

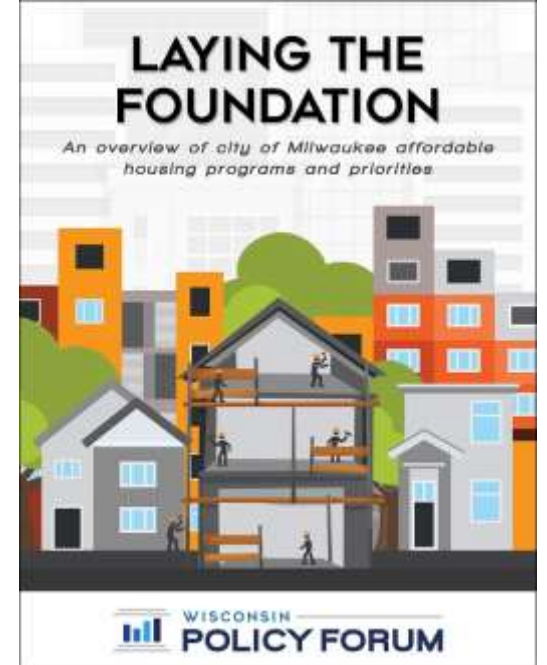
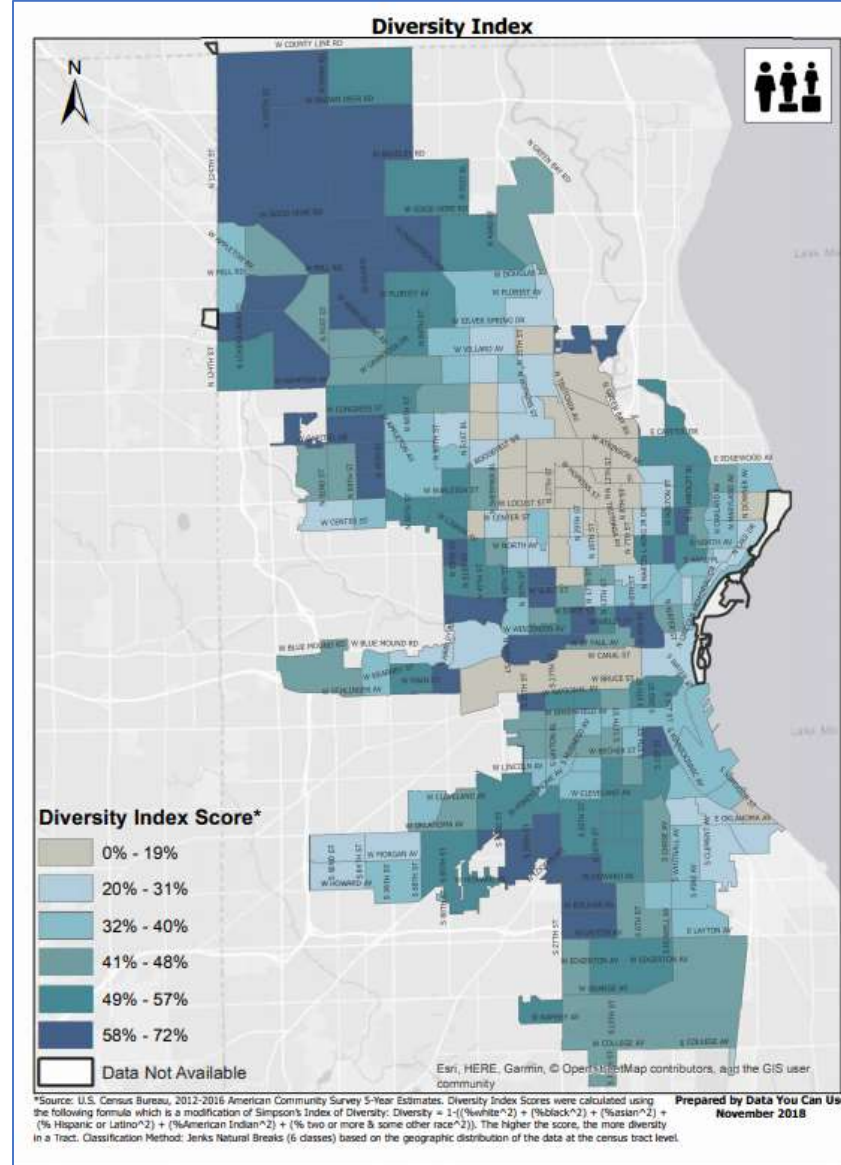


Developing an Affordable Housing Plan

Community Development Alliance

Community Development Alliance

- Founded in 2010
- CDA's **vision** is that every Milwaukeean and their neighborhood is thriving.
- 2020 CDA aligned on housing issues.
- Recent housing activities have included the MKE Indicators, policy reports, quarterly meetings, and capacity building trainings.



