



Housing Allies Meeting

CDA 3rd Quarter Meeting – September 20, 2022

Agenda

- I. Welcome & Updates
- II. Recommended Governance Structure
- III. Review of 2022 Objectives & Key Results (OKRs) & Recommended 4th Quarter OKRs
- IV. Next Steps/Action Items
 - a. CDA Quarterly Allies – November 15, 2022

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



Common Agenda



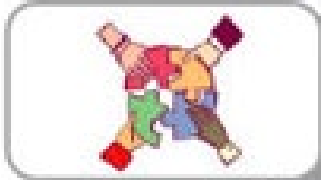
Shared Measurement



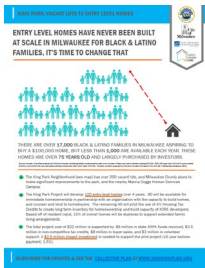
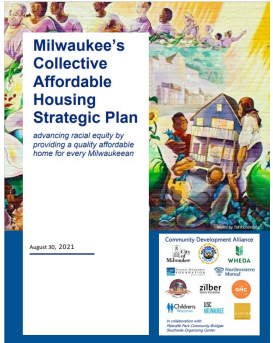
Mutually Reinforcing Activities



Continuous Communication



Backbone Organization



1 Homeowner Offense	2 Homeowner Defense	3 Rental Offense	4 Rental Defense
<ul style="list-style-type: none"> Create an acquisition fund to acquire properties for homeownership for BIPOC families Create alternative homeownership structures & physical structures Create or stimulate alternative lending 	<ul style="list-style-type: none"> Fund assistance & non-traditional programs to assist homeowners with repairs Provide enhanced post-purchase homeowner counseling Develop resources and policies to lessen property tax burden 	<ul style="list-style-type: none"> Support for mortgage for residents & consider incentives to offer units from 1950-1980 Create tax credit policies that increase incentives for 1950-1980 units Create and support inclusive strategies to combat racism and address segregation 	<ul style="list-style-type: none"> Capacity for preserving/managing existing subsidized units Acquisition fund to get properties to responsible landlords Policy changes for subsidized units



MILWAUKEE COUNTY

Here's how a \$7.5M Wells Fargo grant will help families of color find affordable homes in Milwaukee

Talis Shelbourne and La Risa R. Lynch Milwaukee Journal Sentinel

Published 5:00 a.m. CT Sept. 16, 2022 | Updated 11:51 a.m. CT Sept. 16, 2022



Mayor Cavalier Johnson ✓

@MayorOfMKE



Thank you to the [@WellsFargo](#) Foundation for your generous support and partnership in helping to increase quality, affordable housing options for Milwaukeeans.

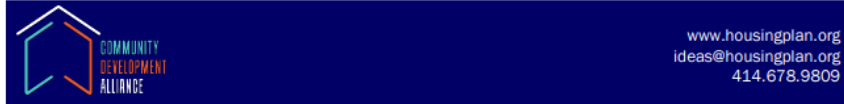


3:02 PM · Sep 16, 2022 · Twitter for iPhone

WORTH Grant Expected Allocated Expenditures

Strategy	Beginning of Grant Period				
	June 2022	March 2023	March 2024	March 2025	Total
Grow Downpayment Assistance - Grant		\$ 250,000	\$ 875,000	\$ 875,000	\$ 2,000,000
Grow Homebuyer Counseling		\$ 300,000	\$ 350,000	\$ 350,000	\$ 1,000,000
New Home Construction (Existing Nonprofit)			\$ 250,000	\$ 250,000	\$ 500,000
Tier I Acquisition	\$ 1,000,000				\$ 1,000,000
Tier II Acquisition	\$ 775,000	\$ 225,000			\$ 1,000,000
Tier III Acquisition (Expanding Developers)		\$ 750,000			\$ 750,000
Expanding Innovation Capacity	\$ 100,000	\$ 100,000	\$ 150,000	\$ 150,000	\$ 500,000
Convening Support/Engagement/Comms		\$ 250,000	\$ 250,000	\$ 250,000	\$ 750,000
Total	\$ 1,875,000	\$ 1,875,000	\$ 1,875,000	\$ 1,875,000	\$ 7,500,000

RFP Reminder



August 29, 2022

To: Housing Developers, Community Agencies, Organizations, and Interested Parties

The Community Development Alliance (CDA) invites Housing Developers, Community Agencies, Organizations, and other interested parties to participate in the RFP process by submitting proposals for the development of single-family homes and duplexes in the King Park Neighborhood. There are currently two open RFPs:

RFP# CDA 2022-002 – 80 Units of Immediate Homeownership Homes

RFP# CDA 2022-003 – 40 Units of Long-Term Homeownership Homes Utilizing 4% Low Income Housing Tax Credits

CDA is issuing this RFP in collaboration with Milwaukee County which has secured the majority of funding needed for these projects, and the City of Milwaukee who has available land to construct these projects.

