

Milwaukee's Collective Affordable Housing Strategic Plan

*advancing racial equity by
providing a quality affordable
home for every Milwaukeean*

August 30, 2021



Mural by Tia Richardson

Community Development Alliance



*In collaboration with:
Metcalfe Park Community Bridges
Southside Organizing Center*

Acknowledgements

Milwaukee's Collective Affordable Housing Strategic Plan ("Plan") reflects the aspirations and the commitment of a broad range of stakeholders to improve housing stability for Milwaukeeans. It incorporates data analysis, recommendations of past neighborhood quality of life plans, research on affordable housing in Milwaukee, and recommendations of action committees established to assist with the development of this Plan. Many of these foundational efforts had extensive resident, public, and stakeholder engagement processes. As a result, this Plan includes root cause analysis, and recommended approaches from a diverse set of stakeholders from neighborhoods and sectors across Milwaukee. The four priority Strategy Areas identified through this collective work are:

- Systems to Increase Black & Latino Homeownership
- Systems to Preserve Black & Latino Homeownership
- Systems to Increase Affordability of Housing for Families Making \$7.25 - \$15 per Hour
- Systems to Preserve Affordable Housing for Families Making \$7.25 - \$15 per Hour

This Plan was sponsored by the Community Development Alliance (CDA), an affiliation of affordable housing funders and stakeholders committed to making sure that every Milwaukeean and their neighborhood is thriving.¹ CDA intends to be a durable entity going forward to provide continuous communication with stakeholders for transparency and accountability on implementation efforts. CDA is grateful for the individuals, organizations and institutions who participated in this effort, which will make housing in Milwaukee more affordable, and more equitable.

Executive Committee

Joaquin Altoro, WHEDA
Audra Brennan, Northwestern Mutual Foundation
Eric Christophersen, Northwestern Mutual Foundation
Bridget Clementi, Children's Hospital of Wisconsin
Danell Cross, Metcalfe Park Community Bridges
Lafayette Crump, Department of City Development
Frank Cumberbatch, Bader Philanthropies
Janel Hines, Greater Milwaukee Foundation
Willie Hines, HACM
Theo Lipscomb, Sr., LISC-Milwaukee
Steve Mahan, CDBG
Jim Mathy, Milwaukee County Housing Division
Tammy Rivera, Southside Organizing Center
Gina Stilp, Zilber Family Foundation
Julia Taylor, GMC

Project Team

Lamont Davis, KLD Construction Management Svc.
Cordella Jones, DCD Fuse Fellow
Sam Leichtling, DCD
Maria Prioletta, DCD
Brianna Sas-Pérez, VIA CDC
Teig Whaley-Smith, Project Manager
Irma Yopez-Klassen, Zilber Family Foundation

Action Committee Chairs

Trena Bond, Housing Resources Inc.
Coretta Herring, Riverworks Development Corp.
Ray Hill, Common Bond Communities
Matt Melendes, LISC-Milwaukee

Data Team

Tanya Fonseca, DCD
Kate Madison, DCD

Program Committee

Jason Boothe, CDBG
Gabe Charles, Southside Organizing Center
Jarrett English, Metcalfe Park Community Bridges
Kaylin Nuss, HACM
David Cialdini, Milwaukee County
Kermiath McClendon, GMF
Matt Melendes, LISC-Milwaukee
Tony Panciera, MKE United/GMC
LaQuondra Shaw, Northwestern Mutual Foundation
Greg Stadter, Milwaukee Healthcare Partnership
Jeff Towne, WHEDA
Brandon Wigley, Bader Philanthropies

Mission

At the heart of this Plan is the goal of *advancing racial equity by providing a quality affordable home for every Milwaukeean*.

Objectives

Housing stability is critical to dozens of quality-of-life measures, including employment, early childhood development, stress levels, education, and health.² Families that have been excluded from economic opportunities spend 60% of their income on housing, forcing them to compromise other critical household expenditures such as food, clothing, transportation, and healthcare.³ The City of Milwaukee Common Council directed city staff to develop a multi-stakeholder affordable housing plan to support Mayor Tom Barrett's 2018 commitment to create or improve 10,000 affordable homes in the next ten years, and several other housing partners expressed interest in identifying opportunities for collective action. Instead of constructing dozens of siloed plans - CDA expanded its governance structure to include the primary housing funders from the public, non-profit, and civic sectors, together with two liaisons to residents in Milwaukee's majority Black and Latino neighborhoods to develop this Collective Affordable Housing Strategic Plan. The Plan has been guided by four objectives:

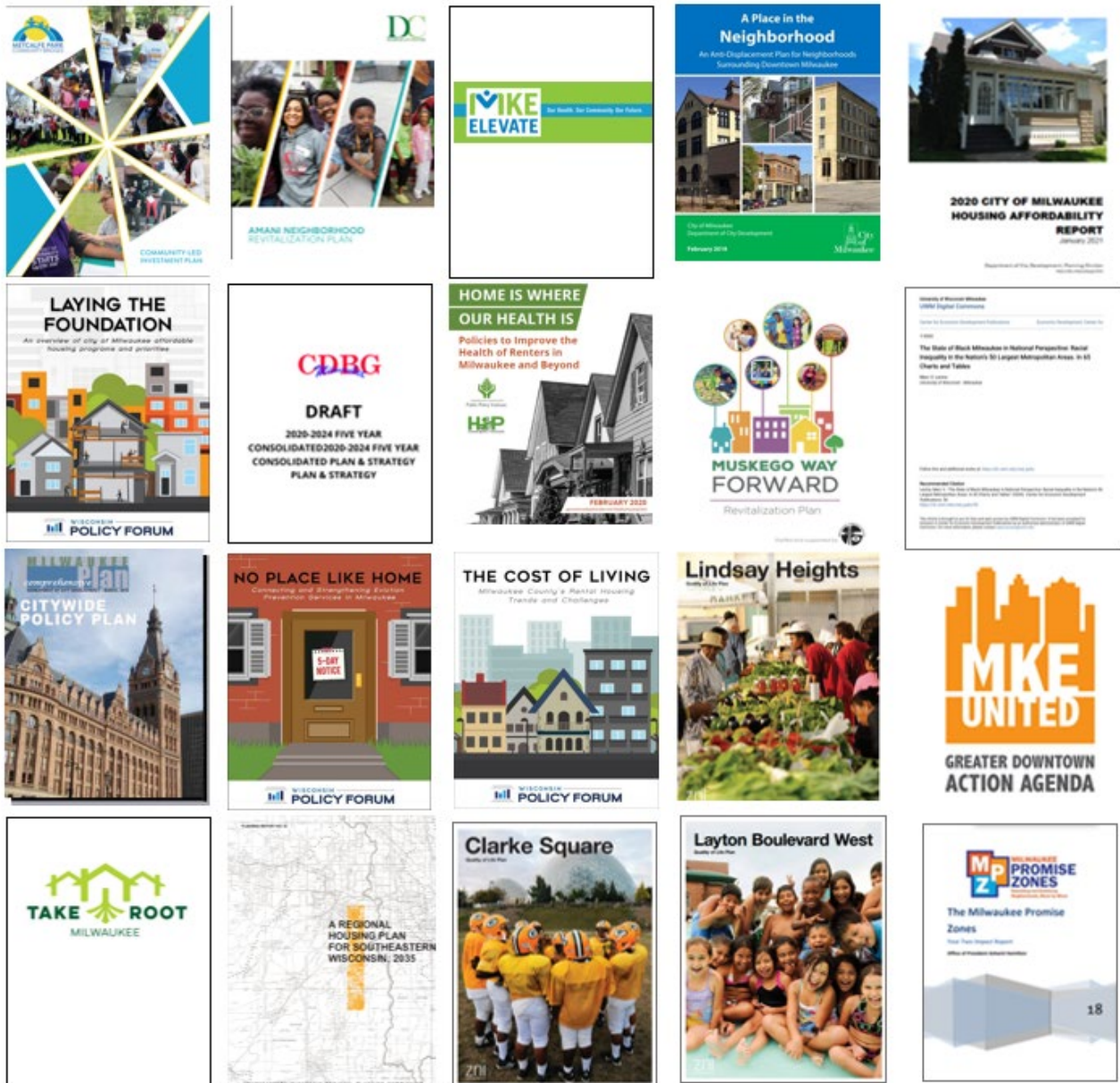
- **Mobilize the broad and deep constituencies** of residents, organizations and institutions that are passionate about affordable housing to develop policies and approaches to create and preserve affordable housing.
- **Apply a racial equity lens** to affordable housing policies and programs by utilizing the Government Alliance on Race & Equity (GARE) Racial Equity Toolkit.
- **Build on the foundation of existing neighborhood quality of life plans** and other research and plans related to affordable housing in Milwaukee; add data analysis and root cause analysis to develop effective strategy and approaches.
- **Lay the groundwork for future collective action efforts** by providing a durable governance structure at CDA that can be utilized for adjusting the Plan going forward, developing shared measurement, continuous communication, and mutually reinforcing activities among stakeholders.

