane County's Regional Housing Strategy (RHS) assessment, Zoning and Building Codes are one of the most significant barriers to affordable housing in Dane County as outdated zoning and building codes prevent the construction of many in-demand types of the owner- and renter-occupied housing. Much of Dane County is rural outside the "urban core" areas. As Dane County grows, housing on the periphery of the expanding "urban core" areas is ripe for development. Many of Dane County's towns and villages are not zoned for multi-family. The primary barrier preventing smaller municipalities in Dane County from addressing this local barrier to producing and preserving affordable housing by improving zoning and building codes is a lack of funds. Two of the largest municipalities in Dane County, the City of Sun Prairie and the City of Fitchburg, have existing initiatives to address the zoning barriers in their respective municipalities as evidenced by their financial commitment, Sun Prairie $173,470 and Fitchburg $325,000, respectively. The goal is to take the lessons learned from these two distinct outcomes and the recent Zoning Ordinance and Map developed by the City of Middleton as examples to improve the process for smaller municipalities.

To enable municipalities to improve their zoning and building codes to overcome local barriers to affordable housing, Dane County has currently invested in the hiring of a consultant to procure a model residential zoning code to address the housing crisis that can be easily adopted by municipalities across Dane County. The proposed PRO Housing funds would be spent on the implementation and education surrounding the importance of reducing these barriers. Following the recent completion of the RHS, Dane County has consulted with numerous municipalities, such as the Village of Cottage Grove, across the County to provide a revision of the housing chapter in the municipality's comprehensive plan at no cost to the municipality. Updating the housing chapters will help to inform their future zoning code updates. The PRO Housing funds will be made available to all municipalities through the County's standard Request for Proposal Process. Priority will be given to municipalities that can demonstrate that the improved zoning and building

codes are addressing the production and preservation of affordable housing and can explain the need for such improvements.

Additionally, the project phase on addressing zoning and building code barriers to Affordable Housing advances Strategy Four: Advance Zoning Reforms and Update Local Zoning Codes of the Dane County Regional Housing Strategy Strategic Action Plan 2024 - 2028, released in April 2024. To ensure that project funds are being used to advance Strategy Four of the Regional Housing Strategy Action Plan, municipalities seeking project funds for improvement of zoning and building codes to overcome local barriers to affordable housing will be required to demonstrate how the improvements align with and advance Strategy Four. Lastly, addressing zoning and building code barriers is identified as an eligible planning activity as outlined in Section III.F.2.c.i. in the NOFO.

Building Emerging Developer Capacity: Evidence-based data has shown that emerging developers, often comprised of Nonprofit and Black, Indigenous, People of Color (BIPOC) developers, are disproportionately facing a lack of access to capital. In Dane County, we aim to break the trend by ensuring that emerging developers have equitable footing to propel inclusive economic prosperity. In doing so, the emerging developers – who are being defined for the purposes of the program as those who have five projects or less in their past portfolio - are more likely to understand and address the needs of the community, which will drive economic growth in Dane County. Together, Dane County and the City of Madison will work with the interested developers to ensure they fully understand and comprehend the other financial opportunities available to them. Utilizing the 2025 CDBG and HOME Request for Proposal (RFP) funding process as an example, Dane County must obligate 15% of its HOME funds to a Community Housing Development Organization (CHDO). Dane County received no CHDO applications, which resulted in an uncommitted amount of approximately $90,000. Through developer capacity, a goal is for nonprofit developers to gain the capacity needed to seek funds like the CHDO funds in Dane County and in the City of Madison HOME Program. The activities carried out in the phase of providing developer capacity to emerging developers are identified as a development activity as outlined in Section III.F.2.c.ii. in the NOFO meeting the National Objective of benefitting low- and moderate-income persons.

To support this project activity, Dane County has partnered with Forward Community Investments (FCI), a local Community Development Financial Institution (CDFI), to carry out financing strategies that will incentivize emerging developers to advance affordable multi-family housing development projects across Dane County. FCI has firmly committed to making $1,000,000 in loans with below-market interest rates available to support the pre-development costs of emerging developers. Additionally, this project activity will help advance Priority 1 – Advance Racial Justice of Dane County Department of Human Services Vision: Next 2021 – 2026. Dane County's CDBG unit is housed in the Department of Human Services, and by helping incentivize emerging developer capacity and funding them through this grant project, we will advance the Department's first strategic priority of advancing racial justice in Dane County through the programs funded.

Infrastructure and Affordable Multi-Family Rental Development: The acute demand mentioned in Exhibit C significantly displays the need for affordable and market-rate apartments. According to the Dane County Regional Housing Strategy (RHS), there are currently 13,050 renter

households who earn 50% of the area median income (AMI) and are extremely cost-burdened, paying more than 50% of their monthly income on housing. Historically, in Dane County, there has been an underproduction of units for both affordable and market rates that have added additional pressure in the middle, as we would like to call it the 'Big Squeeze' as detailed below:

Dane County aims to increase the supply of affordable housing by supporting infrastructure improvements necessary for the development of affordable housing and the construction of multi-family rental developments. New construction of multi-family housing activities in the Dane County application will ensure that at least 20% of the units produced with the PRO Housing funds will directly benefit low- and moderate-income (LMI) individuals. The barrier reductions by addressing zoning and building codes and building emerging developer capacity will improve the production of affordable and market-rate units. As referenced through the 'Big Squeeze' image above, in Dane County, the lower and higher income households need to seek units affordable at other income brackets. Indirect improvements in affordability are generated as the supply of market-rate housing increases, which allows for more affordable units to become available to lower-income households.

To support existing affordable housing development initiatives, funds for infrastructure activities that are either necessary for the development of affordable housing or to increase an area's overall capacity for new housing will be earmarked to three municipalities in Dane County – the City of Sun Prairie, the City of Fitchburg, and the Village of Mt. Horeb. The housing industry experts, in addition to municipalities, have expressed the increasing need to fund infrastructure costs on affordable housing development projects as, typically, this area is underfunded yet so critically needed to move the development forward. The City of Sun Prairie is providing $1,271,500.00 in leverage through the redevelopment of Town Hall Crossing Road, critically needed to advance Phase II of the Town Hall Crossing Development, developed by Habitat for Humanity of Dane County, Inc. The remaining infrastructure activities, such as extending Kamperschroer Way to Town Hall Crossing Road and sewer expansion, will be paid for with the PRO Housing funds. In doing so, Habitat for Humanity will develop 14 affordable single-family houses sold to low- and moderate-income households. Additionally, Habitat for Humanity expects to spend at least $200,000 in construction costs per house. PRO Housing funds will also help fund infrastructure costs related to the development of single-family homes in the City of Fitchburg, which will be paired with the $1,000,000.00 investment that the City has earmarked for PRO Housing land banking activities to increase the affordable housing capacity. The Village of Mt. Horeb, on 10/02/2024, committed five acres to be donated to an affordable housing development project that will construct single-family homes. The land cost is valued at $43,000 per acre, totaling

$215,000.00, as a contribution to PRO Housing activities, and grant funds will be used for infrastructure improvements.

Addressing Dane County's acute demand for housing affordability to households with incomes below 100% of the Dane County area median income (AMI), specifically to households below <30% AMI category, indicates a shortfall of 13,300 units. Priority points will be awarded to affordable development projects that demonstrate an intentional commitment to develop housing units that can help alleviate the pressure to the <30% AMI. The goal is to create new housing opportunities without inviting displacement; therefore, careful consideration and review will be held on each development application to ensure households and businesses are not displaced due to the project. The activities carried out in producing affordable housing units are identified as a development activity and meet the National Objective of benefiting low- and moderate-income persons. Additional priority points will be provided to affordable development projects that support the Regional Housing Strategy.

Environmental Risk: Aligning Proposal to Promote Community Resilience Efficiently

Dane County envisions the three-phase approach as a domino effect that will transform and provide long-term effects to affordable housing. One of the long-term impacts is helping mitigate environmental risks facing Dane County. According to Dane County's Climate Action Plan, the two most significant environmental risks faced by Dane County are a projected 3-9 ºF of warming and an increase in total precipitation in Wisconsin. Dane County is located in the zone that will see the bulk of the increase in precipitation as total annual precipitation has increased 20% since 1950 in Southern Wisconsin (where Dane County is located) compared to no change in Northern Wisconsin. Dane County was a designated area in DR-4402-WI due to flooding in 2018. As a result of the 2018 flooding, Dane County, along with Vernon County, was designated as a Most Impacted and Distressed (MID) area. Dane County envisions that phase one - Addressing Zoning & Building Codes Barriers to Affordable Housing - and phase three - Affordable Multi-Family Rental Development- represent opportunities for the project to efficiently promote community resilience by requiring the municipalities or developers seeking project funds to demonstrate how they will align their projects with the 2020 Dane County Climate Action Plan and incorporate energy-efficient features, such as native vegetation, and efforts to mitigate the effects of climate change.

Roadblocks

The primary roadblock faced at all stages of the process for increasing affordability is a need for more funds available. Dane County's entire approach is geared towards addressing this roadblock. By directly providing funds to update the codes and leveraging the Regional Housing Strategies work to develop a model code, the zoning and building codes phase will address the lack of funds for improving zoning and building codes. By incentivizing emerging developers, Dane County will help them overcome an often insurmountable obstacle they face before starting construction. By providing funds for infrastructure and new rental developments, Dane County will directly address the lack of funds roadblocks and support the increase of affordable development in the county.

A secondary roadblock to improved zoning and building codes that will increase affordable housing is public pushback on any changes. The City of Madison, for example, has seen a massive

uproar due to its West Area Plan – one of 12 areas identified in the City's new Planning Framework – that seeks, among other actions, proactive rezoning for future infill development. The West Area is home to some of the most affluent neighborhoods in the city. The potential for the zoning changes to increase housing development in the area has led to contentious public meetings and numerous op-eds in the local newspapers by the competing NIMBYs (Not in My Back Yard) and YIMBYs (Yes in My Back Yard). To address this roadblock for zoning and building changes, municipalities can use the funds for marketing and information campaigns to help educate the public.