CDA welcomes new prospective vendors including joint ventures and other innovative partnerships to participate in this RFP process. Proposal materials will be available for download in electronic format beginning August 29, 2022 from: www.housingplan.org/RFP

One (1) Informational session will be held virtually from 1:00 pm – 2:00 pm on August 31, 2022. [Click Here for registration.](#)

All proposals for funding in response to this RFP must be received by CDA no later than 4:00 p.m. CDT on Friday September 23, 2022. No extensions will be granted for submission of proposals.

Proposals must be uploaded to:

www.housingplan.org/RFP

All proposals must be fully and completely uploaded to the above site by the deadline. Should an extension or modification of any deadline occur, there will be a notice via addendum to all parties. Such an extension will be available to all proposers.

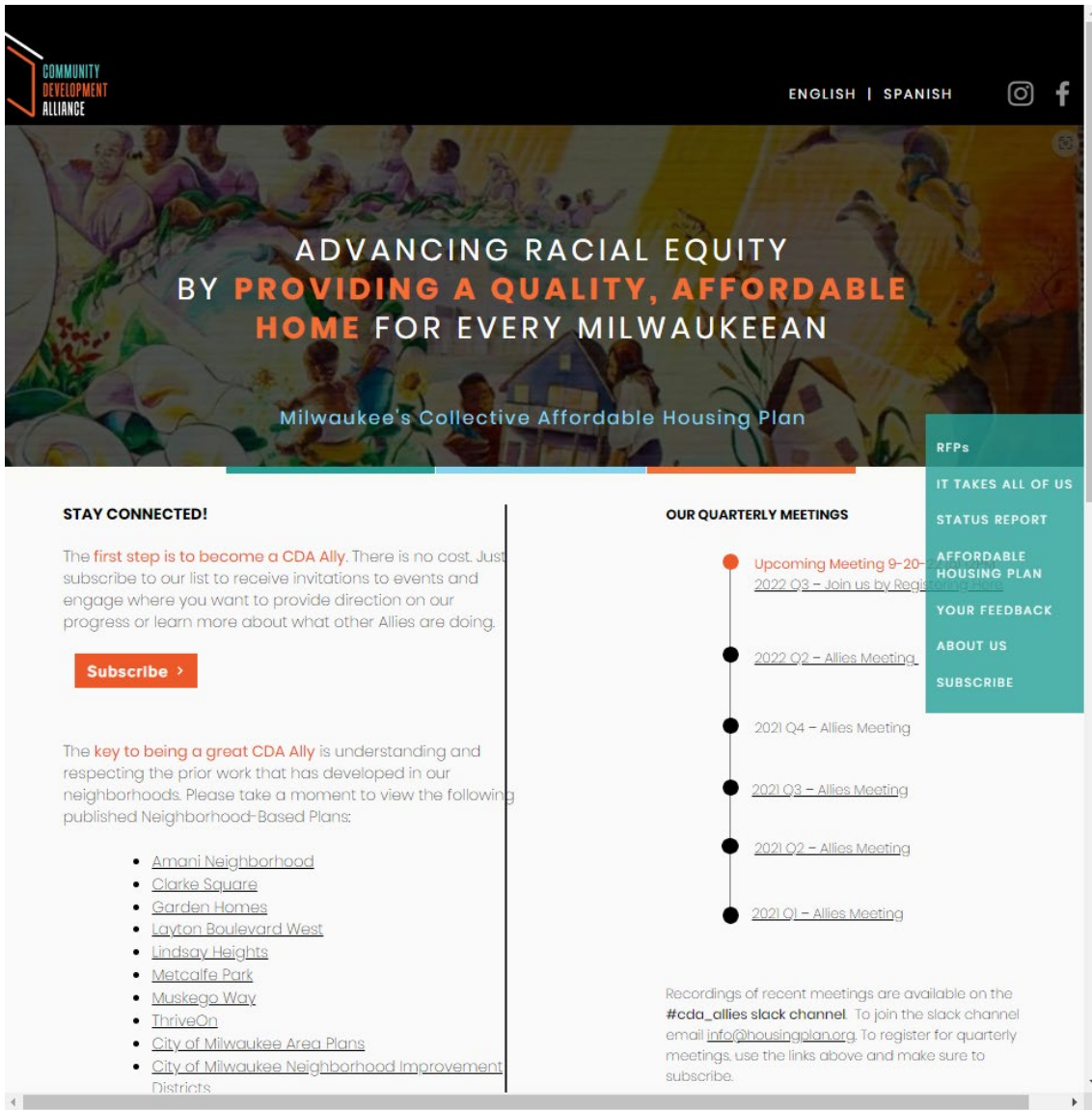
Thank you for your interest in the Community Development Alliance RFP process.