Background & Foundation of the Plan

- For years, both residents and housing professionals in Milwaukee have been telling us that **housing stability is critical**. In all the neighborhood quality of life plans used to prepare for this Plan, homeownership was identified as foundational to personal and neighborhood success. These plans also specified that housing opportunities must be affordable to residents that already live in Milwaukee neighborhoods.
- The priority of affordable housing is **reinforced by nearly every City of Milwaukee Area Plan**, the 1,200 surveys and dozens of community meetings that were part of the 2020-2024 Consolidated Planning process, and over 20 reports examining housing and public health in Milwaukee.
- More than **70 experts in neighborhoods, housing, banking, healthcare, and dozens of other sectors were convened during the process of developing this Plan to identify root causes and approaches** to reach racial equity in homeownership and provide a quality affordable home for every family making

\$7.25 to \$15 per hour (or approximately \$15,080 to \$31,200 per year). These approaches were then prioritized by stakeholders, and preliminary financial models were built to estimate costs and impact.

- There were dozens of approaches brainstormed during the planning process, and stakeholders prioritized what are believed to be the most impactful changes. Most of these prioritized approaches are detailed in this Plan, and others **will be continually considered as the Plan evolves**.
- **This Plan is a living document** and provides a strategy for moving forward but will continually be updated to reflect the changing market dynamics and resident desires.
- Reaching racial equity in homeownership and providing affordable housing for every family making \$7.25 - \$15 per hour is monumental work, but **it is achievable in our lifetime if we work together**.



Dozens of neighborhood-based quality of life plans, housing plans and studies were used as the foundation of this Plan

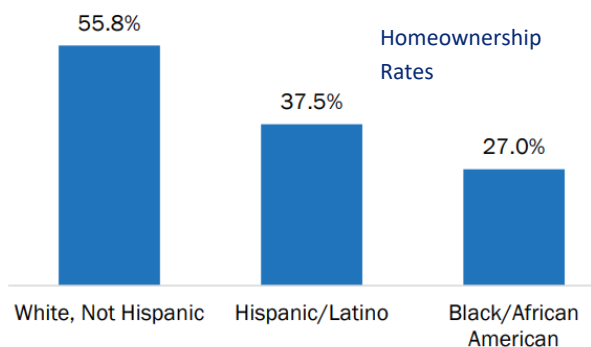
The State of Housing in Milwaukee

There is a lot to be proud of in Milwaukee's affordable housing ecosystem.⁴ Annually, Milwaukee organizations create about 1,500 affordable rental homes, supportive housing homes, and affordable homes for homebuyers under the area median income. More than 2,000 Milwaukee homebuyers access education, counseling, or financial assistance to purchase homes each year. Annually, more than 1,100 Milwaukee households have received home repair services.

Yet there are still many challenges in affordable housing in Milwaukee. The most significant root cause impacting housing affordability is low wages—53.4% of households who rent homes in the City of Milwaukee are rent burdened, spending 30% or more of their income on rent and a significant majority of cost burdened renters are families making \$7.25 - \$15 per hour. Evictions also cause harm and instability for many Milwaukee households. Even with a targeted eviction moratorium in place during much of 2020-2021, 8,723 evictions still occurred, with eviction filings expected to increase to previous averages of about 14,000 per year after the lifting of the moratorium. A return to the status quo means that roughly 10% of all Milwaukee households that rent their home will be subject to an eviction filing each year. Milwaukee is also losing homeownership - from 2000 to 2015, Milwaukee homeownership decreased by 12%, with a disproportionate amount of this decrease in majority Black neighborhoods. At the core of many of these root causes are a legacy of racially discriminatory policies and actions that have created household wealth gaps and other disparities that advantage White households are erect barriers to homeownership for Black and Latino households.

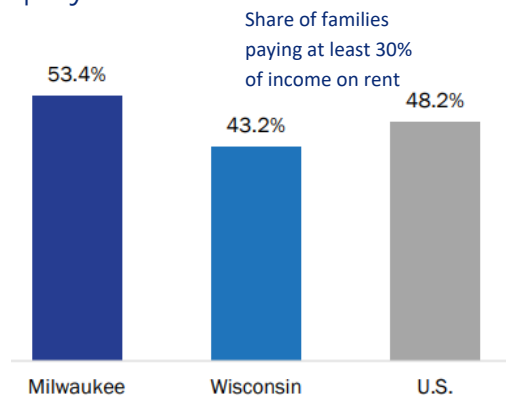
By reviewing neighborhood quality of life plans and survey data, two major themes were prevalent. First, homeownership is a priority for Black and Latino families. Second, housing needs to be affordable in the context of the incomes of people that live in Milwaukee neighborhoods. An extensive review of data confirms these priorities and highlights just how big the problem will continue to grow without intervention. Milwaukee needs systems that break down barriers to create opportunities for 32,000 new Black and Latino Homeowners to end racial disparities in homeownership. Milwaukee also needs to create or convert 32,000 additional rental homes in the \$400 - \$650 per month range, which is affordable to families making \$7.25 to \$15 per hour (\$15,080 to \$31,200 per year) in order to provide an affordable housing option for all Milwaukeeans.