A third roadblock is the County's outdated permitting and licensing processes. The City of Sun Prairie streamlined and modernized its permitting and licensing process by implementing an online system (OpenGov) for permit and license applications, reducing permit approval and enabling developers to break ground sooner. As part of the project's zoning and building code phase, we will prioritize municipalities that can demonstrate how they are streamlining their process as part of the zoning and building code changes.

Geographic Scope

The targeted geographic scope of this proposal will be the municipalities in Dane County. Specifically, the program's zoning & building code phase will support municipalities across Dane County to address zoning and building code issues to enable the development of affordable housing projects to thrive in their community. The image below is a direct snapshot from Best Neighborhood (Best Neighborhood) when searching rent prices across Dane County. According to the map, very few municipalities would be identified as 'most affordable,' so developing more housing units would alleviate the affordability pressure across Dane County and expand opportunities to underserved communities.

The zoning and building code phase will also support the Regional Housing Strategy's work to develop and implement a model code to enhance affordable developments by providing lower-resourced municipalities with access to funds to implement the model code. Dane County will also prioritize development in opportunity zones. While the primary location of opportunity zones is the City of Madison, others are located in the neighboring Cities of Fitchburg and Sun Prairie,

which receive earmarked funds for infrastructure activities that increase capacity for new affordable housing. One aspect of the program is to provide infrastructure funds in the Village of Mount Horeb, which has historically been an underserved community, given its distance to the 'urban core' in Dane County. The proposed activities aim to expand services to underserved communities to enhance the assistance.

Key Stakeholders and Engagement

The key stakeholders in the Dane County PRO Housing grant are persons with unmet housing needs, persons with a high housing cost burden, municipalities in Dane County, emerging developers, and other private developers engaging in developing affordable housing units. Other stakeholders identified that would have an interest in Dane County's PRO Housing grant application are persons from all protected class groups under the Fair Housing Act; local and regional public agencies that provide funding or technical assistance for housing, transportation, and social services; community organizations, especially those that represent protected classes; advocacy organizations and legal groups; business and civic leaders; and others.

From 2022 to 2024, Dane County engaged in the Dane County Regional Housing Study (RHS), which received input from housing industry experts comprised of representatives from 19 municipalities, representatives from 21 regional partners, representatives from 5 state partners, representatives from 14 nonprofits from the private sector, representatives from 6 for-profit organizations from the private sector, and nine residents and youth representatives which forms the Housing Advisory Committee (HAC). The engagement from the RHS Housing Advisory Committee led to the creation of the RHS Strategic Action Plan and the identification of the 'Big Squeeze' and the need for changes within the zoning and building codes, providing housing developer capacity and financial contribution towards the development of affordable housing units. The RHS Strategic Action Plan has strongly influenced and informed the direction of Dane County's application to the CDBG PRO Housing program.

Dane County and the City of Madison have engaged with community residents and housing industry experts on multiple fronts, as we recognize they are critical stakeholders in our work. As part of the HOME-ARP allocation plan to understand the needs in our count, on May 27, 2022, an email survey was sent to consult with various agencies focusing on government, service providers, and individuals with lived experience. One hundred eleven responses were received on June 10, 2022, with most responses provided by direct service providers. On August 3, 2022, staff met with a total of nineteen (19) public and private agencies, although 26 agencies were invited to participate. Feedback from the email survey and the focus group indicates strong support for developing new affordable housing. Supportive services also had broad support; however, many public and private agencies consulted expressed significant challenges in locating housing units for their clients.

As the lead entity in the Dane County Urban County Consortium, Dane County is subject to the Consolidated Plan requirements. The 2025-2029 Consolidated Plan engagement was conducted with the City of Madison by conducting countywide surveys, collecting 1,059 responses in June 2024. Additionally, Dane County has held three engagement sessions on September 5th, 6th, and

9th, 2024, with approximately 30 attendees representing the housing industry, non-profits, and municipalities. Dane County has incorporated stakeholder input into our proposal through these engagement opportunities.

Outreach in the Development of the Proposal and Continued Outreach During the Period of Performance

Following the Dane County Citizen Participation Plan and the PRO Housing NOFO requirements, Dane County published the PRO Housing grant application and the notice of the Public Hearing at least 15 days in advance on our Dane County website. Additional postings were included in the Wisconsin State Journal and distributed to the Dane County Urban County Consortium members.

Dane County encouraged public participation in the development of its PRO Housing Grant Application through the following:

- The draft application was made available for review via electronic notification to various entities, including residents, agencies, developers, other funding sources, and government entities through several community distribution lists and within the Dane County Urban County Consortium.
- The draft plan was posted on the Dane County website (www.cdbg.countyofdane.com). Paper copies were made available for review upon request.
- Notice of public hearing was published in the Wisconsin State Journal.
- Notice of public hearing was published on the Dane County website (www.cdbg.countyofdane.com).
- Notice of the public hearing was published on the Housing Access & Affordability Division website (https://www.dcdhs.com/Economic-Aid-Healthcare-Housing-and-Jobs/Housing-Access-and-Affordability)
- The published notice informed the public that copies of the draft PRO Housing grant application may be available for review. Written comments were accepted throughout the comment period, and oral and written comments were received during the public hearing. The public comment period expired on October 1, 2024.
- While drafting the grant application, Dane County held a hybrid public hearing on Tuesday, October 1, 2024, to invite the public to attend the public hearing and provide residents an opportunity to comment on the proposed PRO Housing grant application. One verbal comment was received in support of the application. See Attachment A.

The strategy for continued outreach during the grant's performance period is to quarterly engage the Dane County Urban County Consortium subcommittee for the PRO Housing fund. The subcommittee acts as a sounding board for Dane County staff to track progress and beneficiary advancement. As Dane County is engaged in the RHS Housing Advisory Committee, the intention is to provide routine updates to this group to keep continuous outreach to the key stakeholders.

Specific Actions Taken to Solicit Input From and Collaborate with Stakeholders

Dane County utilized prior community engagement feedback from the 2025-2029 Consolidated Plan, the HOME-ARP allocation consultation and outreach, and the most recent Dane County

Regional Housing Study to reaffirm the needs in our community. Dane County has continued to receive feedback from the community that producing affordable housing units is of the utmost importance, given the underproduction over the last few years. In addition, Dane County, in consultation with the City of Madison, has noticed a need to address the zoning and building codes as well as provide developer capacity to emerging developers so that the production of affordable housing units is not concentrated in pockets throughout Dane County; while providing infrastructure dollars to advance affordable housing projects.

Dane County staff met with five municipalities (the City of Madison, the City of Monona, the City of Sun Prairie, the City of Fitchburg, and the Village of Mount Horeb) to solicit input and collaborate on the PRO Housing Grant. The feedback from the municipalities was positive and reassuring in describing our community's various levels of need. All feedback received has helped shape our proposal, from identifying the activities to the financial amounts needed for each activity. As we solicited input, it was imperative that we connected with the housing industry in our area, so the Regional Housing Strategy ensured we had a wide variety of representatives from residents, youth representatives, affordable housing developers, local, regional, and state partners, and nonprofits (Dane County Regional Housing Study).

Incorporation of Input from Stakeholders into Proposal

In our proposal development, we have prioritized incorporating stakeholder input as a cornerstone of our approach. We implemented various engagement strategies to achieve this, including community surveys, monthly RHS meetings with stakeholders, and advisory committees. These initiatives allowed us to gather insights from residents, local organizations, and community leaders. We have worked closely with collaborative partners to foster open lines of communication, ensuring our proposal reflects the grassroots perspective. Moreover, feedback loops and ongoing transparency and accountability mechanisms are integral to our proposal. By actively engaging with stakeholders and integrating their input, our proposal is enriched with diverse perspectives, making it better equipped to address the housing challenges faced by the communities we aim to serve.

Strategies to Encourage Public Participation, Build Support, and Engage Community Members

Our strategies for encouraging public participation, building support, and engaging community members, particularly those most likely to benefit from our proposed activity, are rooted in inclusivity and community empowerment. We facilitate open dialogue through community forums and surveys to ensure all voices are heard. We create channels to reach marginalized populations and address their unique needs by establishing partnerships with local organizations and engaging community liaisons. Cultural sensitivity, accessible information, and educational programs promote understanding and participation among diverse demographics. We also emphasize feedback mechanisms to capture ongoing input, fostering a sense of ownership and partnership within the community. Our goal is to build support and a strong sense of community collaboration, ensuring that the activities we propose are driven by the needs and aspirations of those they are intended to benefit.

Alignment with Requirements to Affirmatively Further Fair Housing

Promoting fair housing is a fundamental objective that resonates with Dane County's mission and core values. Dane County is deeply committed to promoting fair housing and ensuring that housing and services under the grant are marketed broadly to all demographic groups, including Black and Brown persons, individuals with limited English proficiency, those with disabilities, and families with children. Outreach will include community centers, service providers, social media, radio, and print media targeting low- and moderate-income households. All subrecipient agreements must meet the national objective of serving low- and moderate-income persons and align with Dane County's 2025-2029 Consolidated Plan goals.

In collaboration with the Milwaukee Metropolitan Fair Housing Council (MMFHC) and the Fair Housing Center of Greater Madison (FHCGM), Dane County provides fair housing services, including complaint intake, counseling, and investigative support to address housing discrimination. MMFHC also offers technical assistance, training, and outreach to educate residents and housing providers on fair housing laws and discriminatory practices. This work fosters a more equitable housing market across the county.