Sincerely,

A handwritten signature in black ink, appearing to read 'Teig Whaley-Smith', is positioned above the typed name.

Teig Whaley-Smith
Chief Alliance Executive

www.housingplan.org/rfp



- Neighborhood Plans
- Meeting Presentations
- Infographics
- Research

www.housingplan.org/allies

Feedback from Last Meeting

Question/Feedback

How can we get more banks, insurance companies and impact investors involved



Outcome/Plan

Housing Investors Council

How can we better collaborate with RON and other allies



New Governance Structure

How can further center residents in our planning



Advocacy & Collaboration Coordinator
Resident Council

How can support emerging developers and increase overall construction capacity

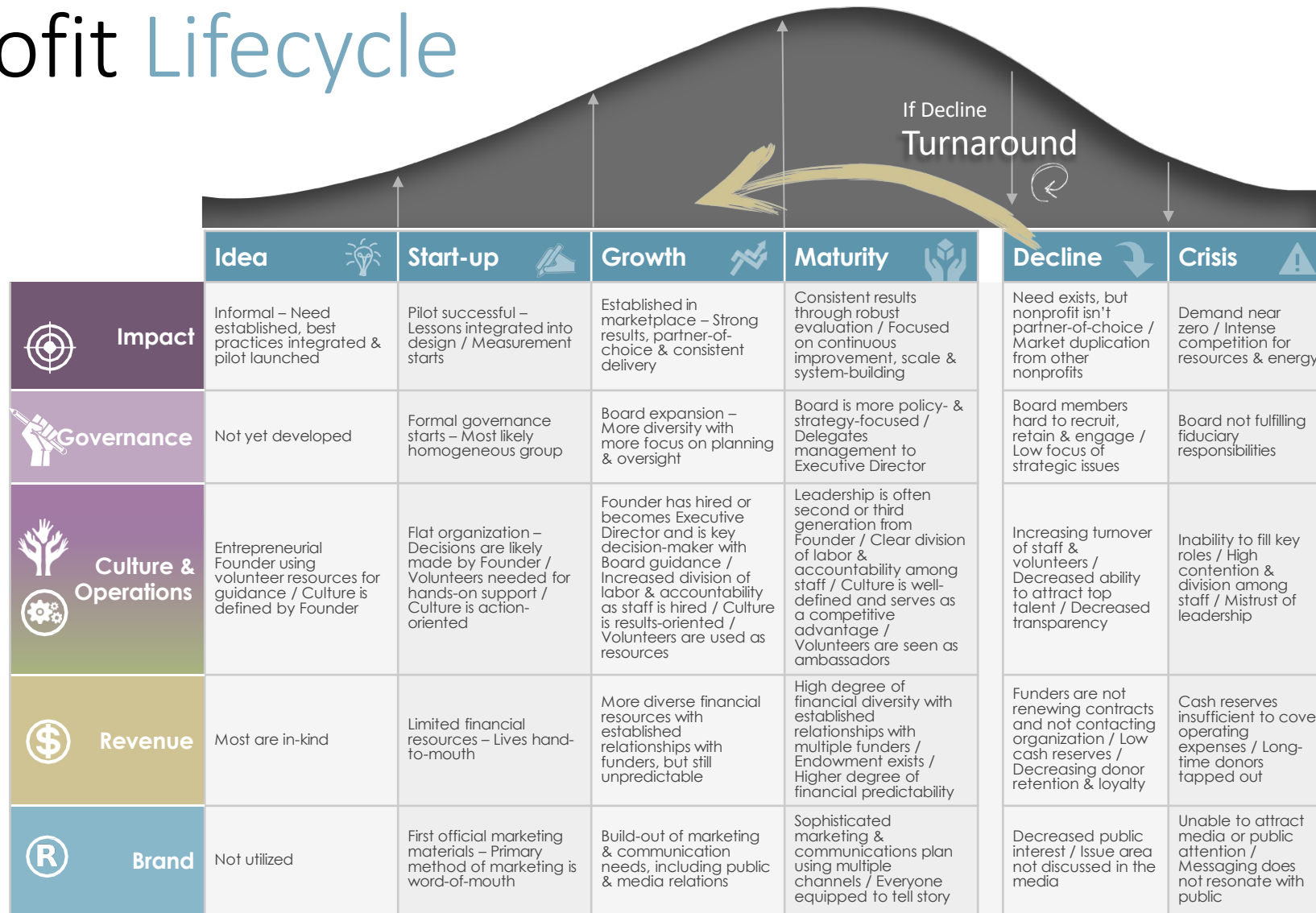


Reallocate Tier III Acquisition Funds to
Expanding Developer support

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Nonprofit Lifecycle



2020

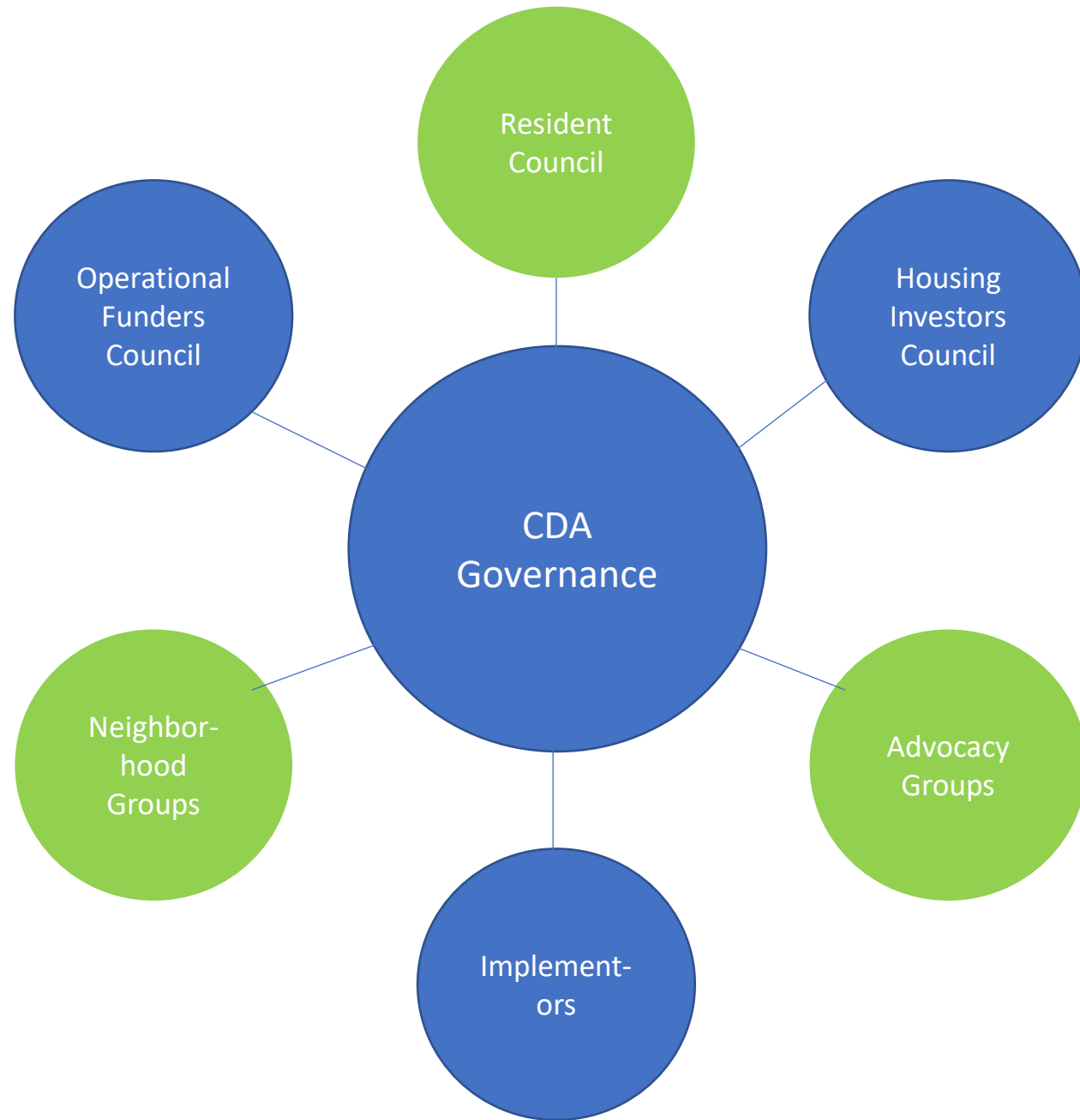
2021

2022

2023

@socialtrendspot
www.socialimpactarchitects.com

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**DRAFT FOR
DISCUSSION
PURPOSES**

Poll Question



1. What advice, direction, or questions do you have regarding CDA's future governance structure?

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GARE Racial Equity Policy Process

Vision Developing an Affordable Housing Plan



Community Development Alliance

Data Data Collection Overview



Community Development Alliance