Milwaukee has severe racial inequities in homeownership



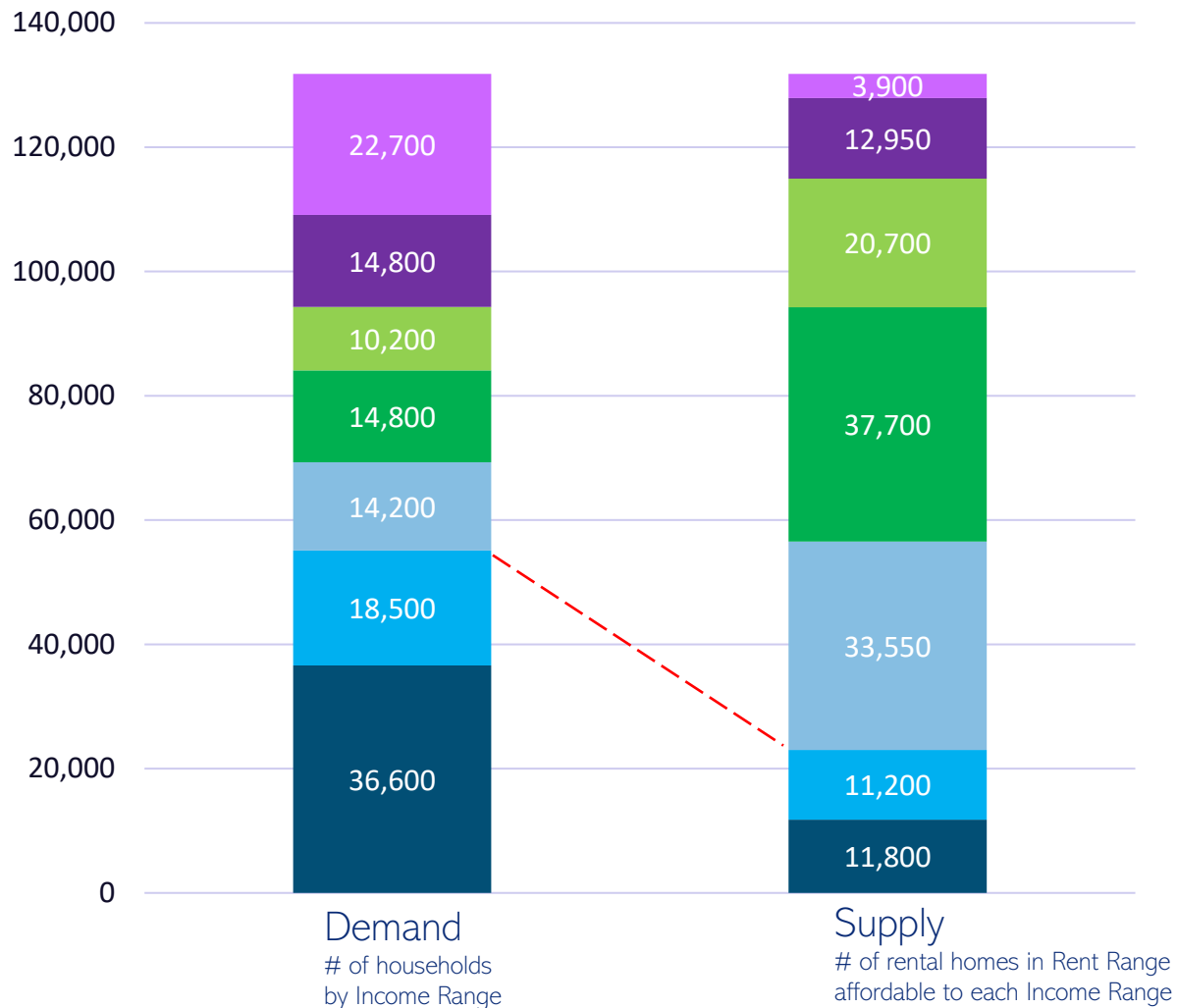
Source: U.S. Census Bureau – ACS 2019 5-year estimates

Most Milwaukeeans struggle to pay rent



Source: U.S. Census Bureau – ACS 2019 5-year estimates

Demand and Supply of Affordable Rental Homes by Household Income in City of Milwaukee, 2019



Income Range

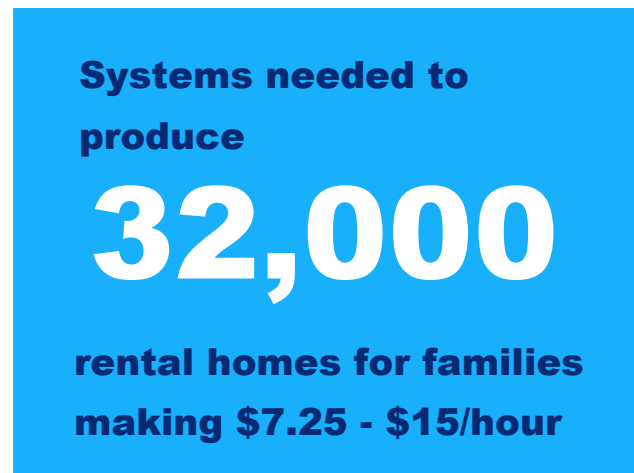
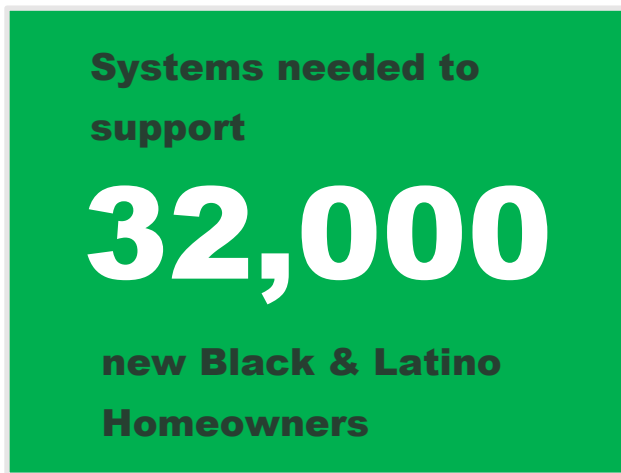
Greater than \$67,000 (\$32+/hr)
\$50,300 to \$67,000 (\$24-\$32/hr)
\$41,900 to \$50,300 (\$20-\$24/hr)
\$33,500 to \$41,900 (\$16-\$20/hr)
\$25,100 to \$33,500 (\$12-\$16/hr)
\$16,800 to \$25,100 (\$8-\$12/hr)
Less than \$16,800 (\$8/hr)

Rent Range

\$1,677 +
\$1,258 - \$1,677
\$1,048 - \$1,257
\$838 - \$1,048
\$629 - \$838
\$419 - \$628
\$0 - \$418

There is a significant mismatch between the number of families that make less than \$12/hour & the number of homes that are affordable to them

Neighborhood Plans & Qualitative Data indicate biggest needs are:



10-Year Housing Goals

To achieve racial equity in homeownership and meet the market demand for affordable rental homes for families making \$7.25 - \$15 per hour, this Plan proposes programs and policies that will support housing opportunities for 18,000 households and preservation of 35,500 currently occupied homes over the next 10 years.