Community Development Alliance

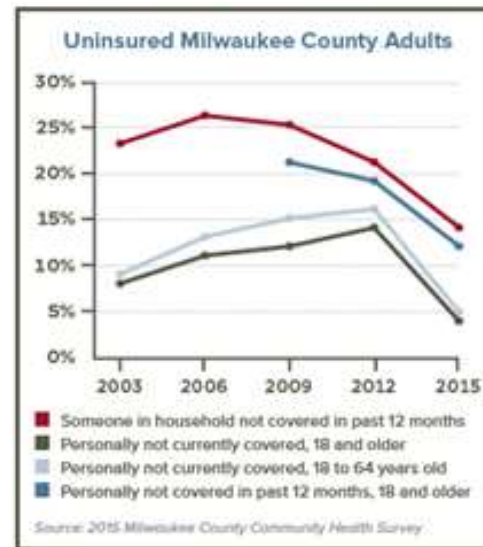
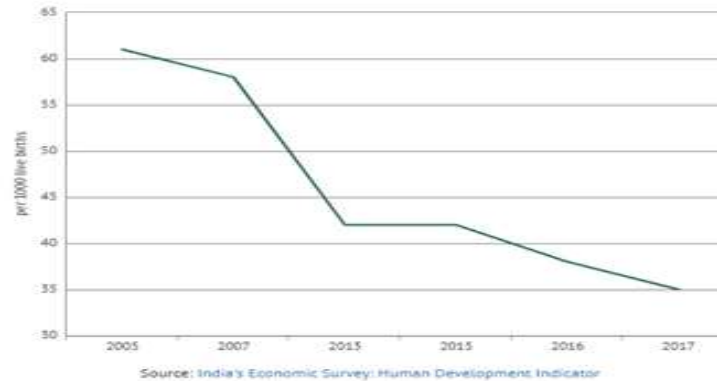
- **Opportunity:**
 - Position CDA to provide housing funders with an opportunity to plug-in to a **shared strategy**, shared measurement, mutually reinforcing activities and continuous communication.
 - Expand governance structure
 - Communicate, engage partners
 - Hire an executive director to drive alignment and accountability



Why Collective Impact

- Collective Impact has been a tool used at the neighborhood, regional and international level to make meaningful impact.
- The start of collective impact is a **shared agenda**, which is why a collective affordable housing plan is needed.

What is Bihar infant mortality rate?



MILWAUKEE HEALTH CARE
PARTNERSHIP



Why Housing

- Housing is typically the largest expenditure for any family, especially for working families. In Milwaukee there is a huge gap between the number of families that can afford \$500 a month rent, and the number of units available.
- The recent City of Milwaukee Affordable Housing Report estimates that there is a shortage of 33,365 of these units.

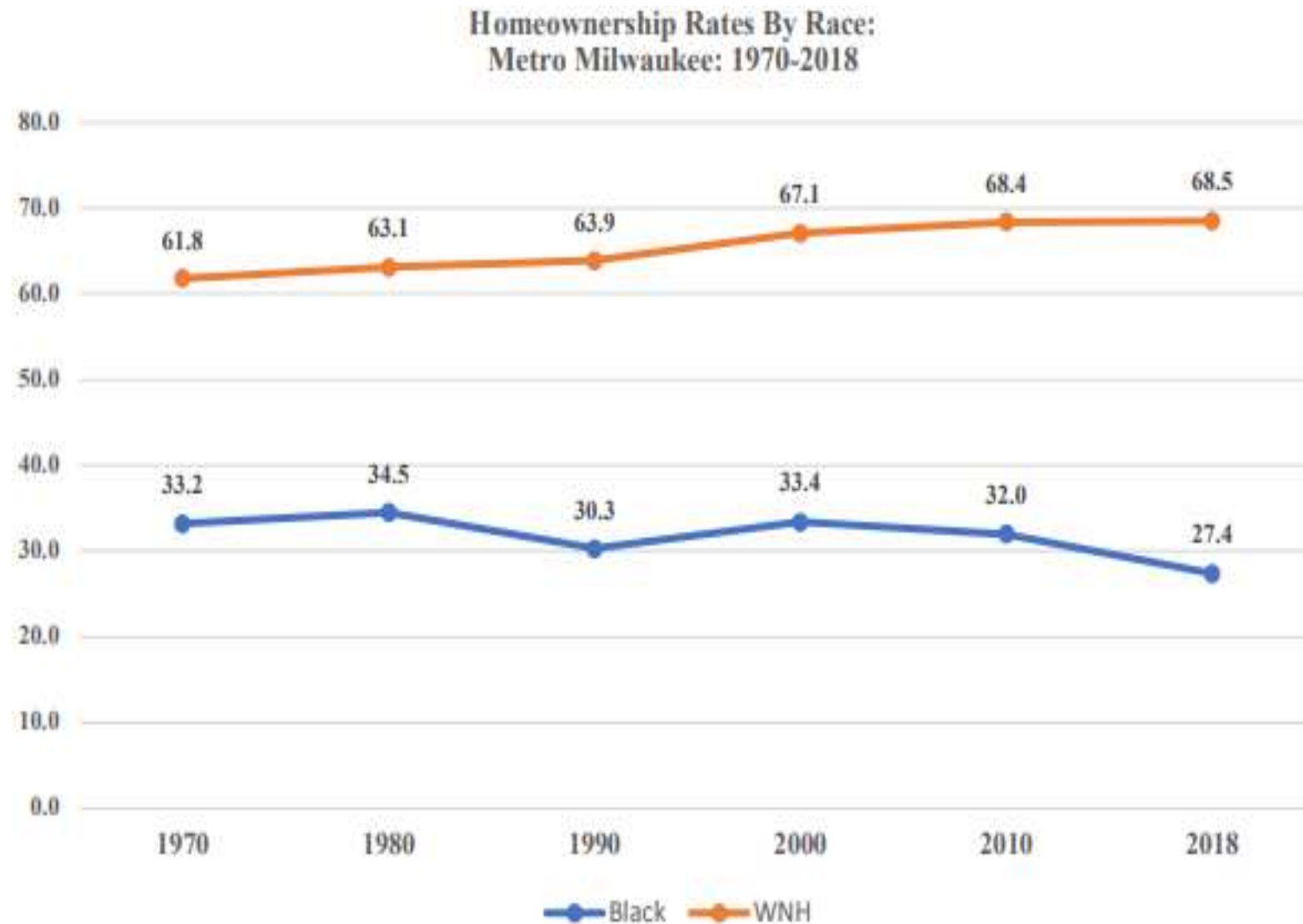
Chart 4: Demand and Supply of Affordable Rental Units by Household Income in the City of Milwaukee, 2017



Source: 2017 5 Year ACS Tables 25074 and 25063

Why Housing

- Homeownership is a primary tool in developing wealth. There is a huge racial equity gap in homeownership in Milwaukee.
- The recent State of Black Milwaukee Report indicates that Milwaukee is the 2nd worst metro area in the United States for homeownership by Black Families.