Our proposal outlines several strategies to further fair housing, such as:

- ***Promoting Equal Opportunities:*** We prioritize affordable housing solutions for low- and moderate-income individuals from diverse backgrounds to ensure equal access to safe housing.
- ***Community Engagement:*** Through surveys, focus groups, and public meetings, we actively engage marginalized communities to address their specific housing needs.
- ***Anti-Discrimination Measures:*** We enforce anti-discrimination policies and educate landlords, tenants, and community members on their rights to foster an inclusive housing environment.
- ***Accessibility:*** Housing units are designed with universal design principles to accommodate the needs of all residents, including those with disabilities.
- ***Partnerships:*** Collaboration with local governments, non-profits, and advocacy groups strengthens our efforts in addressing fair housing challenges.
- ***Data-Driven Decisions:*** Data collection and analysis help refine our programs to meet the unique challenges different communities face.

In summary, Dane County's proposal integrates fair housing principles at its core through inclusivity, anti-discrimination policies, universal design, and community collaboration, ensuring fair housing becomes a reality for all residents.

Removing Barriers to Affordable Housing in Well-Resourced Areas

Dane County's proposal outlines a comprehensive strategy to remove barriers to developing affordable housing in well-resourced areas and increase access for underserved groups, focusing on addressing racial disparities. Dane County will achieve the removal of barriers through:

1. ***Partnerships and Collaboration:*** Dane County recognizes that successful affordable housing development in well-resourced areas often requires collaboration with local government agencies, housing authorities, and private developers. Its proposal includes a

detailed plan to establish and nurture partnerships to facilitate land acquisition, streamline the zoning and permitting process, and access the financial resources required for development.

2. ***Diversity of Housing Choices:*** Dane County's proposal advocates for and, when possible, seeks to implement a diversity of housing choices by reviewing zoning policies in these areas. This will require working closely with local government to introduce policies that welcome the inclusion of affordable housing units in new developments, thus removing barriers related to land use and zoning regulations.
3. ***Financial Incentives:*** Dane County will encourage developers to produce affordable housing units through low-interest loans designed to support projects providing housing opportunities for underserved groups.
4. ***Community Engagement:*** Dane County's approach emphasizes active engagement with the communities in these well-resourced areas. Through our past engagement with the community through surveys, focus groups, public meetings, and most recently with the Regional Housing Study, Dane County will ensure that residents have a voice in shaping the developments, promoting buy-in, and reducing resistance to affordable housing projects.
5. ***Racial Equity Focus:*** Dane County is committed to addressing racial disparities in housing access. Dane County's proposal outlines a plan to prioritize underserved communities, often disproportionately comprised of minority populations. By providing targeted support, Dane County aims to ensure these communities have equitable access to well-resourced areas.
6. ***Transparency and Accountability:*** Dane County will establish clear metrics and reporting mechanisms to track the impact of our efforts. This will allow us to measure the racial composition of the persons and households benefiting from our grant activities and ensure that we meet our goals of promoting equitable housing access while serving low- and moderate-income families.

Expected Beneficiaries and Racial Composition

Dane County expects to serve a diverse range of persons and households, with a strong focus on addressing racial disparities in housing access. While the precise racial composition will depend on the demographics of the specific households that are served, our outreach efforts will prioritize underserved minority populations, including African American, Hispanic, and Native American communities. Dane County aims to ensure these groups benefit equitably from our affordable housing initiatives, addressing historical housing disparities.

In summary, the Dane County PRO Housing grant application outlines a strategic plan to remove barriers to affordable housing development in well-resourced areas and promote equitable access for underserved groups, with particular attention to addressing racial disparities. Our commitment to transparency and accountability will enable us to track the racial composition of the beneficiaries and ensure that our efforts align with our goals of promoting fair and inclusive housing opportunities.

Removing Barriers to Affordable Housing for Desegregation

Dane County's grant proposal focuses on dismantling barriers to affordable housing development while promoting desegregation. Key policies and practices contributing to segregation include:
Zoning and Land Use Policies: Historically, zoning laws have restricted affordable housing to certain areas, reinforcing segregation. The proposal advocates for more diverse housing options across all neighborhoods.

NIMBY Opposition: Public resistance to affordable housing in affluent neighborhoods perpetuates segregation. We will launch awareness campaigns to demonstrate the benefits of diverse communities and counteract misconceptions.

Concentrated Poverty: By promoting mixed-income housing developments, the proposal aims to disperse poverty and reduce segregation.

Transportation Infrastructure: The proposal ensures accessible public transportation and infrastructure connecting affordable housing developments to education, employment, and services in affluent areas.

Inclusive Design: To address barriers for people with disabilities, we emphasize universal design principles in affordable housing projects to create inclusive and accessible homes.

Data and Accountability: Clear metrics will track the impact of affordable housing on desegregation, allowing for data-driven decisions and strategy adjustments.

Dane County's comprehensive plan targets the underlying policies that perpetuate segregation, aiming to promote desegregation through diverse housing, dispelling myths, dispersing poverty, improving infrastructure, and ensuring accessibility.

Ensuring Affordable Housing Equity and Expanding Housing Choice

Dane County commits to avoiding the concentration of affordable housing in low-opportunity areas and expanding housing choices for residents needing affordable housing. To achieve this, Dane County has incorporated the following strategies:

Equitable Location Selection: Dane County actively seeks our development projects that utilize market research and community assessments to identify neighborhoods that offer good access to opportunities, including education, employment, healthcare, and transportation. This ensures that development projects have the potential for personal and economic growth.

Comprehensive Zoning Policies: Dane County advocates for zoning policies that encourage the dispersion of affordable housing throughout various neighborhoods, including those with ample affordable housing options. By working with local governments and community stakeholders, Dane County aims to ensure affordable housing is not disproportionately concentrated in any area.

Mixed-Income Developments: Dane County emphasizes the creation of mixed-income housing developments. The development projects will incorporate affordable units within market-rate housing, fostering neighborhood socio-economic diversity. Affordable housing residents can interact with individuals from various income brackets, promoting social integration and expanding their horizons.

Accessibility to Amenities: Dane County prioritizes locations that offer easy access to amenities such as schools, the Dane County Job Center, healthcare facilities, and public transportation. This improves the quality of life for affordable housing residents and encourages them to explore opportunities in nearby well-resourced areas.

By combining these strategies, Dane County aims to break down the barriers to housing choice and ensure that affordable housing is distributed more equitably, avoiding further concentration in low-opportunity areas or neighborhoods with ample affordable housing. This approach fosters diverse and inclusive communities while allowing residents to live in neighborhoods that best meet their needs and aspirations.

Addressing Unique Housing Needs for Protected Class Groups

Dane County's approach is firmly rooted in addressing the unique housing needs of members of protected class groups, including persons with disabilities, families with children, and underserved communities of color. To support people with disabilities, our proposal prioritizes accessible and affordable housing. Development projects include universal design features in the housing developments, ensuring they meet the needs of residents with disabilities and promoting independent living. Additionally, our proposal supports the integration of supportive services for individuals. By collaborating with local service providers, Dane County aims to ensure that residents can access necessary services, further enabling independent living.

Furthermore, transportation is critical in promoting independent living for individuals with disabilities. Our proposal advocates for improved transportation infrastructure, which includes accessible public transit and pedestrian-friendly community designs. These measures help residents access essential services and participate in community life. We are committed to strict compliance with the Americans with Disabilities Act (ADA) and accessibility requirements under the Fair Housing Act. Our housing developments will be designed to meet or exceed these standards, ensuring that all residents, including those with disabilities, can access and enjoy the facilities and amenities provided.

Displacement

Dane County is deeply committed to preventing the displacement of vulnerable residents in communities of color. To achieve this, Dane County's proposal incorporates robust anti-displacement measures. Firstly, we prioritize replacing affordable housing units for any new construction units, ensuring that the number of affordable housing units remains consistent or increases during redevelopment efforts. Additionally, we have implemented a right-of-first-refusal policy for existing tenants, empowering them to retain their homes at affordable rates and preventing forced displacement. Furthermore, Dane County mandates the developers to engage in extensive community outreach and involvement to identify the needs and concerns of residents directly affected by their development project. By actively involving the community, the developer can tailor the project to address specific challenges and minimize the risk of displacement, fostering stable and inclusive communities.

Implementation and Enforcement of Resistance to Eliminate Targeted Barriers

Our implementation and enforcement plan for the proposal adopts a multifaceted approach emphasizing collaboration, compliance, education, and legal preparedness. We recognize that resistance, whether in litigation, environmental reviews, or design standards, can arise while eliminating targeted barriers. To address this, we will actively engage stakeholders, build partnerships, and maintain open communication to gain support. We are committed to full compliance with relevant regulations and will prioritize environmental sustainability and safety. Community education initiatives will inform and engage residents and stakeholders, reducing opposition through transparent information sharing. Public advocacy campaigns will help generate broad support. Furthermore, adaptive implementation and responsiveness to community feedback are vital to ensuring that the proposed barrier elimination is effective and well-received.

Equity-Related Educational Resources, Tools, and Public Input Informing Proposal

Our proposal is rooted in a foundation of equity, drawing inspiration and insight from diverse educational resources, tools, and public input. We actively engaged with communities through surveys and forums, fostering an inclusive approach that shaped our proposal's core. Our team has undergone equity training, ensuring a deep understanding of equitable principles, while demographic analysis and best practices research informed our strategies. Local partnerships and historical context provided essential insights into the unique challenges faced by underserved communities. Additionally, continuous public input and feedback allowed us to fine-tune our proposal, ensuring that it addresses the specific needs and aspirations of the communities we aim to serve. This comprehensive approach reflects our commitment to fostering equity in housing initiatives.