Engage Overview of Action Committee Recommendations



Community Development Alliance

Strategy Milwaukee's Collective Affordable Housing Strategic Plan



Community Development Alliance

Implement Detailed Plans

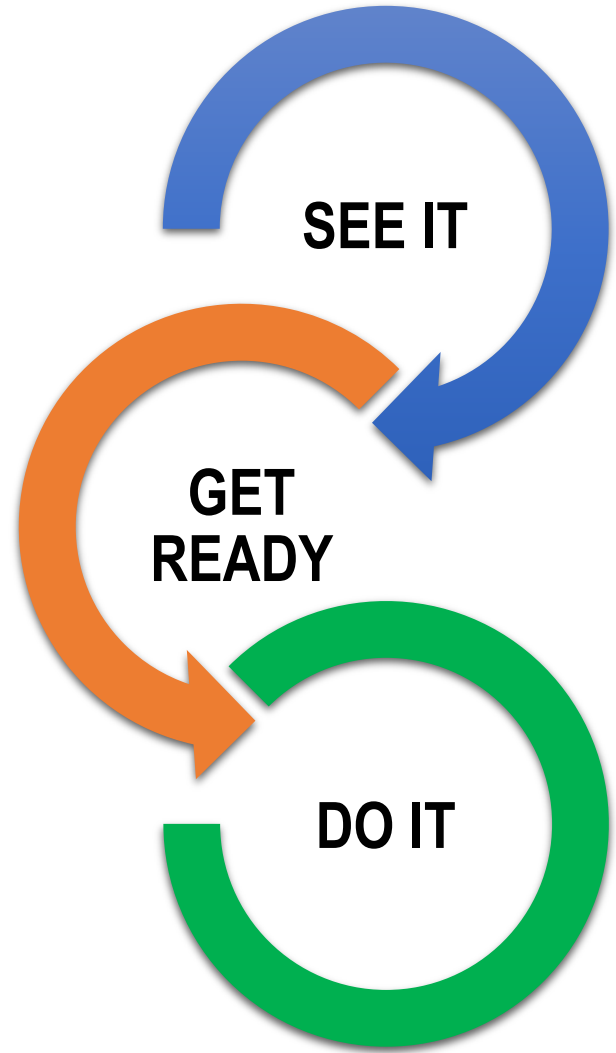
Accountability Monitor & Communicate

Update Continuous Improvement



LOCAL AND REGIONAL GOVERNMENT ALLIANCE ON RACE & EQUITY

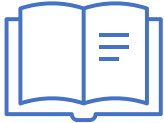
- 2. Collect & Analyze **Data**
- 3. **Engage** Allies
- 4. Develop Equitable **Strategy**



1. Set Racial Equity **Vision**

- 5. **Implement** Changes
- 6. Monitor & Communicate Progress for **Accountability**
- 7. **Update** & Continuously Improve

Collective Objectives



Grow homebuyer counseling & down payment assistance (DPA)