80% AMI
\$67,050

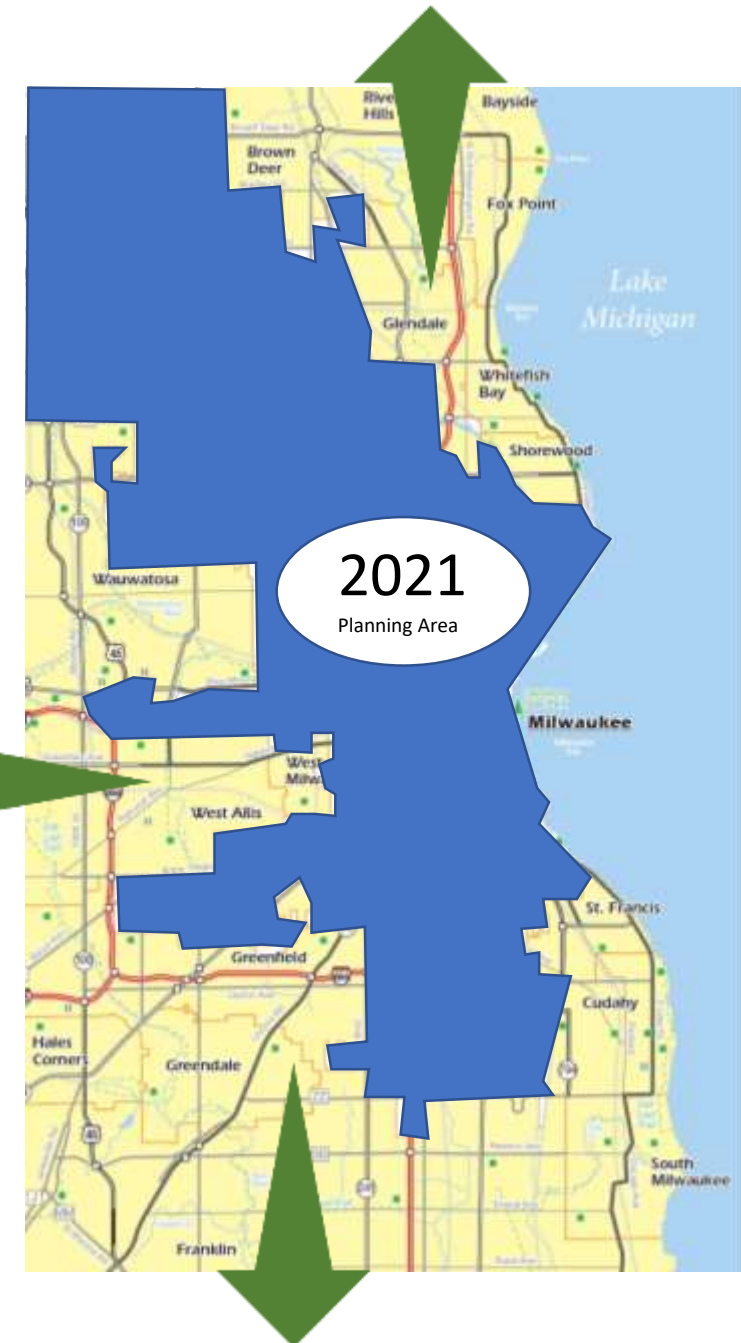
Market Strategies
(out of scope)

Milwaukee
Affordable
Housing Plan

20% AMI
\$16,763

Continuum of Care
Planning & Strategies
(out of scope)

Future
Planning



Milwaukee Affordable Housing Plan - Process

Phase 1 Planning Process – 6 Months

Phase 2 Planning Process – 6 Months

Project
Initiation

- Project Charter
- Setting up Governance

February
2021

Data
Collection

- Review existing data and plans.
- Identify Gaps
- Develop Collection Process
- Establish 3-5 Priority Areas

February – March
2021

Stakeholder
Engagement

- Committees develop Action Plans based on 3-5 Priority Areas

April – May
2021

Develop
Strategy/Policy
Recommendations

- Develop Strategies based on Data & Action Plans
- Develop Financial Models

June – July
2021

Develop
Implementation
Plan &
Procedures

- Detailed timelines to meet strategy goals.
- Recruit Implementers and Funders
- Develop ongoing processes

August – October
2021

Accountability
Plan &
Procedures

- Identify Measures
- Identify audit process

November
2021

Project
Evaluation
& Close

- Project Survey and Summary for both phases

December
2021

Collective Affordable Housing Plan



Executive Committee

1. Resident Liaison: Danell Cross
2. City of Milwaukee, DCD: Lafayette Crump*
3. City of Milwaukee, HACM: Tony Perez
4. City of Milwaukee, CDBG: Steve Mahan
5. Milwaukee County: Jim Mathy
6. WHEDA: Joaquin Altoro
7. LISC: Theo Lipscomb
8. GMC: Julia Taylor
9. GMF: Kathryn Dunn/Janel Hines*
10. ZFF: Gina Stilp*
11. NMF: Eric Christophersen/Audra Brennan*
12. Bader Foundation: Frank Cumberbatch*
13. Healthcare Rep: Bridget Clementi