<u>Housing Type</u>	<u>Wage</u>	<u>Income</u>	<u>Owner</u>			<u>Rental</u>			<u>Total</u>
			Preserved ⁱ	Converted ⁱⁱ	New ⁱⁱⁱ	Preserved ⁱ	Converted ⁱⁱ	New ⁱⁱⁱ	
Affordable (30-40% AMI)	\$7.25- \$15/hour	15K - 31K	15,350	5,200	600	10,300	650	3,900	36,000
Affordable (40 - 80% AMI)	\$16- \$32/hour	31K - 67K	5,500	2,200	250	4,400	300	4,900	17,550
Total			20,850	7,400	850	14,700	950	8,800	53,550

ⁱ Preserved means owners and renters who are able to stay in their homes through anti-displacement and other assistance.

ⁱⁱ Converted means both homes that have been rehabbed, and homes that have been converted from higher income rental to homeownership or more affordable rental homes (e.g. Acquisition Fund)

ⁱⁱⁱ New means newly constructed owner occupied or rental homes

Systems to Increase Black & Latino Homeownership

Proactively change and create systems to close the racial equity gap in homeownership

Grow homebuyer counseling & down payment assistance. Currently, about 7,350 individuals participate in homebuyer counseling each year, and approximately 850 become homeowners. Additional resources and innovation should be provided to increase these totals by 10% each year. Specifically, resources should be invested in ensuring that every income eligible homeowner has access to down payment assistance, and organizations have the administrative support they need to grow the number of people that they serve.

Create an Acquisition Fund for homeownership. Over the last 15 years, about 6,300 homes have been transferred from homeowners to investors.⁵ These properties were almost entirely in neighborhoods where a majority of residents are Black or Latino. An Acquisition Fund is needed to acquire strategic properties to preserve them for homeownership. Different strategies for the Fund could be considered. The Fund could acquire individual homes as well as potentially pursue large portfolio sales and expiring subsidized apartments. The Fund could also be structured to provide a low cost, patient, and responsive source of capital for nonprofit and for-profit affordable housing developers who could acquire these properties with the goal of selling them for homeownership. Which properties should be acquired and how they are sold should be guided by neighborhood organizations and homebuyer counseling agencies in order to preserve existing Naturally Occurring Affordable Housing (NOAH).

Coordinate lenders to provide alternative lending. Recent studies show that Black and Latino consumers are more likely to have no credit history or not enough credit history to produce a credit score, and that lenders need to broaden and

update underwriting standards to address income variation and the impacts of past discriminatory practices that have contributed to racial disparities in household wealth.⁶ Lenders interested in the success of Milwaukee families should be coordinated to provide alternative lending through a local specific pool of funding, creating a localized secondary market or by additional credit enhancement for mortgages with more flexible underwriting criteria.

Maximize existing production models. Milwaukee is fortunate to have several successful models for producing affordable homeownership, including the acquire with assisted rehab model (e.g. Acts Housing), the volunteer sweat equity model (e.g.. Milwaukee Habitat), and the acquire-rehab-sell or new construction model (e.g. VIA CDC, Northcott Neighborhood House, Milwaukee Christian Center, etc.). These existing models, however, have more capacity and should be resourced with financial resources. Vacant lots and buildings should be prioritized to maximize the number of owner-occupied homes produced.

Create new production models. Existing production models are not sufficient to meet the demand for affordable homeownership. New models should be developed to produce additional quality owner-occupied homes. For example, the 4% State and Federal housing tax credits could be used to produce high quality rental homes in targeted neighborhoods that are available for homeownership after the 15-year federal compliance period.

Additionally, new housing and construction technologies should be pursued to deliver a cost-effective product that meets quality demands and can increase housing affordability for residents. For example, the city of Milwaukee's Environmental Collaboration Office is partnering with local and national agencies to develop a model for efficient, affordable, in-fill housing to be fabricated in the 30th Street Industrial Corridor.