Acquisition Fund to combat predatory acquisition



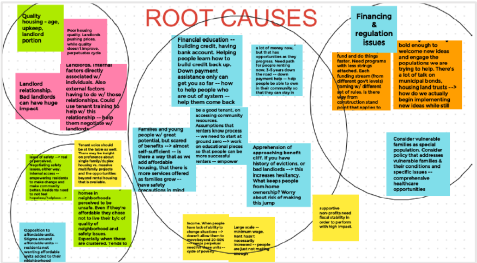
Vacant Lots to 1st Generation Homes



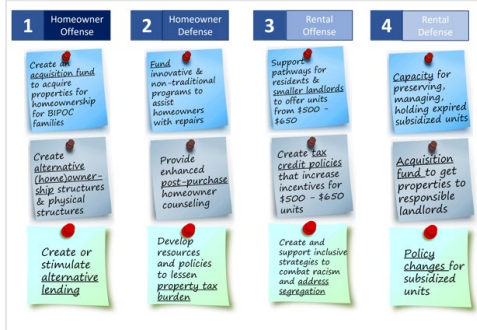
Alternative lending based on rental history

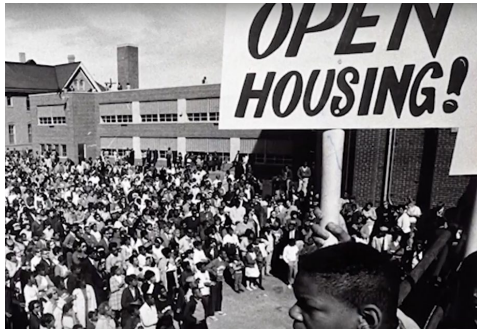


Preserve Expiring Subsidized Rental Units



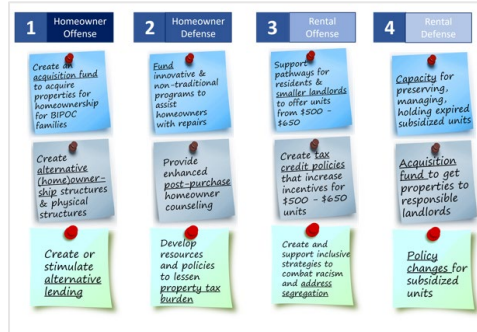
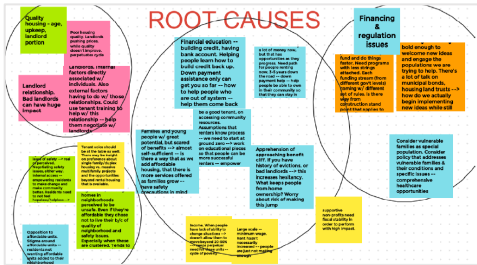
2022
2023

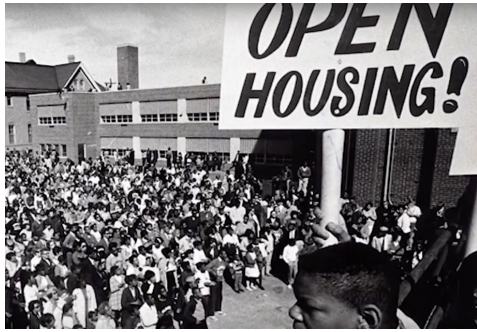




What is an OKR?

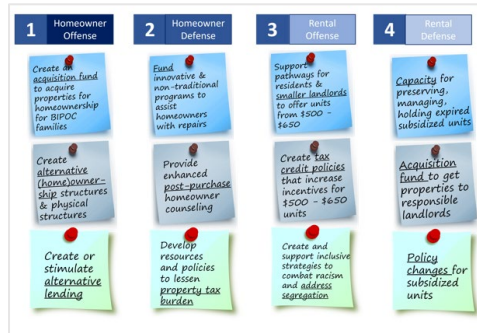
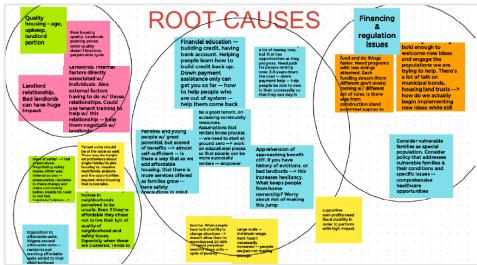
- Objectives & Key Results are challenging goals with measurable results that are set quarterly.
- Quarterly OKRs will be directed by allies at quarterly meetings
- Allies willing to lend more time and expertise are invited to Implementation Teams





What you can expect:

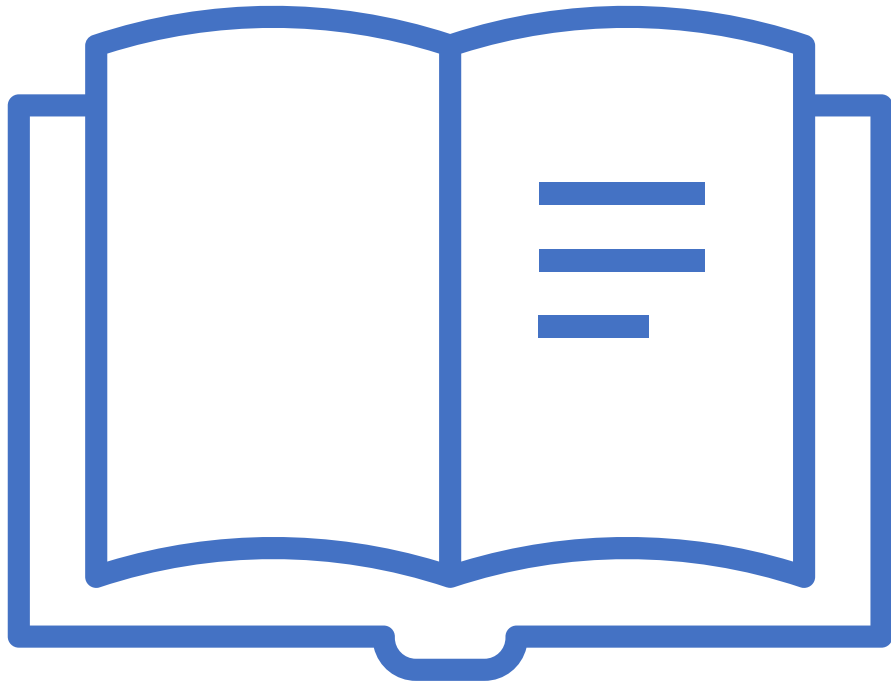
- Quarterly Reporting on OKRs and Recommended future OKRs
- Polling questions after each OKR: *what advice, direction or questions do you have on next steps?*
- Allies willing to lend more time and expertise are invited to Implementation Teams, Separate Meetings, Emails, Resident Meetings, etc.



COLLECTIVE AFFORDABLE HOUSING PLAN: 2022 Q3 UPDATE



	Grow DPA	Acquisition Fund	Entry Level Homes	Alternative Lending
Long Term Goal	Grow Down Payment Assistance (DPA) & Homebuyer Counseling by 10% each year for 5 years	Acquire 200 single family homes and duplexes every year that would otherwise be investor owned and sell to homeowners	Construct 100 entry level homes on vacant lots every year	Create a local lending pool that lends to first time homebuyers based on rental history
Q3 OKR Update	<ul style="list-style-type: none"> <input type="checkbox"/> Launch Implementation Team <input checked="" type="checkbox"/> Finalize Strategy Plans <input checked="" type="checkbox"/> Raise Additional \$1 million 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Launch Implementation Team <input checked="" type="checkbox"/> Raise total of \$11 million for Tiers I & II (\$3 million requested, \$5 million requested) <input type="checkbox"/> Technical Assistance Plan for Tier III developers 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Launch Implementation Team <input checked="" type="checkbox"/> Identify Developer for Phase I (RFP in progress) <input type="checkbox"/> Complete Phase I Land Acquisition <input checked="" type="checkbox"/> Raise \$5 million for Phase II 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Launch Project Team <input checked="" type="checkbox"/> Preliminary Business Plan (Project Charter Drafted)
Recommended Q4 OKR	<ul style="list-style-type: none"> <input type="checkbox"/> Efficiencies & alignment with Take Root Milwaukee <input type="checkbox"/> Collective Program Level Data Plan <input type="checkbox"/> Relaunch HACM Homeownership 	<ul style="list-style-type: none"> <input type="checkbox"/> Raise Final \$3-\$7 Million <input type="checkbox"/> Technical Assistance Plan for Expanding Developers 	<ul style="list-style-type: none"> <input type="checkbox"/> Complete Phase I Land Acquisition <input type="checkbox"/> Complete New Markets Study <input type="checkbox"/> Raise \$225K for Model Homes 	<ul style="list-style-type: none"> <input type="checkbox"/> Data Collection <input type="checkbox"/> Engage Allies