* CDA Funder/Funder's Council Member

Program Committee

1. Resident Liaison: Jarrett English
2. DCD: Sam Leichtling/ Maria Prioletta
3. HACM: Kaylin Nuss
4. City of Milwaukee, CDBG: Jason Boothe
5. Milwaukee County: David Cialdini
6. WHEDA: Jeff Towne
7. LISC: Matt Melendes
8. GMC: Tony Panciera
9. GMF: Kermiath McClendon/ Darlene Russell
10. ZFF: Irma Yopez/Erin Frederick
11. NMF: LaQuondra Shaw
12. Bader Foundation: TBD
13. Healthcare Representative: Greg Statder



Data Collection Overview

Community Development Alliance

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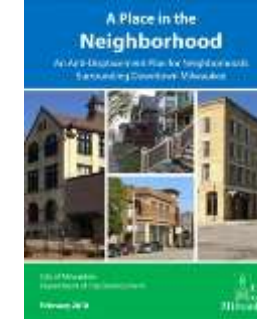
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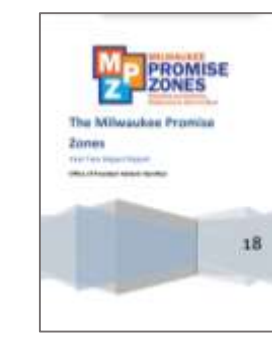
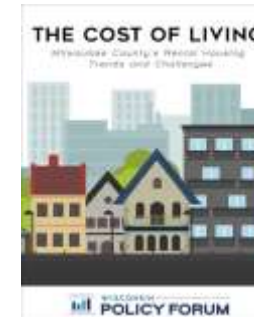
Data Collection Process

- Census, ACS, HUD and other data sources used to update the Housing Affordability Report
- Racial Equity Data by State of Black Milwaukee, and Index of Hispanic Well-Being reviewed.
- Neighborhood & Citywide plans reviewed
- Wisconsin Policy Forum housing focused research reviewed



2020 CITY OF MILWAUKEE HOUSING AFFORDABILITY REPORT

January 2021
Department of City Development | Planning Division



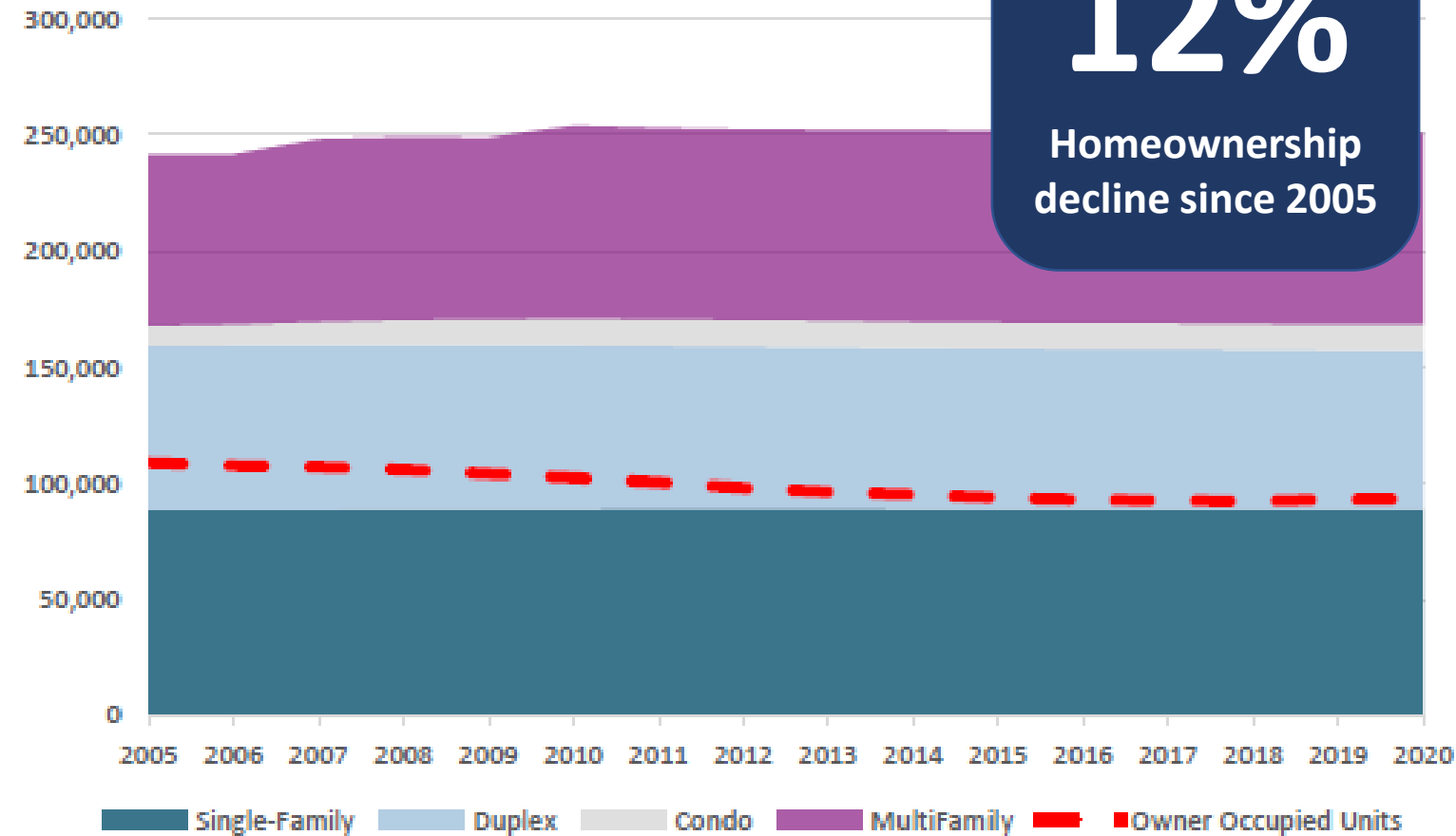
Housing Affordability Report



**2020 CITY OF MILWAUKEE
HOUSING AFFORDABILITY
REPORT**
January 2021

Department of City Development | Planning Division
<https://city.milwaukee.gov/DCD>