Engaging and Supporting Minority-, Women-, and Veteran-Owned Businesses

The proposed housing production process is committed to engaging minority-, women-, and veteran-owned businesses. Dane County encourages developers to actively seek these businesses as suppliers and contractors, supported by a comprehensive diversity and equity plan. This plan will guide our efforts to integrate diversity throughout all phases of housing production, from procurement to hiring. We also engage with local communities to understand and address the challenges these businesses face, using clear metrics and reporting to measure progress and ensure accountability.

Additionally, local equity considerations are central to our housing process. We have designed outreach and support programs to address cultural and language barriers, ensuring all residents can access our housing initiatives. In response to historical housing discrimination, we've developed strategies to counteract these inequities and provide resources that empower residents. Our approach is tailored to the economic and educational needs of local communities, ensuring that the housing production process is equitable and responsive to their unique challenges.

Evaluate the Effect of the Proposal to Promote Deconcentrating Affordable Housing

We are committed to a rigorous evaluation process to assess the impact of our proposal on promoting desegregation, expanding equitable access to well-resourced areas of opportunity, and de-concentrating affordable housing. Our evaluation plan includes a combination of quantitative and qualitative measures. We will monitor demographic shifts and housing patterns to ensure our

initiatives contribute to desegregation and equitable access. Surveys, interviews, and community engagement will provide qualitative insights into residents' experiences. Additionally, we will track the occupancy of affordable housing units in different neighborhoods to assess the de-concentration of affordable housing. As needed, continuous feedback from residents and stakeholders will inform adjustments to our strategies. We are committed to transparent reporting and accountability, and our evaluation will be an ongoing process, allowing us to adapt and improve our efforts in real time to ensure that the objectives of desegregation, equitable access, and de-concentration are effectively met.

Track Progress and Evaluate the Effectiveness of Advancing Racial Equity

We will employ a comprehensive monitoring and evaluation framework to track our progress and assess the effectiveness of our efforts in advancing racial equity within our grant activities. This framework includes quantitative metrics such as demographic data analysis, housing distribution assessments, and income parity measurements. Qualitative methods, including surveys, interviews, and community feedback, will provide valuable insights into the lived experiences of beneficiaries. We are dedicated to regular reporting and data-driven decision-making, enabling us to make real-time adjustments as necessary. Our commitment to transparency and accountability includes regular assessments and reviews to ensure our grant activities positively impact racial equity. This approach allows us to continuously improve and refine our strategies, aligning them to promote racial equity in all activities.

Affirmatively Market Housing Units

We have implemented a multifaceted approach to affirmatively market the benefits of our housing units funded by PRO Housing funds to a broad and diverse audience. Our marketing strategy encompasses a variety of channels, including digital advertising, print media, and community outreach, ensuring that information reaches residents of different backgrounds. We provide marketing materials in multiple languages, respecting cultural sensitivities and ensuring accessibility for individuals with disabilities. Community workshops and collaborations with local agencies help inform residents about housing opportunities, and timely communication ensures that all interested individuals know application details and deadlines. By embracing cultural diversity and making information accessible, our goal is proactively engaging demographic groups that may be less likely to apply, ensuring a broad outreach strategy.

Budget and Timeline

The budget for the Dane County application is outlined below:

		Budgeted Costs	**PRO Housing**	**Dane County Leveraged Amount**	**Dane County Leveraged Source**
Planning & Policy Activities Supporting Affordable Housing	**Addressing Zoning & Building Codes Barriers to Affordable Housing**	$1,498,470.00	$1,000,000.00	$498,470.00	City of Sun Prairie, City of Fitchburg

	Build Emerging Developer Capacity Building	$3,000,000.00	$2,000,000.00	$1,000,000.00	Forward Community Investment CDFI
Infrastructure & Development Activities	**Affordable Multi-Family Rental Development**	$5,786,500.00	$3,300,000.00	$2,486,500.00	City of Sun Prairie, Village of Mount Horeb, City of Fitchburg
Administrative Costs	**Administration**	$2,758,119.16	$700,000.00	$2,058,119.16	Dane County GPR, City of Sun Prairie, City of Fitchburg, Village of Mt. Horeb, City of Madison
	Indirect Costs	$0.00	$0.00	$0.00	
	Total	$13,043,089.16	**$7,000,000.00**	$6,043,089.16	

The budget for the proposed activities documents three fundamental areas that can significantly advance the removal of barriers to affordable housing production and preservation.

1. **Addressing Zoning & Building Codes Barriers to Affordable Housing**
   Dane County's proposal advocates for and, when possible, seeks to implement diversity among housing choices in these areas. This will require working closely with local government to introduce policies that welcome the inclusion of affordable housing units in new developments, thus removing barriers related to land use and zoning regulations.
2. **Build Emerging Developer Capacity**
   To promote racial equity, Dane County must engage with nonprofit & emerging developers to build their capacity so they can engage in the development of affordable housing in Dane County. Historically, these two groups of developers have been disadvantaged in a competitive bid process. To mitigate these actions, Dane County seeks to meet the needs of underserved communities, particularly Black and Brown communities, by working directly with nonprofit & emerging developers.
3. **Infrastructure and Affordable Multi-Family Rental Development**
   Dane County emphasizes the creation of mixed-income housing developments. As such, the infrastructure funds will advance the development of affordable single-family housing units; meanwhile, the development funds will incorporate the construction of affordable units within market-rate housing, fostering socio-economic diversity within

neighborhoods. Affordable housing residents can interact with individuals from various income brackets, promoting social integration and expanding their horizons.

4. **Administration & Indirect Costs**
   A total of $2,758,119.16 is budgeted toward administrative costs. Dane County will not be charging any indirect costs.

Plan if Awarded a Different Dollar Amount

Dane County is prepared to scale back the efforts if awarded a lower dollar amount than requested. The budget above shows three fundamental areas Dane County would engage in as part of the program. If lower amounts are awarded, the efforts will be scaled back, beginning with the administration and indirect costs, to be at most 10% of the award, and then progress to scale back in all three areas by prorating the activities. Dane County recognizes that zoning in our community significantly determines which developments can occur within geographic regions. In contrast, emerging developers' capacity is crucially needed to advance their ability to engage in development projects. The minimum funding amount for Dane County to carry out the proposal is $3,500,000. The minimal funding would allow Dane County to carry out the activities at a much smaller scale while still implementing systemic changes to the zoning and building codes, preparing emerging developers to build capacity to engage in the development of affordable housing, all while deploying funds to ensure production occurs throughout Dane County with an infusion of infrastructure and development funds.

	Amount	**Deliverables**
If fully funded at 100% of Requested Funds	$7,000,000.00	**Addressing Zoning & Building Codes Barriers:** 4 – 7 municipalities **Developer Capacity:** 5 - 7 Emerging developers **Production of Single-Family Units:** 39 affordable housing units **Production of Multi-Family Units:** 8 affordable housing units
If partially funded at 50% of Requested Funds, Minimum Requested Funds	$3,500,000.00	**Addressing Zoning & Building Codes Barriers:** 2 – 4 municipalities **Developer Capacity:** 2 - 4 Emerging developers **Production of Single-Family Units:** 20 affordable housing units **Production of Multi-Family Units:** 3 affordable housing units

Timeline

Category	**Activities**	**Milestones**	**Projected Completion Date**
Addressing Zoning & Building Codes	Engage with municipalities	Updates RHS with proposed activities.	04/30/2025
	Provides Workshops to Upcoming RFP	Hosts two RFP workshops	05/31/2025

Barriers to Affordable Housing	Releases RFP through Dane County Purchasing	Releases Request for Proposal (RFP)	06/14/2025
	RFPs are collected through Dane County's Software.	RFPs Due	08/09/2025
	Identify municipalities	Identify 4-7 municipalities	11/30/2025
	Environmental Review	ER completed in HEROS	12/30/2025
	RFP Awards	Agreements Signed.	01/01/2026
	Implementation of Activities	Municipalities engage in addressing barriers	07/01/2026
Build Emerging Developer Capacity	Engage with municipalities	Updates RHS with proposed activities.	07/30/2025
	Provides Workshops to Upcoming RFP/Application	Hosts two RFP/Application workshops	08/16/2025
	Releases RFP/Application through Dane County Purchasing	Releases Request for Proposal (RFP)/Application	08/30/2025
	RFPs/Applications are collected through Dane County's Software.	RFPs/Application Due	10/25/2025
	Identification of developers	Developers will be identified	02/28/2026
	Environmental Review	ER completed in HEROS	03/30/2026
	RFP Awards	Agreements Signed.	04/15/2026
	Implementation of Activities	Developer Capacity deployed	05/01/2026
Infrastructure and Affordable Multi-Family Rental Development	Engage with municipalities	Updates RHS with proposed activities and engages with partner municipalities on subcontracts.	11/30/2025
	Provides Workshops to Upcoming RFP	Hosts two RFP workshops	04/30/2026
	Releases RFP through Dane County Purchasing	Releases Request for Proposal (RFP)	05/16/2026
	RFPs collected through Dane County's Software.	RFPs Due	07/18/2026
	Identification of developer	Developers will be identified	10/30/2026
	Environmental Review	ER completed in HEROS	12/31/2026
	RFP Awards	Agreements signed.	01/01/2027
	Implementation of Activities	Infrastructure & development completed	09/30/2030

Exhibit E: Capacity

County of Dane

Exhibit E: Capacity

Dane County's Capacity

The grant administration for Dane County will be located in the Dane County Department of Human Services (DCDHS) Housing Access and Affordability Division (HAA). The HAA Division has extensive experience managing federal grants and an existing program staff and administration structure that can be utilized to manage PRO Housing activities. Since 1999, as an Urban County Consortium, Dane County has managed an annual allocation of nearly $2 million of CDBG and HOME dollars from HUD. The CDBG Unit in HAA, comprised of 5.0 FTEs, ensures compliance with HUD program compliance.