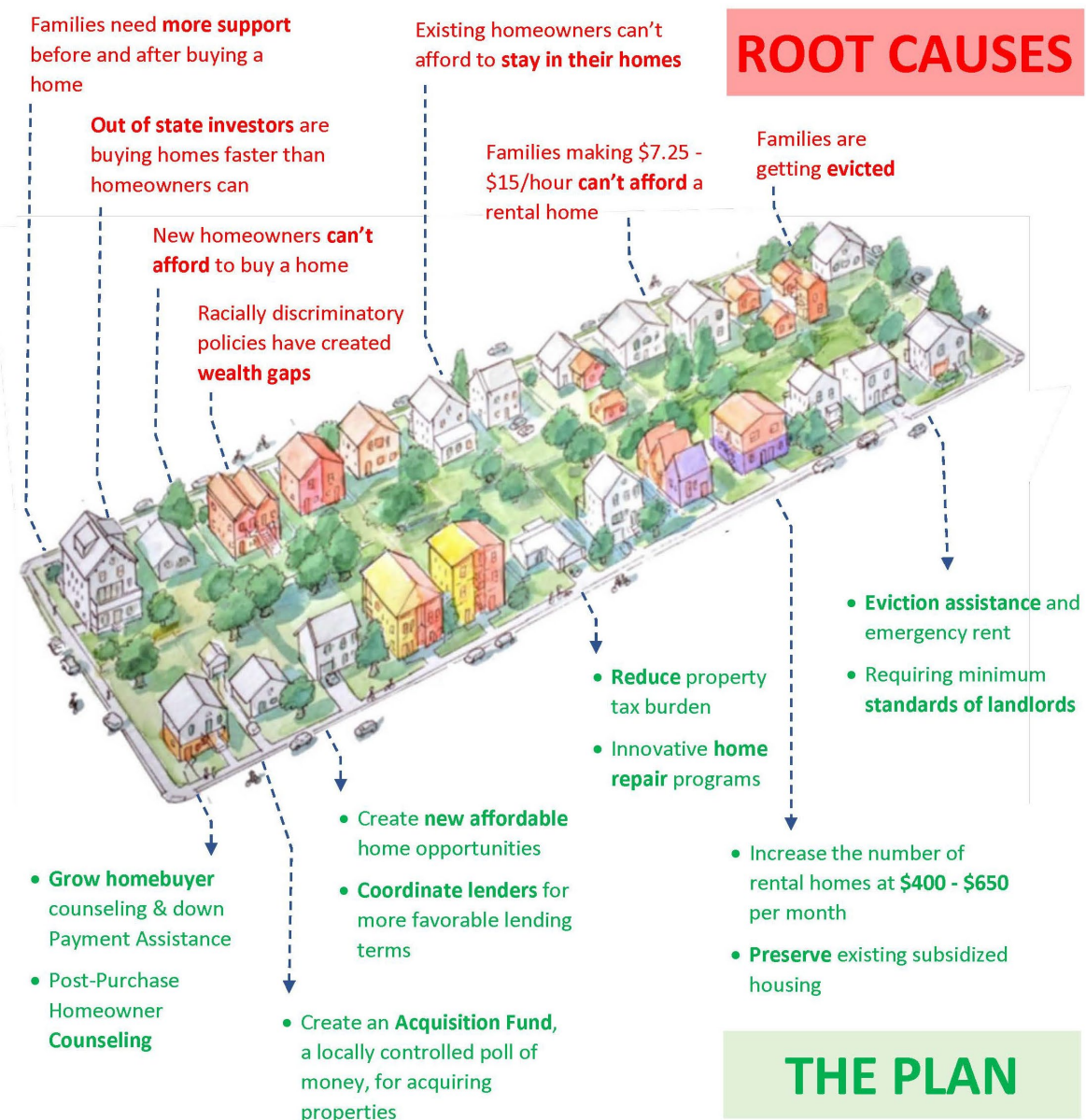
Alternative homeownership models (e.g. Community Land Trusts and Housing Cooperatives) and alternative physical structures (e.g. multi-generational housing) must also be part of the solution. Changes to local zoning codes should be pursued that allow additional types of housing options and choices in a wider range of neighborhoods.

WHEDA Black & Latino Homeownership Initiative.

WHEDA is undertaking a crucial initiative to develop solutions to the obstacles faced by Black & Latino families and increase homeownership

among communities of color. Through this initiative, WHEDA will work closely with various stakeholders, including mortgage-ready Black and Latino homebuyers, lenders, community groups, and others, to first understand the challenges people of color face during the home buying and homeownership processes, and then use that understanding to design solutions. This collaborative design process will inform WHEDA's organizational focus for addressing racial disparities in homeownership across the state of Wisconsin, and develop ideas that are relevant, sustainable, and actionable.

Specific approaches were designed by a group of 70 multi-sector participants. Approaches were designed to address the root causes identified in the Milwaukee market.



Key Themes and Programs

2

Systems to Preserve Black & Latino Homeownership

Provide resources and policies that allow homeowners to stay in their home

Foreclosure mitigation. There are thousands of mortgage foreclosure filings in Milwaukee County each year. Mortgage foreclosures on homeowners causes massive instability issues that impact educational, health, economic and other quality of life measures. Similar to the eviction mitigation efforts that have been launched, including the Milwaukee Rental Resource Center, emergency rent assistance, and a right to counsel initiative for those facing eviction; similar efforts must be resourced and maintained for homeowners. Particular attention should be given to the estate transfer process to support continued intergenerational homeownership.

Reduce property tax burden. Reductions in shared revenue from the State and limits on additional local revenue options increase the property tax burden for Milwaukee residents. Black homeowners often bear a disproportionate share of the property tax burden⁷ and may be at heightened risk in areas experiencing gentrification. Resources are needed to fully fund the existing MKE United Anti-Displacement Fund that serves two neighborhoods exhibiting the highest displacement risks for its targeted 15-20 year lifespan. Temporary and long-term loan products (such as the WHEDA Property Tax Deferral Loan Program) should also be developed or expanded to grow the resources and options available to homeowners who may need assistance with property tax payments. The use of deed restrictions to ensure long-term affordability and

lower associated tax burdens on subsidized homes should also be considered.

Support innovation in home repair. The age of Milwaukee's housing stock is a considerable root cause that creates challenges and increases the amount of resources needed for many homeowners to maintain their homes. In recent years considerable funding has been allocated to this area, and there is even more room for innovation and economies of scale. Programs should be reviewed to reduce barriers that may exist – such as back taxes, credit scores, citizenship, language barriers and the general fear of opening your home for potential code compliance issues. There is also a need for a “one stop shop” that could serve as a central source of information for homeowner repair and improves accessibility to resources. There are also likely economies of scale to be gained by having a pool of organizations or contractors that can address the types of repairs that are in highest demand (e.g. roofing). Neighborhood Improvement Districts (NIDs) will be an important partner in this work.

Post-purchase homeowner counseling. Most counseling is focused on pre-purchase, and in the future similar attention should be paid to providing resources to support post purchase counseling, including: budgeting, refinancing, maintenance, foreclosure prevention, and resource identification. Other more advanced training could include contractor selection, landscaping, and neighborhood organizing.

Key Themes and Programs

3 Systems to Increase Affordability of Housing for Families Making \$7.25 - \$15 per Hour

Convert higher rent homes, and create new rental homes, to make housing costs affordable to 32,000 Milwaukee families

Changes in Qualified Allocation Plan (QAP).

There are several policies in the existing QAP used by WHEDA to allocate Low Income Housing Tax Credits that favor the production of rental homes for families making well above \$15 per hour. Policies should be changed to prioritize Low Income Housing Tax Credits (LIHTC) towards families making between \$7.25 - \$15 per hour. Specifically, Category 10 – Financial Leverage should be reconsidered to make the creation of rental homes at \$400 - \$650 per month more feasible. Many communities throughout Wisconsin would benefit from this change.

Local resources, such as Tax Incremental Financing, should continue to be used to support LIHTC projects that are consistent with the Plan.

Create an acquisition fund for affordable rental homes. An Acquisition Fund is needed to acquire strategic properties to preserve them for affordable rental homes. Different strategies for the Fund could be considered. The Fund could

acquire individual homes as well as potentially pursue large portfolio sales and expiring subsidized apartments. The Fund could also be structured to provide a low cost, patient and responsive source of capital for non-profit and for-profit affordable housing developers who could acquire these properties with the goal of renting them as affordable rental homes. Which properties should be acquired and how they are sold should be guided by neighborhood organizations in order to preserve existing Naturally Occurring Affordable Housing (NOAH).

Pathway for residents & small landlords to provide rental homes for \$400 - \$650 per month.

Grow programs that provide equity and access to lending for smaller aspiring landlords who agree to make a percentage of rental homes affordable. Resources should be centralized for aspiring local landlords such as training, shared service models (e.g. maintenance and reference checks), and a local mentorship program.