Chart 2: Housing Units and Owner Occupancy, 2005 to 2020



12%
Homeownership
decline since 2005

Housing Affordability Report



2020 CITY OF MILWAUKEE HOUSING AFFORDABILITY REPORT January 2021

Department of City Development | Planning Division
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Table 4: Households Paying More than 30% of their Income on Housing by Tenure, 2017

Income	Total Occupied Housing		Owner Occupied Housing		Renter Occupied Housing	
	Number	Percent	Number	Percent	Number	Percent
Less than \$20,000	49,507	21.5	9,096	9.4	40,411	30.2
\$20,000 to \$34,999	31,468	13.7	8,765	9.1	22,703	16.9
\$35,000 to \$49,999	10,648	4.6	5,933	6.2	4,715	3.5
\$50,000 to \$74,999	5,636	2.4	4,162	4.3	1,474	1.1
\$75,000 or Greater	1,426	0.6	1,064	1.1	362	0.3
Zero or Negative Income	5,685	2.5	1,069	1.1	4,616	3.4
Total Cost Burdened	104,370	45.3	30,089	31.2	74,281	55.4

Source: 2017 5 Year ACS, table S2503 Financial Characteristics

135K

of renter
households

50%

Number of renters
cost burdened

40K

Shortage of
affordable units for
20% AMI

Housing Affordability Report



**2020 CITY OF MILWAUKEE
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Chart 4: Demand and Supply of Affordable Rental Units by Household Income in the City of Milwaukee, 2019

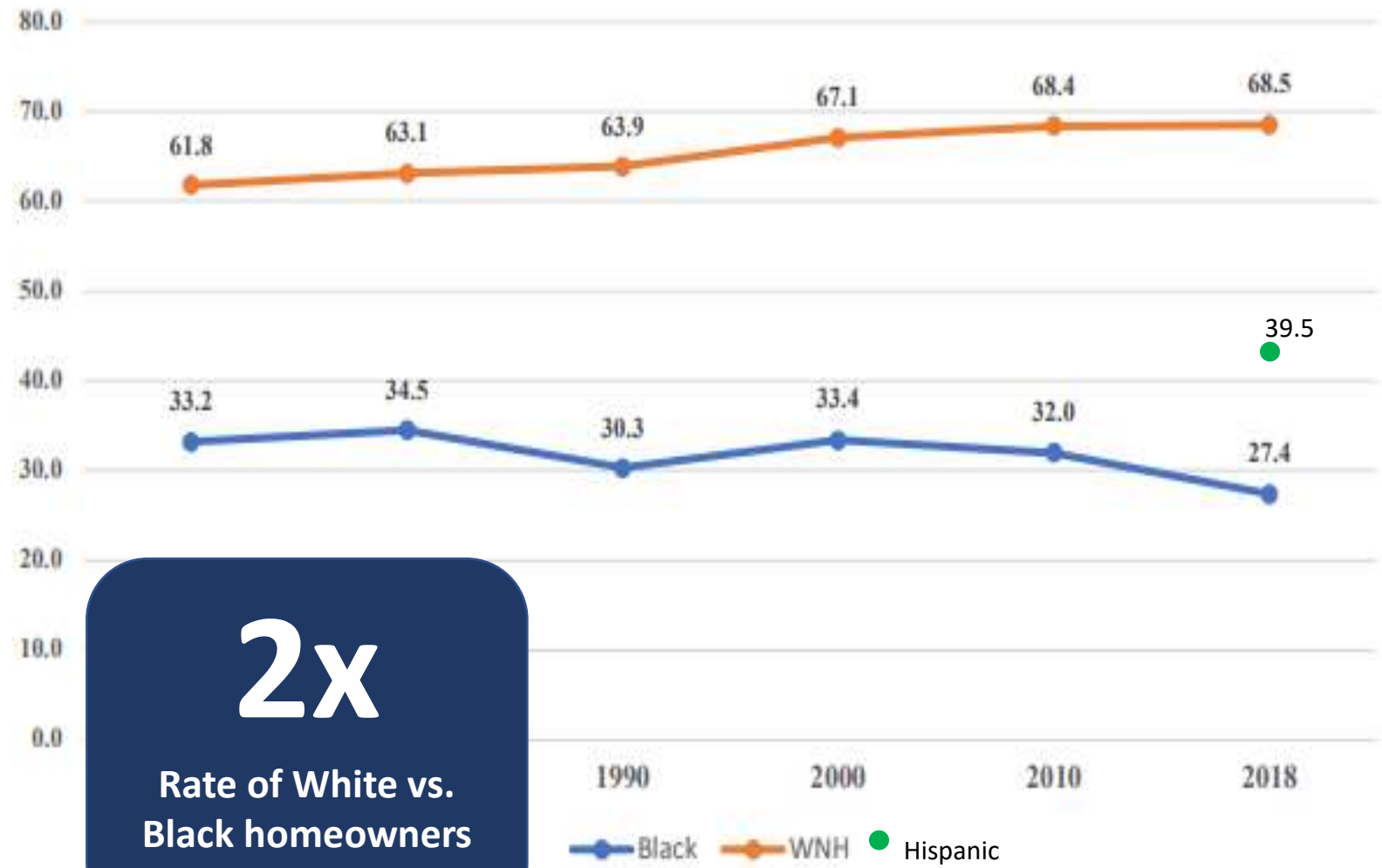


Source: 2019 ACS 5 Year B25063 Gross Rent and B25074 Household Income By Gross Rent as Percentage of Household Income