As the lead implementation agency for the grant, our responsibilities will include ensuring compliance with the grant across all program partners and subrecipients, administering all procurement and approval processes for the release of subrecipient grants, executing and payment of all subrecipient contracts, coordinating grant partners and subrecipients, data collection and reporting to show the impact of the PRO Housing grant activities, hosting community engagement and education opportunities, recruitment/hiring/training of project staff to manage the grant, and active coordination and communication with the Regional Housing Strategy Implementation Team to align resources and coordinate efforts with that strategy.

Dane County will hire a 1.0 FTE Project Position to help coordinate partners, ensure grant compliance, monitor sub-recipient agreements, and report PRO Housing activity outcomes. The HAA Division's 1.0 FTE CDBG/RLF Administrator will support the project staff and report directly to the division's 1.0 FTE HAA Human Services Manager, who reports directly to the 1.0 FTE HAA Division Administrator, who will also provide necessary supervisory support.

The HAA Division also administers the Dane County Affordable Housing Development Fund (AHDF). Since 2015, the AHDF has invested more than $40 million in capital dollars to support the creation of more than 2,700 units of affordable housing in communities across Dane County. In 2024, pending approval by the Dane County Board of Supervisors, the AHDF intends to invest $16 million to support the anticipated creation of 462 affordable units. HAA staff manages the allocation process for these funds and the ongoing monitoring portfolio necessary to ensure projects maintain compliance with AHDF requirements and goals.

During the COVID-19 pandemic, the HAA Division led Dane County's efforts to respond and recover from the pandemic and its associated impacts. The division distributed more than $140 million in federal stimulus funds to support programs, including over $61.1 million in Emergency Rental Assistance, $13 million in housing support for people experiencing homelessness, $26.5 million in non-congregate emergency sheltering, and $29.8 million in small business grant support. HAA was an integral part of the emergency response team, creating programs and processes and making community connections to ensure health, safety, and access to housing stability.

Essential to this work was an HAA internal partner, the DCDHS Fiscal Management Services Division. The HAA Division has access to and works closely with our colleagues in this division. This division manages DCDHS' $270.10 million budget and provides the infrastructure and support necessary for finance, accounting, and audit activities related to the PRO Housing grant.

Additionally, Dane County's Department of Administration houses the County's procurement and purchasing staff and processes, which will be utilized by HAA staff operating this grant.

Experience Working with Partners

The HAA Division has been a coordinating entity for many community collaborations. HAA staff manage communications and outreach to our 56-member Urban County Consortium to help them stay engaged and aware of CDBG and HOME dollars' impact on their communities. HAA staff also work closely with the over 18 grantee agencies that receive CDBG and HOME funding, providing technical assistance and grant workshops to help agency partners join us in our mission to meet the national objectives of the CDBG grant. HAA staff administers the CDBG and HOME funds through an annual competitive process. With the infrastructure, Dane County reviews all applications, awards the grantee agencies, and engages in contract management.

All developments awarded with Dane County AHDF funds are represented by a collaboration between HAA staff, developers, property management companies, municipal funders, and tenant support services partners. HAA staff coordinate with these partners to ensure funding requirements are tailored to provide flexible tenant screening criteria, tenant protections, building sustainability measures, and housing placement referrals from community-by-name coordinated entry housing lists are met. Meeting and communicating regularly to work through any challenges to achieve the goals of assisting households in need of affordable housing.

Dane County and the City of Madison partnered to distribute their Emergency Rental Assistance (ERA) funding. This multi-partner, multi-phase program worked with community partner agencies to distribute ERA funds throughout Dane County. Weekly meetings were held with program partners to develop program policies and procedures, update agencies on any changes in program requirements from the Treasury, troubleshoot program implementation issues the partners were having, share best practices for customer service, and escalate any agency needs to ensure the Emergency Rental Assistance program was responsive and able to best serve the public in need at a rapid pace with ever-changing federal requirements.

HAA staff were integral to the Regional Housing Strategy (RHS) Housing Advisory Committee (HAC) meetings over the last year. RHS meetings were attended by a wide range of Dane County representatives from municipalities, housing advocates, elected officials, workforce development, housing development, and residents with lived experience with housing stability. The goal of the RHS was to take a deep dive into fair housing needs, workforce development housing needs, and funding needs within Dane County to create more units. HAA staff will continue to play an active role in implementing and monitoring the RHS recommendations. HAA staff will lead workgroups, engage with HAC members, and develop work plans to implement the final RHS strategies.

Partner's Capacities

Dane County intends to partner with municipalities, such as the City of Madison, the City of Monona, the City of Sun Prairie, the City of Fitchburg, and the Village of Mount Horeb. Dane County's capacity to design, plan, or remove a barrier is not dependent on partner capacity, as we would have to follow Dane County's Procurement Policy in disbursing funds countywide.

Each partner's capacity and credentials range in a vast multitude and are outlined below:

City of Madison: The municipality is interested in supporting Dane County in incentivizing Affordable Housing Developers' Capacity Building. The City of Madison Community Development Division has extensive experience and credentials working with affordable housing developers in our geographic area.

City of Monona: The municipality is interested in addressing the zoning and building codes barriers that have acted as barriers to affordable housing in the City.

City of Sun Prairie & City of Fitchburg: The two urban core cities have extensive experience and knowledge in reducing barriers to affordable housing, as evidenced by their recent efforts to modify their residential zoning codes. Additionally, their staff has ample experience administering federal funds conformance with program rules and policy.

Village of Mt. Horeb: As a rural village, the municipality is committed to increasing the total number of affordable housing units. On 10/2/24, they voted to firmly commit 5 acres to the CDBG PRO Housing program and hired Redevelopment Resources as an external consultant. The consultant has ample experience in zoning and development projects throughout Wisconsin.

Civil Rights and Fair Housing

The Tamara D. Grigsby Office for Equity and Inclusion furthers Dane County's ongoing commitment to addressing racial, gender, and disability disparities serving as Dane County's agency in charge of Equal Opportunity, Affirmative Action, Contract Compliance, and Americans with Disabilities Act and Civil Rights Compliance functions. Dane County contracts with the Metropolitan Milwaukee Fair Housing Council (MMFHC) to promote fair housing throughout Dane County by combating illegal housing discrimination and by creating and maintaining racially and economically integrated housing patterns. The MMFHC programs and services include case intake and counseling, investigative services, outreach and education, professional support to Dane County, and fair lending and inclusive community programs.

The City of Madison Civil Rights Office investigates Civil Rights and Fair Housing issues, encouraging residents to report discrimination or retaliation to reduce racial disparities. All city programs and funding operate under the Racial Equity and Social Justice Initiative (RESJI), ensuring racial equity is central to decisions and policies. Key initiatives include financial support for the Associates in Commercial Real Estate (ACRE) program, which annually trains BIPOC developers, and support for the Fair Housing Center of Greater Madison, which processes intake and referrals for discrimination cases, with the majority being race-- and color-based. The Fair Housing Center also provides fair housing training and systemic market testing. The Tenant Resource Center offers legal assistance, housing counseling, and eviction diversion in multiple languages, including Spanish and Hmong, with a disproportionate number of clients being households of color.

The City also promotes housing equity through gap financing for affordable housing development, which creates income- and rent-restricted units that disproportionately serve BIPOC households. This has significantly impacted household stability for BIPOC residents. Through partnerships, the City supports BIPOC homeownership, including working with the Urban League of Greater Madison (ULGM), which has created 16 homeownership opportunities and leveraged $1,000,000

in renovation costs. Of these, 15 homes were purchased by Black households. Movin' Out, another partner targets financial assistance in South Madison, where 62% of residents are BIPOC, compared to 21% citywide. Direct City financial assistance is annually reassessed to ensure accessibility for households of color. Changes to the City's down payment assistance program in 2023 led to 58% of participants being households of color, an 11% year-over-year increase. Homeownership rates for BIPOC households have been rising, including a four-percentage-point increase for Black households over the past year, along with growth for Asian and Latino families.

Jurisdiction's Leadership Capacity and Legal Authority

As the lead entity within the Dane County Urban County Consortium, Dane County has the leadership capacity and legal authority to apply for PRO Housing grant funds and to provide grants via a competitive allocation process to identify subrecipients to implement our identified projects. As the grantee, we will oversee our subrecipients and ensure their compliance with PRO Housing grant regulations and goals. Routine monitoring will be deployed to ensure the implementation of the proposed reforms is adequately executed. Five municipalities within Dane County have extended their support of this grant application through the partner letters attached.

Authors of the Grant Application

The Dane County application to the PRO Housing grant was authored by several Dane County Department of Human Services – HAA subject matter experts: Casey Becker, Division Administrator; Joanna Cervantes, HAA Human Services Manager; Caleb Odorfer, CDBG/HOME Program Specialist.

Organizational Chart

If awarded funding, in addition to existing staff, Dane County plans to add a 1.0 FTE Project CDBG/HOME Program Specialist Position to help coordinate grant partners, ensure grant compliance, monitor any subrecipient agreements implemented under the PRO Housing grant, and collect and report PRO Housing activity outcomes. The HAA Division's 1.0 FTE CDBG/RLF Administrator will support the project staff and report directly to the division's 1.0 FTE HAA Human Services Manager. The HAA Human Services Manager reports directly to the 1.0 FTE HAA Division Administrator, who will also provide necessary supervisory support. Administrative support for the CDBG Unit is provided by the 1.0 FTE CDBG and Housing Clerk. Positions supporting the PRO Housing grant in the org chart below are highlighted in green.