4

Systems to Preserve Affordable Housing for Families Making \$7.25 - \$15 per Hour

Provide resources and policies that preserve affordable rental homes and minimize displacement of renters

Eviction mitigation. Approximately 14,000 families are evicted each year. Eviction causes massive instability issues that impact educational, health, economic and other quality of life measures. Recently, through federal economic recovery funds, several important eviction mitigation efforts have been launched, including the Milwaukee Rental Resource Center, emergency rent assistance, and a right to counsel initiative for those facing eviction. These efforts must be resourced and maintained beyond the current COVID-19 emergency funding time frames.

Capacity for preserving expiring subsidized rental homes. There are anywhere from 100 – 300 subsidized rental homes each year that have expiring affordability restrictions. Local capacity needs to be built to either preserve these as affordable rental homes or convert to homeownership. Specifically, capacity is needed to

monitor expiring rental homes, recruit redevelopers or managers, create financial structures to facilitate preservation, and otherwise support those entities taking on this challenge.

Fair competition among landlords by requiring minimum standards. Responsible landlords are not able to compete on a level playing field with irresponsible landlords. The cost is much higher for landlords that ensure their property is clean, safe, and otherwise a great place for a tenant to live versus a landlord that does not make timely repairs and may threaten tenants for complaining, a well-documented practice.⁸ There are licensing requirement to sell kids candy, but not to provide one of the most important aspect of their quality of life – a home. Local regulations should be developed to ensure an even playing field. Tools should be created to identify problem landlords and hold them accountable.

Implementing the Plan

This is Milwaukee’s first attempt at a *Collective* Affordable Housing Plan. Continuous communication and alignment is key to successful implementation.

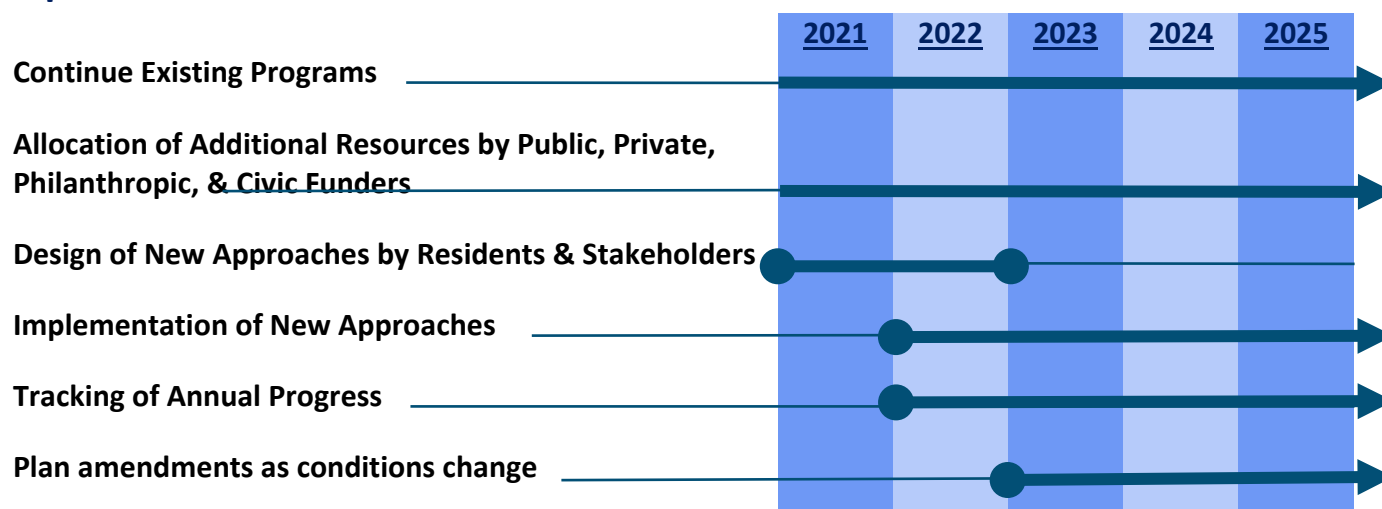
The purpose of this Plan is to act as a road map for advancing racial equity by providing a quality affordable home for every Milwaukeean. We will achieve this through **Collective Impact, Guidance to Funders and Stakeholders, and Foundational Work**. Collective Impact will be used in areas expected to have the biggest impact in affordable housing and that require collective action (i.e. Common Agenda, Shared Measurement, Mutually Reinforcing Activities, Continuous Communication, Backbone Organization). This Plan was informed by neighborhood quality of life plans, qualitative data and stakeholder engagement and consequently can be used as guidance to stakeholders for related efforts that are pursued outside of Collective Impact.

Foundational work including homebuyer counseling, eviction mitigation, and owner-occupied rehabilitation are critical to the success of Collective Impact and are important to maintain in the context of developing additional strategies. In addition, as we work to implement the Plan, efforts should be designed to be respectful and responsive to the unique needs and priorities of individual neighborhoods.

The challenges before us are monumental and will take time to conquer. Yet the urgency is very real. The conversation of what should be tackled by individual organizations, or which require collective impact cannot be resolved in one document, and instead requires continuous communication between stakeholders. CDA intends to be the convenor for these important conversations long term and difficult decisions will need to be made by the coalition on priorities and resources. CDA believes that there are certain high impact activities that should be done collectively, and not siloed. CDA will convene partners to develop detailed Implementation Plans on the prioritized approaches. The CDAs intent is to continuously identify and raise funds for those high impact activities that require collective action.

Each CDA stakeholder is encouraged to continue their ongoing critical work in all Strategy Areas and communicate those activities to each other through CDA. CDA stakeholders, to the extent they have capacity, are also encouraged to take on other elements of the Plan—even those that would benefit from collective action. CDA will continuously monitor progress of the Plan and convene stakeholders to make changes as market and other conditions change.

Implementation Timeline



Resourcing the Housing Goals

The Plan focuses on two priority housing needs: Black & Latino Homeownership, and Rental Homes for families making \$7.25 - \$15 per hour. Beyond the two priority housing needs, the CDA also acknowledges that other resources and strategies will be required to achieve the goal of advancing racial equity by providing an affordable home for every Milwaukeean, especially for the most vulnerable. This Plan is complementary to the work of the Continuum of Care collaborative which will continue to create housing options and provide services for homeless persons and those at risk of homelessness. Resources should not be diverted from existing housing efforts, instead new resources should be allocated, reflecting the importance of housing on every quality-of-life measure. The approaches recommended by this Plan do not alleviate the need to continue to advocate for Federal and State policy changes that would also help achieve the goals identified in this Plan. This includes legislation and economic development policies to raise household wages, and housing policy changes to increase Federal support for additional housing choice vouchers, public housing, and financial resources that address racial disparities in homeownership.