Racial Equity Data



Homeownership Rates By Race:
Metro Milwaukee: 1970-2018

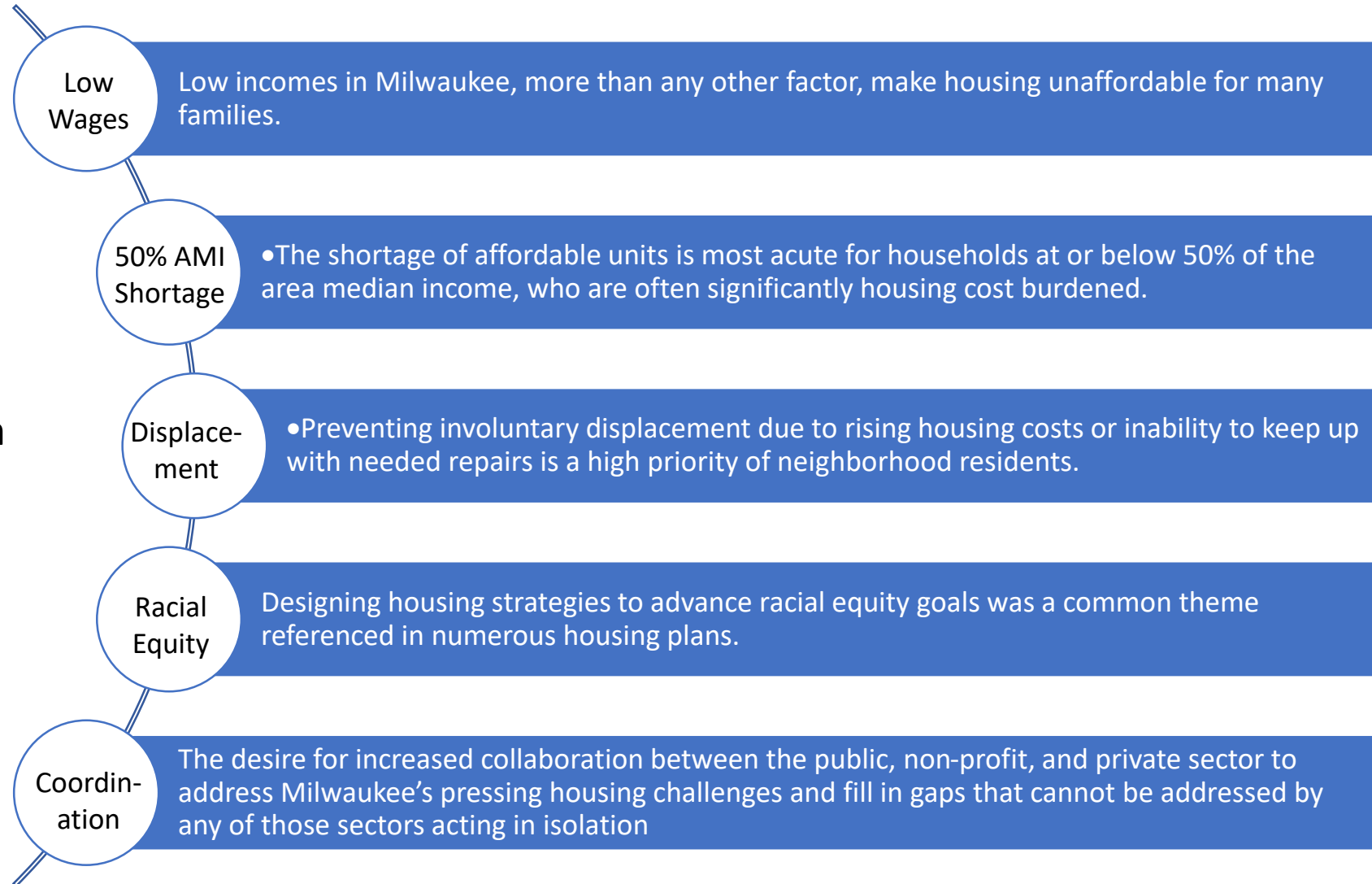


2x

Rate of White vs.
Black homeowners
(1.4x vs. Latino)

Plan Review

- Six Neighborhood Plans Reviewed
- Recently completed 2020-2025 Consolidated Plan with intensive public participation process reviewed
- Policy reviews from the City, SEWRPC and Wisconsin Policy Forum Reviewed
- Strategic Plans from housing groups such as Take Root and MKE United reviewed