Dane County Department of Planning & Development

Exhibit F: Leverage
County of Dane

Exhibit F: Leverage

Dane County is leveraging financial and non-financial contributions as itemized below:

Leveraged Amount	Financial or Non-Financial Contributions	Description
$1,000,000.00	Financial	Forward Community Investments (a local CDFI Contribution)
$1,271,500.00	Financial	City of Sun Prairie
$173,470.00	Non-Financial*	City of Sun Prairie Zoning Code Rewrite*
$2,500.00	Non-Financial	City of Sun Prairie Staff Time Monetized
$1,000,000.00	Financial	City of Fitchburg
$325,000.00	Non-Financial*	City of Fitchburg Zoning Code and Comprehensive Plane Update*
$242,021.07	Non-Financial	City of Fitchburg Staff Time Monetized
$215,000.00	Non-financial (donation of land)	Village of Mt. Horeb - Donation of 5 acres purchased at $43,000/acre
$84,720.00	Non-Financial	Village of Mt. Horeb Staff Time Monetized
$457,242.77	Non-Financial	Dane County Staff Time Monetized
$461,139.00	Non-Financial	City of Madison Staff Time Monetized
$5,232,592.84	**Total**	

Leverage Commitments as Percent of Funds Requested: 74.75%

As allowed and indicated on page 43 of the Notice of Funding Opportunity (NOFO) for the FY24 Pathways to Removing Obstacles to Housing (PRO Housing), Dane County has secured the firm commitment of $5,232,592.84 from various financial and non-financial contributions, which surpasses the 50% leverage requirement to receive the total 10 points as listed in the NOFO. In alignment with the NOFO, all resources are firmly committed as of the application deadline date, and the amount of the resource and its dedication to PRO Housing Grant activities is explicit.

All resource commitments were written on their entity letterhead, signed by a person authorized to commit, and dated. As allowed, staff time of the applicant and partner government entities is an eligible leverage source as it is firmly committed and monetized, as indicated above.

Dane County has partnered with Forward Community Investments, the City of Madison, Sun Prairie, Fitchburg, and the Village of Mount Horeb to identify synergy opportunities with the CDBG PRO Housing application.

Collaboration with the City of Madison and Forward Community Investments: The city staff will work hand in hand with Dane County staff to incentivize affordable housing developers to develop multifamily affordable housing projects in Dane County with the financial assistance of the PRO Housing funds and the Forward Community Investments funds. Developers will receive

75% of predevelopment loans at below-market rates, and the remaining 25% of the funds will be granted to the developer as an incentive to move forward in the completion of affordable housing units. Staff time will be paid with city funds, which, per the NOFO, can be counted as leveraged funds as they can be monetized, as indicated in the letter from the City. **City of Madison Leverage Total: $461,139.00 | Forward Community Investments Leverage Total: $1,000,000.00**

Collaboration with the City of Sun Prairie and Habitat for Humanity of Dane County, Inc.: Phase II of the Town Hall Crossing Development is a 62-acre neighborhood that is at a crucial crossroads as the infrastructure costs have far exceeded the proposed plan, which has halted the transition to phase II of the development which has halted the construction of affordable housing units. To support these efforts, the City of Sun Prairie has firmly committed $900,000 to the redevelopment of Town Hall Crossing Road, which is adjacent and much-needed to the expansion into Phase II of the development. Typically, this is a cost that the affordable housing developer, Habitat for Humanity of Dane County, Inc., would have had to pay; however, the City has firmly committed these funds as leverage to the Town Hall Crossing Development, which is in dire need of infrastructure funds to move the development forward. The CDBG PRO Housing funds will go directly into the infrastructure, including expanding sewer lines to the affordable housing development and expanding Kamperschroer Way. Staff time will be paid with city funds, which, per the NOFO, can be counted as leveraged funds as they can be monetized, as indicated in the letter from the City. **City of Sun Prairie Leverage Total: $1,447,470.00**

Collaboration with the City of Fitchburg: The city has firmly committed $1,000,000 towards land banking for the development of affordable single-family housing in the City of Fitchburg that will be paired with CDBG PRO Housing funds to help fuel the infrastructure costs that arise as a result of the development. Staff time will be paid with city funds, which, per the NOFO, can be counted as leveraged funds as they can be monetized, as indicated in the letter from the City. **City of Fitchburg Leverage Total: $1,567,021.07**

Collaboration with the Village of Mount Horeb: On 10/2/2024, the Village Board unanimously voted to approve the donation of 5 acres, which was purchased by the Village at $43,000, to be given to an affordable housing developer that will construct affordable single-family housing in the Village of Mount Horeb that will be paired with CDBG PRO Housing funds to help fuel the infrastructure costs that arise as a result of the development. Staff time will be paid with Village funds, which, per the NOFO, can be counted as leveraged funds as they can be monetized, as indicated in the letter from the Village. **Village of Mount Horeb Leverage Total: $299,720.00**

Dane County Leverage: Dane County has firmly committed $457,242.77 from the Dane County General Purpose Revenue (GPR) as part of the monetized five-year staff time for PRO Housing program work in Dane County. **Dane County Leverage Total: $457,242.77**

*The City of Sun Prairie and the City of Fitchburg have firmly committed funding to support the efforts to modify the zoning and comprehensive plan in their respective municipalities.

Exhibit G: Long-term Effect

County of Dane

Exhibit G: Long-Term Effect

Permanent Long-Term Effects and Outcomes

Dane County's proposal focuses on three re-enforcing activities to enable the production and preservation of affordable housing units long-term after the grant's performance period has ended. This approach can serve as a model for other communities to reduce barriers to affordable housing and improve racial equity.

Activity One: **Addressing Zoning & Building Code Barriers to Affordable Housing** removes a pivotal barrier to developing affordable housing by changing the local regulatory environment to be more conducive and welcoming to producing and preserving affordable housing.

Activity Two: **Build Emerging Developer Capacity** seeks to remove barriers faced by emerging developers, often comprised of non-profit and Black, Indigenous, and People of Color (BIPOC) developers, which limit the production of affordable housing units. By building the capacity of emerging, Dane County will increase the number, diversity, and racial equity of organizations working on affordable housing by improving their capacity and helping them access capital needed for their work.

Activity Three: **Infrastructure and Affordable Multi-Family Rental Development** is designed to work in concert with the first two activities. Zoning and Building Code changes will make it easier to build affordable housing, capacity building for emerging developers will bring more people to the table, and by making funding available for infrastructure to increase the area's capacity for affordable development and funding to develop affordable multi-family rental units, non-profit and for-profit developers will be able to build the much-needed affordable housing in Dane County.

Zoning and Building Code changes are not, by their nature, limited to the lifetime of the grant. The expected changes not only create an environment more conducive to sustained production but have the potential to last generations. Similarly, bringing more organizations into the pool of affordable housing developers will permanently improve the resilience of the affordable housing landscape, increase equity, and help Dane County have CHDOs that can use HOME funds. And at the end of the day, the most critical part of these activities, and the one that puts that sustainability and resiliency into practice, is the actual production of affordable housing. The affordable housing using the CDBG grant will last at least 20 years.

A Replicable and Scalable Model for Producing and Preserving Affordable Housing

Zoning and Building Code Changes

To remove barriers to affordable housing, Dane County will provide funds for municipalities to update their zoning and building codes. Out of the $1,000,000 designated for Zoning and Building code changes, we expect to fund 4 to 7 towns in Dane County. Our expected priority is to fund municipalities that demonstrate the greatest need and show that zoning and building code changes will significantly impact affordable housing in Dane County. Criteria for funding zoning and building code improvements will include requirements for how proposed zoning and building code updates will address environmental risk and make the funded community more resilient. Additional criteria will require zoning to reduce historical or existing segregation in their community.

Support for both the municipalities granted funds and those not granted funds will be through the Consortium and the RHS implementation process. A model Zoning and Building Code is expected to be developed through the RHS implementation process and disseminated through the Consortium. Municipalities will have the choice of using the model to improve their zoning and building codes OR creating new, improved zoning and building codes by using grants or other funding as needed. Using the RHS and the Consortium, in conjunction with the grant funds, will enable Dane County to support County municipalities in removing the barriers to affordable housing caused by zoning and building codes in the best manner for their community and in a way that will create long-term viability. Additionally, by having this based on a regional strategy, it is expected that the zoning and building changes will reduce the housing cost burden. At the same time, it will not increase other costs, such as transportation costs. It will help situate affordable housing near amenities, public services, jobs, transit, schools, and other important community assets and locations. The Regional Housing Strategy provides recommendations to help communities mitigate and be more resilient to environmental risks through zoning and building code updates.

Ensuring community will and support for various affordable housing solutions is a potential roadblock, and addressing it will be critical to advancing zoning and building code changes. Dane County is already working on this issue with the RHS and the Dane County Urban Consortium. The recent RHS study provides clear data to the town and village governments in Dane County about the need and provide a regional strategy for the next three to five years. While the Consortium enables those municipalities to access federal funds through Dane County's CDBG and HOME programs. By changing their local zoning and building codes, the municipalities could become more attractive to non-profits and developers looking to produce and preserve affordable housing and enable more state and federal funds to flow into those municipalities.

Build Emerging Developer Capacity

In an effort to encourage new and more diverse developers in Dane County, it is imperative that Dane County engages with emerging developers – those with five projects or less in their past portfolio - to build their capacity so they may have the ability to engage in the development of affordable housing in Dane County and better compete for available funding. In Dane County, non-profit and BIPOC developers are emerging developers that are severely underrepresented in

competitive bid processes. To build the capacity of nonprofit, BIPOC, and other emerging developers Dane County will make its grant dollars available for 5 to 7 emerging developers via a rolling application for these developers to apply to cover costs related to training, technical assistance, professional certifications, or market studies for projects.

A potential roadblock for these organizations is existing financial capacity. Organizations may be interested in applying for development projects but are unable to do so because of an existing lack of funding. To address this the activity will provide financial support needed for these developers to engage in predevelopment costs that can help them fortify their market study of the development project when seeking funding with entities like Dane County and others.