The affordable housing issues identified in this Plan are centuries in the making and will take decades to resolve. However, with collaboration and additional resources we can resolve these issues within our lifetime. The following resources are recommended to achieve the goal of advancing racial equity by providing a quality affordable home for every Milwaukeean. This list includes existing programs that are currently funded ("Status Quo"), as well as new grant and capital dollars needed ("New & Expanded Models").

Recommended Grant Resources over the next 10 years

	<u>Status Quo</u>	<u>New & Expanded Models</u>
Black & Latino Homeownership – Create New Opportunities (Offense Approaches)		
Grow Homebuyer Counseling & Down Payment Assistance	\$ 23,800,000	\$ 16,400,000
Create an Acquisition Fund for Homeownership	\$ -	\$ 1,200,000
Coordinate lenders to Provide Alternative Lending	\$ -	\$ 12,400,000
Maximize existing production models	\$ 23,700,000	\$ 10,600,000
Create new production models	\$ -	\$ -
Black & Latino Homeownership – Retain Existing Owners (Defense Approaches)		
Foreclosure Mitigation		\$ 8,000,000
Reduce Property Tax Burden	\$ -	\$ 2,500,000
Support innovation in home repair	\$ 82,000,000	\$ -
Post-purchase homeowner counseling	TBD	TBD
Rental Homes for Families making \$7.25 - \$15 / hour – Create New Rental Homes (Offense Approaches)		
Changes in Qualified Allocation Plan	\$ -	\$ -
Create and Acquisition Fund for Affordable Rental Homes	\$ -	\$ 1,200,000
Pathway for Small Landlords to Provide Affordable Rental Homes	TBD	TBD
Rental Homes for Families making \$7.25 - \$15 /hour – Preserve Existing Rental Homes and Support Renters (Defense Approaches)		
Eviction Mitigation	\$ 13,200,000	\$ 17,000,000
Capacity for Preserving Expiring Subsidized rental homes	TBD	TBD
Fair competition Among Landlords by Requiring Minimum Standards	\$ -	\$ -
Total	\$ 142,700,000	\$ 69,300,000

Recommended Loan Capital Resources over the next 10 Years

	<u>Status Quo</u>	<u>New & Expanded Models</u>
Black & Latino Homeownership – Create New Opportunities (Offense Approaches)		
Grow Homebuyer Counseling & Down Payment Assistance	\$ -	\$ -
Create an Acquisition Fund for Homeownership	\$ -	\$ 2,300,000
Coordinate lenders to Provide Alternative Lending	\$ -	\$ -
Maximize existing production models	\$ 19,900,000	\$ 8,200,000
Create new production models	\$ -	\$ 47,000,000
Black & Latino Homeownership – Retain Existing Owners (Defense Approaches)		
Reduce Property Tax Burden	\$ -	\$ 6,400,000
Support innovation in home repair	\$ -	\$ -
Post-purchase homeowner counseling	TBD	TBD
Rental Homes for Families making \$7.25 - \$15 / hour – Create New Rental Homes (Offense Approaches)		
Changes in Qualified Allocation Plan	\$ -	\$ -
Create an Acquisition Fund for Affordable Rental Homes	\$ -	\$ 2,300,000
Pathway for Small Landlords to provide Affordable Homes	TBD	TBD
Rental Homes for Families making \$7.25 - \$15 /hour – Preserve Existing Rental Homes and Support Renters (Defense Approaches)		
Eviction Mitigation	\$ -	\$ -
Capacity for Preserving Expiring Subsidized Rental homes	TBD	TBD
Fair competition Among Landlords by Requiring Minimum Standards	\$ -	\$ -
Total	\$ 19,900,000	\$ 66,200,000

Note: The recommendations above are illustrative of how 10 years of funding can produce the 10-year housing goals listed on page 7 which are estimated to result in approximately 8,250 new Black & Latino Homeowners, and 9,750 affordable rental homes for families making \$7.25 - \$15 per hour. To reach the full 32,000 homes in each category would take approximately 30 years, at an estimated cost of \$230,600,000 in grants and \$117,100,000 in loan capital. Generally, recommended Grant Resources would be fundraised as grants, and delivered as grants to program participants. Recommended Loan Capital would be fundraised as either investments or below market rate loans (0-3% APR) and delivered as low interest loans to program participants. Figures have been rounded to the nearest \$100,000 and are estimates from existing research reports, plans, project team experience, and engagement with stakeholders. Items marked "To Be Determined" (TBD) are approaches identified by stakeholders to be designed later and estimates have not yet been produced. As each approach moves into an Implementation Plan there will be additional engagement with stakeholders and residents on design of approach, partnerships to pursue, and financial projections. Recommendations do not calculate the support needed from local resources, such as Tax Incremental Financing, to support LIHTC projects that are consistent with the plan. Both Status Quo and Additional funds account for inflation and present value.

In 10 years, we can achieve 8,100 new opportunities for Black & Latino homeowners and 9,750 homes for families making \$7.25 to \$15/hour with \$69 Million in new grants and \$66 Million in new loan capital.

In 30 years, we can achieve 33,100 new opportunities for Black & Latino homeowners and 35,700 homes for families making \$7.25 to \$15/hour with \$230 Million in new grants and \$117 Million in new loan capital.

Values

Stakeholders recommend implementing this Plan in a manner consistent with the following values

Continue to support effective programming.

There is a need for collective action on new strategies and the continued support of the work that is effective in addressing housing issues currently.

Support increasing the minimum wage. Minimum wage must be increased to meet the housing and quality life standards that all Milwaukeeans deserve.

Racial equity. A racial equity lens must be a part of all programs and policies. We must work towards transforming mental models that promote racial inequities.

Permanent affordability. We must do everything possible to ensure that the programs and policies of today ensure that families will have access to quality affordable housing in the future.

Neighborhood based affordability. Projects and plans should focus on helping families that already live in neighborhoods that are marginalized, at affordable rates relative to neighborhood incomes, not the larger County Median Income.

Neighborhood and organizational stability.

Provide sustainable funding and resources for neighborhoods and organizations that enhance neighborhood quality of life.

Homeownership. Programs and policies should focus on improving the chances of people of color to become homeowners and create homeownership options and pathways for households earning \$7.25 to \$15 per hour.

Representation. People of color should be represented in all sectors of leadership that develop and implement housing solutions (e.g. lending, policy, construction, etc.).

Additional funding. Municipalities, funders, and the CDA should seek additional funding to expand the resources available for affordable housing.

Wrap-around services. Allocate more funds to community resources and well-being. These services are necessary to support people in the affordable housing that is produced.

Resident engagement. Collect resident input on the design of implementation to make sure it meets their needs and desires.

Alternative ownership. Support ownership models that are reflective of community identified needs and desires (e.g. cooperatives, community land trusts, etc.)