WPF & Other Research

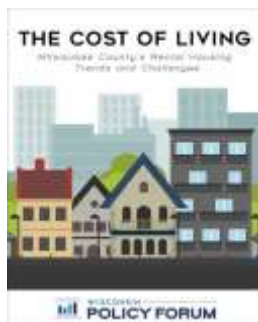
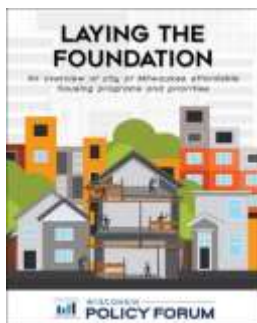
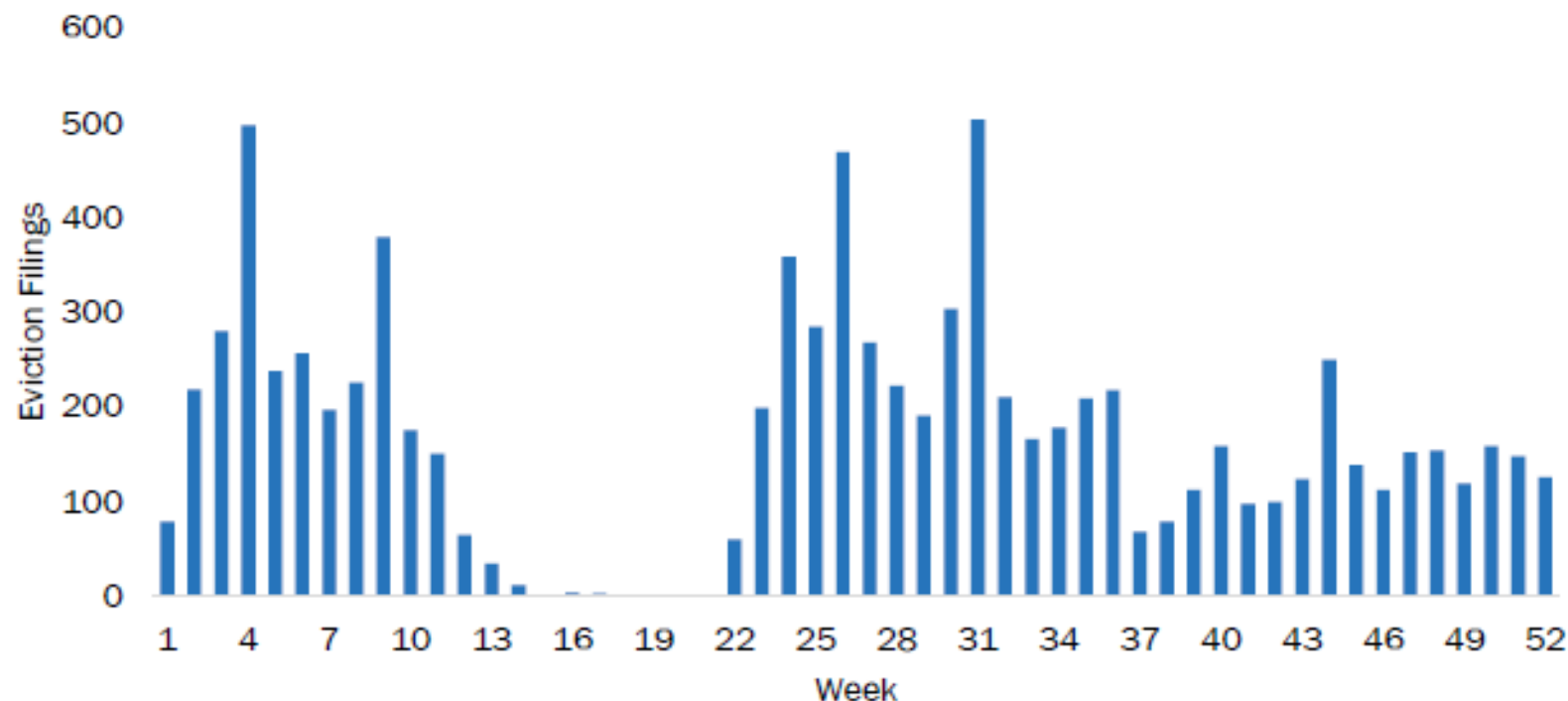