To further support emerging developers, Dane County is partnering with Forward Community Investments (FCI), a local Community Development Financial institution (CDFI), that has agreed to providing matching funds as leverage for the project. FCI will originate at least $1,000,000.00 of pre-development loans to emerging developers pursuing projects within the County. FCI will also provide mentoring and guidance for the emerging developers to help them navigate through the development process.

Another potential roadblock is accessing capital for a development project after the capacity building activity is completed by an organization. To reduce this roadblock, Dane County is prioritizing emerging developers in funding processes.

Infrastructure and Affordable Multi-Family Rental Development

Dane County aims to increase the supply of affordable housing in Dane County through both new infrastructure for affordable development and construction of new multi-family rental developments. *Section C: Need* identifies the acute need for affordable housing in Dane County due to the "Big Squeeze," in part due to a lack of market rate housing with a shortfall of 16,770 units for those making 100% or more of AMI.

As noted in *Section C: Need*, housing industry experts, in addition to municipalities, expressed the need to fund infrastructure costs on affordable housing development projects as, typically, this is an area that is under-funded yet critical to move affordable housing developments forward. To support existing affordable housing development initiatives, funds for infrastructure activities that are either necessary for the development of affordable housing or to increase an area's overall capacity for new housing are earmarked under this phase to three Dane County municipalities– the City of Sun Prairie, the City of Fitchburg, and the Village of Mt. Horeb. The City of Sun Prairie is providing $1,271,500.00 in leverage through the redevelopment of Town Hall Crossing Road, critically needed to advance Phase II of the Town Hall Crossing Development, developed by Habitat for Humanity of Dane County, Inc. The remaining infrastructure activities, such as extending Kamperschroer Way to Town Hall Crossing Road and sewer expansion, will be paid for with the PRO Housing funds. In doing so, Habitat for Humanity will develop 14 affordable single-family houses sold to low- and moderate-income households. Additionally, Habitat for Humanity expects to spend at least $200,000 in construction costs per house. PRO Housing funds will also help fund infrastructure costs related to the development of single-family homes in the City of Fitchburg, which will be paired with the $1,000,000.00 investment that the City has earmarked for PRO Housing land banking activities to increase the affordable housing capacity. The Village of Mt. Horeb, on 10/02/2024, committed five acres to be donated to an affordable housing

development project that will construct single-family homes. The cost of the land is valued at $43,000 per acre which totals $215,000.00 as a contribution to the PRO Housing activities as grant funds will be used for infrastructure improvements.

The competition for the middle housing options of the "Big Squeeze" hits everyone making under 100% AMI, but impacts those making <30% AMI the hardest. This is due to a 13,330-unit shortfall for units affordable to extremely low-income households (<30% AMI). To address this barrier to affordable housing, Dane County will require that at least 20% of the multi-family housing units produced with the PRO Housing funds directly benefit low- and moderate-income (LMI) individuals. Priority points will be awarded to development projects that demonstrate an intentional commitment to develop housing units that can help alleviate the pressure for <30% AMI bracket.

Development projects that can demonstrate that projects reduce the cost burden to residents for housing do not increase other costs, such as transportation, and are situated near amenities, such as public services, jobs, transit, schools, and other important community assets and locations, will also be prioritized. Additionally, priority points will be provided to projects that demonstrate that they meet other goals and needs identified by Dane County, including, but not limited to:

- Emerging Developers with five projects or less in their current/past portfolio
- Nonprofit developers that would be eligible as a Community Housing Development Organization (CHDO)
- Developers who build a project in an opportunity zone
- Developers who build projects with environmental resiliency
- Developers who build projects that are climate and energy-efficient
- Developers who have undergone specialized training (like an ACRE graduate)

Funding 39 affordable single-family development units and eight multi-family affordable development units will produce a long-lasting impact of lower cost burden for all income levels across Dane County. The additional funding will enable developers to complete projects with a mix of housing units, with the PRO Housing funding directly producing affordable housing units for lower income brackets in Dane County.

Given the overall and affordable housing unit shortfall and the current demand for funding from the recent Request for Proposals Dane County announced, we do not foresee any potential roadblocks on the demand side. Further, as we plan to follow our existing CDBG and HOME allocation process for new rental construction, we do not anticipate any major roadblocks to implementing this activity.

Metrics

Activity	Input	Output	Outcome	Impact
Addressing Zoning and Building Code Barriers to	Funding for 4 to 7 municipalities to change their	Updated zoning and building codes that enable an increase in production and	Zoning and building changes cause enable a greater number of municipalities to	Increase across Dane County in the production and preservation of affordable housing

Affordable Housing	zoning and building codes RHS model zone and building codes	preservation of affordable housing. Updates that enable resilience and mitigate environmental risk in the community.	attract nonprofits and developers to produce and preserve affordable housing in their cities, towns, and villages.	while not increasing other costs. Housing that mitigates environmental risk and communities that are more resilient to environmental risk.
Build Emerging Developer Capacity	Fund 5 to 7 Emerging Developers to engage in predevelopment costs on affordable housing development projects.	Increased financial capacity of Emerging Developers	Increased number of developers able to develop affordable housing projects in Dane County. Improved racial equity and increased number of nonprofits and BIPOC developers producing and preserving affordable housing in Dane County.	Improved access to affordable and market rate housing units to lower housing cost-burden for those under 100% AMI.
Affordable Multi-Family Rental Development	Funding for 39 single-family affordable development units and 8 multi-family affordable housing units	Increased supply of affordable and market-rate housing	Enable an overall increase in Dane County housing stock	Improved affordable and market-rate housing conditions to lower housing cost-burden for those under 100% AMI

Attachment A: Summary of comments received on published Application and list of commenters by name/organization.

County of Dane

Attachment A: Summary of comments received on published Application and list of commenters by name/organization

Name	Organization	Summary of Comment Received	Notes
Steve Hanrahan	Habitat for Humanity of Dane County, Inc.	The comment supported the direction of Dane County's application to the CDBG PRO Housing program. Habitat for Humanity's most significant barrier to expansion is funding infrastructure, including utilities, sewer, curb, gutter, and streets. Eliminating the infrastructure barrier would allow Habitat to help put families into the forecasted newly built homes. Habitat for Humanity of Dane County, Inc. supports the application entirely.	Steve's comments were received verbally at the Public Hearing held on 10/1/2024.

Attachment B: Certification of compliance with NOFO public participation requirements.

County of Dane

Attachment B: Certification of compliance with NOFO public participation requirements.

Dane County met the streamlined public participation requirements as required by the NOFO, as outlined below:

- The Public Comment Period was held: 09/15/2024 to 10/1/2024. This meets the NOFO requirement of a minimum of 15 days.
    - The method to receive public comments allowed for electronic submission.
- Dane County published the PRO Housing application in the Wisconsin State Journal as evidenced by the Affidavit of Publication on 09/15/2024. This meets the NOFO requirement of publishing the application in a prominent location.
- Dane County published the PRO Housing application on its website, as evidenced by the screenshot captured on 09/16/2024. This meets the NOFO requirement of publishing the application in a prominent location.
- The Public Hearing was held on 10/01/2024 at the City-County Building via a hybrid model, allowing for participation in person and virtually. This meets the NOFO requirement of holding at least one public hearing to solicit public comments.
    - One public comment was received during the public hearing. The summary of the comment is listed in Attachment A.
    - The City-County Building is located at 210 Martin Luther King Jr. Blvd, Madison, WI 53703, a facility that is physically accessible to persons with disabilities.
- The Village of Mount Horeb's leverage was committed during a public Village Board meeting held on 10/02/2024. The Village Board unanimously voted on committing 5 acres to Dane County's CDBG PRO Housing application.
    - No public comments were received during this meeting.
- On 08/28/2024, an email was sent to the 56 Dane County Urban County Consortium municipalities to inform them of Dane County's intent to pursue the CDBG PRO Housing application. The email encouraged any municipalities interested in collaborating to connect with the HAA Human Services Manager.

The public, including persons with disabilities and limited English proficiency (LEP), had equal access to the application and public hearing information. The public agenda displayed in English, Spanish, Hmong, and Arabic how to request interpreters and translate materials in alternate formats or other accommodations to access the documents for the Public Hearing. The meeting was hybrid, allowing persons with disabilities who cannot physically attend the City-County Building to participate virtually.

Attachment C: Advancing Racial Equity Narrative.
County of Dane

Attachment C: Advancing Racial Equity Narrative

Dane County certifies that in accordance with Executive Order 13985, Executive Order 14091, Executive Order on Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, and Federal Fair Housing and civil rights law, the following has occurred:

- Dane County analyzed the racial composition of the persons or households who are expected to benefit, directly or indirectly, from the proposed award activities as evidenced below:

Dane County conducted a comprehensive analysis of the racial composition of individuals and households expected to benefit from the proposed award activities using demographic data, housing needs assessments, and community input. The county reviewed census data and other local demographic reports, including past performance by housing industry developers like Habitat for Humanity of Dane County, Inc., to identify racial and ethnic groups that have historically faced housing disparities, including Black, Indigenous, and People of Color (BIPOC) communities. According to the 2023 American Community Survey (ACS), minorities make up the most significant percentage of individuals living below the poverty level. The statistics show that Black or African Americans comprise 21.5%, Asians 15.2%, Hispanic or Latino origin 14.9%, and individuals of two or more races make up 14.6% living below the poverty level in Dane County. This analysis determined that these communities are disproportionately affected by housing insecurity, higher rent burdens, and limited access to affordable housing. This is even more critical as Dane County is experiencing a housing shortage crisis and cannot keep up with the growing demand.