Alternative physical structures. Support physical structures that are reflective of community identified needs and desires (e.g. multi-generational campuses)

Metro solutions needed. Housing is a regional amenity, and we need to work with our suburban partners on effective solutions.

Neighborhood choice. Systems that have led to racial segregation must be dismantled to allow for people to freely choose where they want to live.

Evaluating the Goals

Each year CDA will measure and report progress on the Plan from a population and program level utilizing the following Key Performance Indicators (KPIs). The metrics listed below are the outcome based KPIs that will be used to measure the long-term success of the Plan.

Strategy Area	Metric	Measure	Source	Responsibility
Black & Latino Homeownership - Offense	Homeownership rates by race (outcome)	Homeownership rate by race	American Community Survey	CDA
Black & Latino Homeownership - Defense	Anti-Displacement Indicators (warning system)	Neighborhoods identified as at risk of displacement	City of Milwaukee Anti-Displacement Indicators	City (Anti-Displacement Indicators)
Rental Homes for Families earning \$7.25 - \$15/hour - Offense	Number of low-income households that are rent burdened (outcome)	Number and % of households that are rent burdened by income level	American Community Survey	CDA
Rental Homes for Families earning \$7.25 - \$15/hour - Defense	Number of evictions (outcome)	Annual count of evictions	Milwaukee Eviction Project	Milwaukee Eviction Project

Additional Acknowledgements

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Homeownership Offense Action Committee

Jennifer Allen, MGIC
Pamela Bell, Self-Help Credit Union
Trena Bond, Housing Resources, Inc.*
Geoff Cooper, MGIC
Jarrett English, Metcalfe Park Community Bridges
Joanna Jimenez, Take Root Milwaukee
Bill Kopka, Associated Bank
Michelle Long, Community First
Kate Madison, DCD
Kermiath McClendon, GMF
Tony Panciera, MKE United/GMC
Bethany Sanchez, MMFHC
Ben Sanchez, City of Milwaukee - NIDC
Brian Sonderman, Habitat for Humanity
Denisha Tate, Consultant
Adam Turgeon, MGIC
Maria Watts, WHEDA
Eliana Williams, Wells Fargo
Wyman Winston, Wealth Concepts
Dorothy York, Acts Housing

Homeownership Defense Action Committee

Jermaine Alexander, SPCA
Jason Boothe, City of Milwaukee
Michael Gosman, Acts Housing
Emmett Gross, Housing Resources Inc.
Aaron Helt, City of Milwaukee
Coretta Herring, Riverworks Development Corp.*
Cinthia Hernandez, VIA CDC
Lynnea Katz-Petted, Revitalize Milwaukee
Stephanie Mercado, 16th St. Community Health Center
Alderman José Pérez, City of Milwaukee
Steph O'Connor, City of Milwaukee
Ryan Schone, Journey House
LaQuondra Shaw, Northwestern Mutual Foundation
Amy Sorenson, Revitalize Milwaukee

* Action Committee Chair

Rental Offense Action Committee

Don Bernards, Baker Tilly
Que El-Amin, Scott Crawford, Inc.
Rafael Garcia, Community First
Nadiyah Groves, Office of Governor
Kailyn Kenney, City of Milwaukee
Matt Melendes, LISC Milwaukee*
Pat Mueller, HW Properties
Kaylin Nuss, HACM
Joe Peterangelo, Wisconsin Policy Forum
Shreedhar Ranabhat, WHEDA
Leah Redding, DCD
Evan Reed, Forward Community Investments
Keith Stanley, Near West Side Partners
Jeff Towne, WHEDA
Mikal Wesley, Urbane Communities

Rental Defense Action Committee

David Cialdini, Milwaukee County
Andi Elliot, Community Advocates
Tonya Fonseca, DCD
Ray Hill, Common Bond*
Joe'Mar Hooper, Safe & Sound
Kristi Luzar, UEDA
Kori Schneider-Peragine, MMFHC
Willie Smith, Northwest Side CDC
Amy Turim, DCD
Anna Wierick, Near West Side Partners
Kate Wolf, WHEDA

Additional Data Support

Paula Butler, Habitat for Humanity
Pooja Dhaliwal, Milwaukee County
Brandon DuPont, Eviction Prevention Project
Erin Frederick, Zilber Family Foundation
Brian Peters, Independence First
Katie Pritchard, Data You Can Use
Amy Rohan, Data You Can Use
Darlene Russell, GMF



“Sherman Park Rising” is a mural located at 4715 W Center Street in Milwaukee, Wisconsin. The mural tells a story of healing, transformation, and regeneration. It was created with the help of over 200 Sherman Park residents, businesses and organizations through numerous community workshops visioning sessions, interviews, and public paint days. For more information see [Milwaukee Mural Map](#). Project partners included City of Milwaukee Department of Neighborhood Services, and Safe and Sound, Inc. Mural by Tia Richardson. Photo by Troy Freund.

Notes & References

¹ This plan serves as the inter-agency, multi-stakeholder housing plan, pursuant to Milwaukee Common Council Resolution 20118. This plan also serves as a Concerted Community Revitalization Plan (CCRP), pursuant to the Wisconsin Housing Economic Development Authority (WHEDA) Qualified Action Plan (QAP). Thank you to the City of Philadelphia: Housing for Equity Plan for providing an excellent template for communicating affordable housing needs. Although the graphic presentation of this material may be similar the processes, data, analysis and conclusions are entirely unique to Milwaukee’s collective affordable housing efforts.

² Urban Institute, *Reduce Poverty by Improving Housing Stability*, (2016), available at [Reduce poverty by improving housing stability | Urban Institute](#).

³ Brookings Institute, *Housing Affordability and Quality Create Stress for Heartland Families*, (2019), available at [Housing affordability and quality create stress for Heartland families \(brookings.edu\)](#).

⁴ This section is adapted from Wisconsin Policy Forum, *Expanding the Blue print: the role of nonprofit and private organizations in Milwaukee’s affordable housing landscape* (2021), available at [ExpandingTheBlueprint_FullReport-updated.pdf \(wispolicyforum.org\)](#)

⁵ Gousha, Mike & Johnson, John, *Thousands of Milwaukee homes are no longer owned by city residents in a massive transfer of wealth since the Great Recession (Milwaukee Journal Sentinel 2020)*, available at, [Milwaukee homeownership falls sharply in a massive wealth transfer \(jsonline.com\)](#)

⁶ Urban Institute, *Explaining the Black-White Homeownership Gap* (2019), available at [Explaining the Black-White Homeownership Gap \(urban.org\)](#).

⁷ Aronowitz, et. al, *The Unequal Costs of Black Homeownership* (MIT 2020), available at [Mortgage-Cost-for-Black-Homeowners-10.1.pdf \(mit.edu\)](#)

⁸ Desmond, M. (2017), *Evicted*. Penguin Books.