Figure 3: Evictions filings by week in the city of Milwaukee, 2020



43%

Of homeowners
are < 80% AMI

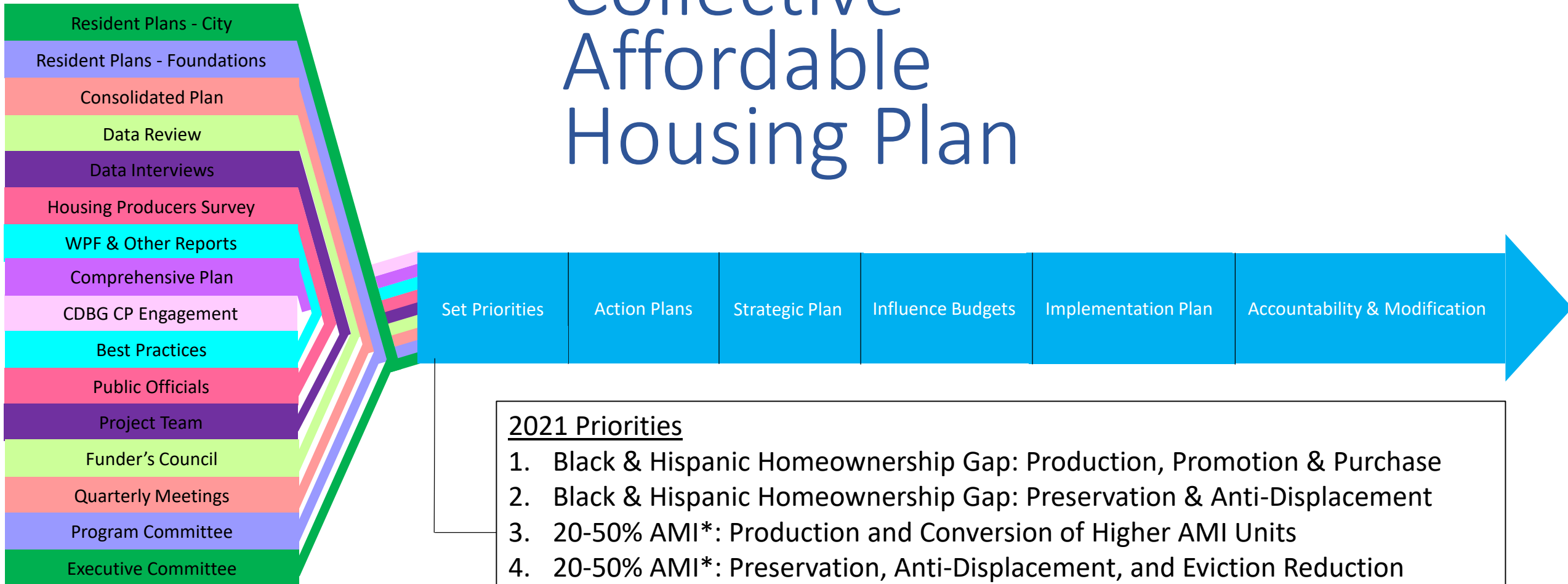
16%

Of homeowners have
negative equity

13,700

Number of
evictions filed in
2019

Collective Affordable Housing Plan



2021 Priorities

1. Black & Hispanic Homeownership Gap: Production, Promotion & Purchase
2. Black & Hispanic Homeownership Gap: Preservation & Anti-Displacement
3. 20-50% AMI*: Production and Conversion of Higher AMI Units
4. 20-50% AMI*: Preservation, Anti-Displacement, and Eviction Reduction

* Additional data review necessary to further narrow AMI categories

Collective Affordable Housing Plan - Priorities

1	Black & Latino Homeowner Gap	Production, Promotion, and Purchase
2		Preservation & Anti-Displacement
3	20 – 50% Area Median Income	Production & Conversion of Higher AMI Units
4		Preservation, Anti-Displacement, Eviction Reduction

Priority 1

Black & Hispanic Homeownership Gap:

Production, Promotion & Purchase

12%

Homeownership
decline since 2005

15K

Less
neighborhood
owners

2x

Rate of White vs.
Black homeowners
(1.4x vs. Latino)

We believe that promoting homeownership is an important strategy to both stabilize our neighborhood and build wealth for Metcalfe Park Residents.

- Metcalfe Park Community Led Investment Plan

Greater Downtown must increase home ownership and home purchase options.

- MKE United Transformative Directions

Priority 1

Black & Hispanic Homeownership Gap:

Production, Promotion & Purchase

Filling Gaps

Identify the barriers of homeownership to communities of color and address gaps in current resources

New Products

Identify whether there is a need for a new housing product that communities of color desire and is financially feasible.

Alternative models

Identify alternative models of homeownership that may create long term affordability, or as a springboard for traditional home ownership.

Priority 2

Black & Hispanic Homeownership Gap:

Preservation & Anti- Displacement

70%

Of housing stock
is > 60 years old

43%

Of homeowners
are < 80% AMI

16%

Of homeowners have
negative equity

Identify funding resources to meet the financial profile of the homeowners on the pilot block.

- *Amani Neighborhood Revitalization Plan*

Cities need to plan ahead to preserve existing affordable housing

- *Home is Where our Health Is*

Priority 2

Black & Hispanic
Homeownership
Gap:

Preservation & Anti-
Displacement

Filling Gaps &
Simplify
Resources

Quantify the need for support and fill gaps in existing resources. Simplify process for homeowners

Supply Chain

Identify related challenges and resolve (e.g. shortage of contractors, prompt payment, etc.)

Anti-
Displacement

Quantify the need for support and fill gaps in existing resources.

Priority 3

20% - 50%
Area Median
Income:

Production &
Conversion of
Higher AMI Units

135K

of renter
households

50%

Number of renters
cost burdened

31K

Shortage of
affordable units for
20% AMI

There is a significant gap in available rental units to meet the demand from low-income renters. While 42% of renter households in Milwaukee County earned less than \$25,000 per year in 2016, only 9% of rental units charged monthly rents those households could afford.

- The Cost of Living

The most common rental rate in Metcalfe Park increased by up to 45 percent between 2000 and 2010 (from the 2000 rate of \$450 to \$499) to the 2010 rate of \$1,000 to \$1,249, then dropped slightly in 2014 (\$800 to \$899). Given the average median earnings of \$21,886 for working residents of the neighborhood, these rates are extremely high.

- Metcalfe Park Community Bridges

Priority 3

20% - 50%
Area Median
Income:

Production &
Conversion of
Higher AMI Units

Increase
Supply

Identify strategies for increasing the supply of 20-50% AMI units

Balance
Supply

Consider strategies to balance the number of units for the income levels needed (i.e. convert 60-80% rental to 20-50% rental)

Quality

Ensure that units are code compliant at minimum.

Priority 4

20% - 50%
Area Median
Income:

Preservation, Anti-
Displacement,
Eviction Reduction

1,500

of subsidized
units expiring in
10 years

13,700

Number of
evictions filed in
2019

31K

Shortage of
affordable units for
20% AMI

Development should not dismantle and displace existing neighborhoods and communities in order to make way for new residents... [The City] must ensure that its economic revitalization efforts include policies that help poorer residents."

- City of Milwaukee Anti-Displacement Resolution

"The health impacts of affordability, quality, and stability in housing are deeply intertwined... Evictions are widespread and have long-term consequences... About 5,500 households experienced eviction in the City of Milwaukee in 2018."

- Home is Where our Health Is

Priority 4

20% - 50%
Area Median
Income:

Preservation, Anti-
Displacement,
Eviction Reduction

Preserve
Supply

Identify strategies to preserve subsidized and naturally occurring affordable housing (NOAH)

Anti-
Displacement

Include strategies from Anti-Displacement Plan and other efforts

Reduce
Evictions

Identify causes of eviction and support resources to mitigate (e.g. Milwaukee Rental Housing Resource Center)

Quality

Ensure that units are at minimum code compliant



Committee Overview

Community Development Alliance

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