In addition to the demographic analysis, Dane County engaged directly with community organizations, housing developers, municipalities, and advocates serving racially diverse populations to gather insights on the specific housing challenges minority households face. This input informed the design of the award activities, ensuring that the efforts would prioritize the needs of BIPOC communities. For example, the incentivization of affordable housing developers, infrastructure investment, and affordable housing production, as proposed by the PRO Housing grant application, focuses on funding development projects that offer outreach and supportive services tailored to these populations. As a result, the funding activities are expected to have a direct, positive impact on the housing stability of minority households while also addressing long-standing inequities in the local housing market.

- Dane County identified any potential barriers to persons or communities of color equitably benefiting from the proposed award activities;

Dane County thoroughly reviewed potential barriers that could prevent developers of color and persons or communities of color from equitably benefiting from the proposed award activities. This process includes analyzing past funded housing developments, conducting stakeholder consultations, discussions with municipalities, and reviewing local data on housing outcomes by race and ethnicity. One key barrier for developers of color is access to capital specific to predevelopment costs and activities. While Dane County cannot specifically say that incentivizing

affordable housing developers will only benefit BIPOC developers, as the opportunity will be open to all affordable housing developers, there are preference points for emerging developers with five projects or less in their past portfolio. Emerging BIPOC developers often struggle to build up their portfolios, so adding the emerging developer criteria will allow them to compete on a fairer playing field with seasoned and experienced housing developers. Another critical barrier identified is the limited access to affordable housing units in neighborhoods with higher concentrations of communities of color. Historically, these areas have faced underinvestment, discriminatory housing practices such as redlining, and disproportionate housing cost burdens, making it more difficult for residents to secure affordable, safe housing.

Additionally, Dane County identified systemic challenges within the housing application and permitting processes that could unintentionally disadvantage persons of color. These challenges include complex application requirements, language barriers, and a need for culturally relevant outreach efforts. Low homeownership and financial literacy levels within some minority communities were also recognized as barriers to accessing new housing opportunities or programs for homeownership and preservation. By identifying these barriers, Dane County has committed to addressing them through targeted outreach, simplified application processes, translation services, and partnerships with community organizations with solid connections to underserved racial and ethnic groups. These efforts aim to ensure that communities of color can fully benefit from the housing initiatives funded by the proposed application.

- Dane County detailed the steps that will be taken to prevent, reduce, or eliminate these barriers; and

To prevent, reduce, or eliminate the identified barriers, Dane County will implement a series of targeted strategies to ensure equitable access to affordable housing opportunities for communities of color. First, the county will encourage developers to collaborate with local community-based organizations serving racially and ethnically diverse populations to conduct culturally sensitive outreach and education campaigns. These organizations will help inform residents of affordable housing opportunities, assist with the application process, and provide translation services to non-English speaking households. Additionally, the county will prioritize working with housing developments that simplify housing application requirements by reducing documentation burdens and providing more explicit instructions in multiple languages, making it easier for residents from all backgrounds to apply.

Dane County will also prioritize affordable housing development in historically underserved neighborhoods where communities of color are concentrated, ensuring that new projects are accessible to those most in need. Furthermore, the county currently funds homeownership counseling programs tailored to meet the needs of low-to-moderate-income households, including tailoring classes to minority households to help them navigate the process of securing housing and maintaining financial stability. Regular monitoring and feedback mechanisms will be put in place to track participation rates for racial and ethnic groups, allowing the county to identify and address any remaining barriers promptly. Through these comprehensive steps, Dane County aims to create a more inclusive and equitable housing system that benefits all residents.

- Dane County has measures in place to track our progress and evaluate the effectiveness of our efforts to advance racial equity in our award activities.

Dane County has established robust measures to track the progress and evaluate the effectiveness of its efforts to advance racial equity in our award activities during the five-year period. The county will collect and analyze disaggregated data by race and ethnicity at every stage of the process, from the Request for Proposal (RFP) from developers extending to the households served by the development projects. This data will be reviewed regularly to assess whether the award activities are reaching and benefiting communities of color equitably. Additionally, Dane County will implement periodic evaluations in consultation with the Dane County Tamara D. Grigsby Office for Equity and Inclusion to evaluate the effectiveness of our efforts. These evaluations will help identify any remaining barriers and guide necessary adjustments to the program. By using a data-driven approach combined with ongoing community input, Dane County ensures that its efforts to advance racial equity are transparent, accountable, and effective in addressing the needs of historically marginalized groups.

Attachment D: Affirmative Marketing and Outreach Narrative.

County of Dane

Attachment D: Affirmative Marketing and Outreach Narrative

Dane County intends to use the following strategies for affirmative marketing/outreach activities on the award activities to reach any eligible persons in demographic groups that would be unlikely or least likely to be aware of the benefits of a HUD award absent such efforts or entities that serve such groups:

- Black and Brown persons or communities
- Individuals with limited English proficiency
- Individuals with disabilities
- Families with children

Strategies to include:

- Connecting with local community centers serving the target population
- Marketing on Dane County website
- Social Media Channels
- Television
- Radio
- Print Media serving local members of the targeted group

If selected for a HUD award, Dane County will implement a comprehensive affirmative marketing and outreach plan to ensure that all eligible individuals, particularly those from underserved and underrepresented groups, are aware of the award's benefits. Our outreach efforts will specifically target demographic groups that may be unlikely to learn about these opportunities without focused efforts, including Black and Brown communities, individuals with limited English proficiency (LEP), individuals with disabilities, and families with children.

To achieve this, Dane County will partner with local community-based organizations, service providers, and advocacy groups that have established relationships with these communities. We will conduct outreach through these trusted channels, such as community centers, cultural organizations, and social service agencies, to effectively reach populations that may otherwise be left out. Additionally, the developers, like Habitat for Humanity of Dane County, Inc., will hold informational sessions in these spaces, providing in-person support for completing applications and answering questions, with interpreters available for non-English speakers.

Our marketing campaign will also leverage a variety of media platforms to reach a broader audience. This includes posting announcements on websites and social media platforms frequented by local residents, running ads in local newspapers that serve diverse communities, and using local radio stations that broadcast in multiple languages, including Spanish, Hmong, and other prominent languages spoken by LEP individuals. We will also encourage municipalities and developers to engage local television stations and print media that serve Black and Brown populations to ensure they are fully aware of the programs and benefits available.

Dane County will further ensure that all marketing materials are designed to be accessible and inclusive. Flyers, brochures, and digital materials will be translated into multiple languages, and we will ensure that our website and outreach platforms are ADA-compliant, providing accessibility features for individuals with disabilities. Additionally, we will collaborate with local disability service organizations to distribute information through networks serving individuals with disabilities, ensuring that they receive the necessary support to access and benefit from HUD-funded activities.

Through these efforts, Dane County aims to ensure that our outreach is inclusive, proactive, and reflective of our community's diverse needs. We are committed to advancing equity by ensuring that all eligible individuals, particularly those from underrepresented groups, have an equal opportunity to participate in and benefit from the award activities.

Attachment E: Experience Promoting Racial Equity Narrative.

County of Dane

Attachment E: Experience Promoting Racial Equity Narrative

In accordance with Executive Order 13985, Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, Executive Order 14091, Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, and Federal Fair Housing and Civil Rights Laws, Dane County's application has the experience and resources to effectively address the needs of underserved communities, particularly Black and Brown communities. Such experience includes:

- Successfully working directly with underserved communities, particularly Black and Brown communities;
- Experience designing or operating programs that equitably benefit such groups;
- Experience successfully advancing racial equity
- Experience soliciting, obtaining, and applying input from such groups when designing, planning, or implementing programs and activities.

Dane County has a long-standing commitment to advancing racial equity and addressing the needs of underserved communities, particularly Black and Brown communities, through our policies, programs, and partnerships. Our track record includes extensive experience in designing, implementing, and operating initiatives that directly benefit these communities and equitably address their unique challenges.

Over the years, Dane County has worked closely with organizations serving diverse racial and ethnic populations to ensure that our programs meet the needs of historically marginalized groups. For example, we have partnered with local nonprofits, housing advocacy groups, and culturally specific organizations to design and implement affordable housing programs that prioritize communities of color disproportionately affected by housing insecurity. Our collaboration with these groups ensures that we effectively engage with and solicit input from Black and Brown communities throughout the planning, implementation, and evaluation processes.

Additionally, Dane County has implemented several initiatives and priorities specifically aimed at advancing racial equity. In the Dane County Department's Strategic Plan, they have specifically called out Advancing Racial Justice as a priority across Dane County. Our partners, like the City of Madison, have developed a Racial Equity and Social Justice (RESJ) toolkit similar to the Government Alliance on Race and Equity (GARE) framework, which guides our decision-making and ensures that racial equity is embedded in all programs and services. This framework has allowed an analyzation of policies, identification of racial disparities, and developed strategies to address inequities in housing, economic opportunities, and other vital services. Through this work, collaboratively, we have successfully created programs that equitably benefit underrepresented communities, including rent assistance programs, homeownership counseling, and initiatives to preserve affordable housing in neighborhoods where Black and Brown communities are most vulnerable.

Furthermore, Dane County has actively solicited and applied input from underserved communities when designing our programs. We regularly engage residents from Black and Brown communities in public forums, focus groups, and surveys to ensure their voices are central in shaping the

county's priorities. For instance, in developing our recent 2025 – 2029 Dane County Consolidated Plan, we conducted targeted outreach to residents of color to identify their specific needs, including addressing barriers to housing access and creating culturally relevant support services. This direct engagement has been key to ensuring that our programs are not only responsive but also reflective of the lived experiences of underserved populations.

Through our comprehensive experience working with Black and Brown communities, designing equitable programs, and soliciting community input, Dane County has demonstrated its capacity and commitment to effectively address the needs of underserved communities. We are fully prepared to continue advancing racial equity in all our activities, in alignment with Executive Orders 13985 and 14091, as well as federal fair housing and civil rights laws.