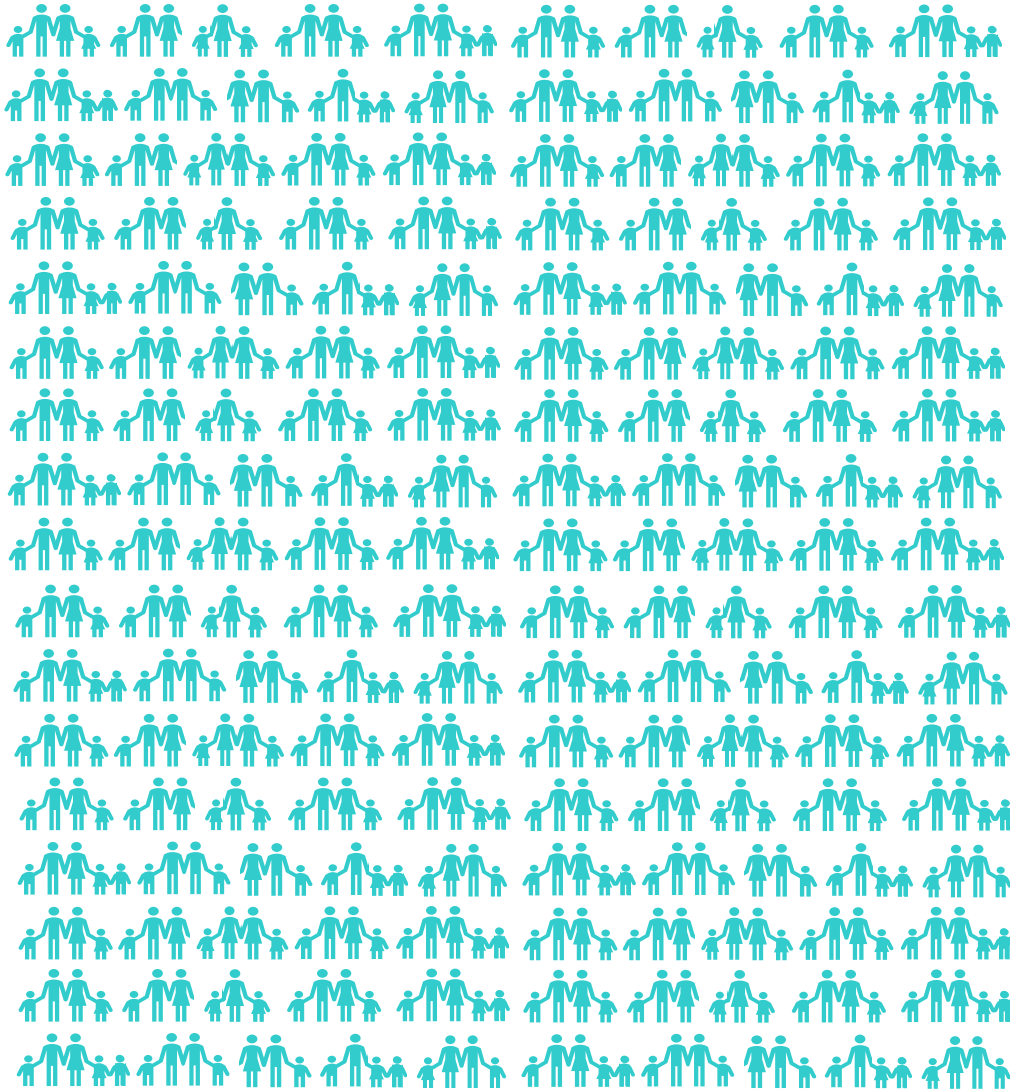
	Grow DPA
Long Term Goal	Grow Down Payment Assistance (DPA) & Homebuyer Counseling by 10% each year for 5 years
Q2 Objective & Key Result (OKR)	<ul style="list-style-type: none"> <input type="checkbox"/> Launch Implementation Team <input checked="" type="checkbox"/> Finalize Strategy Plans <input checked="" type="checkbox"/> Raise Additional \$1 million
Recommended Q3 OKR	<ul style="list-style-type: none"> <input type="checkbox"/> Efficiencies and Alignment with Take Root Milwaukee <input type="checkbox"/> Collective Program Level Data Plan <input type="checkbox"/> Relaunch HACM Homeownership

Poll Question



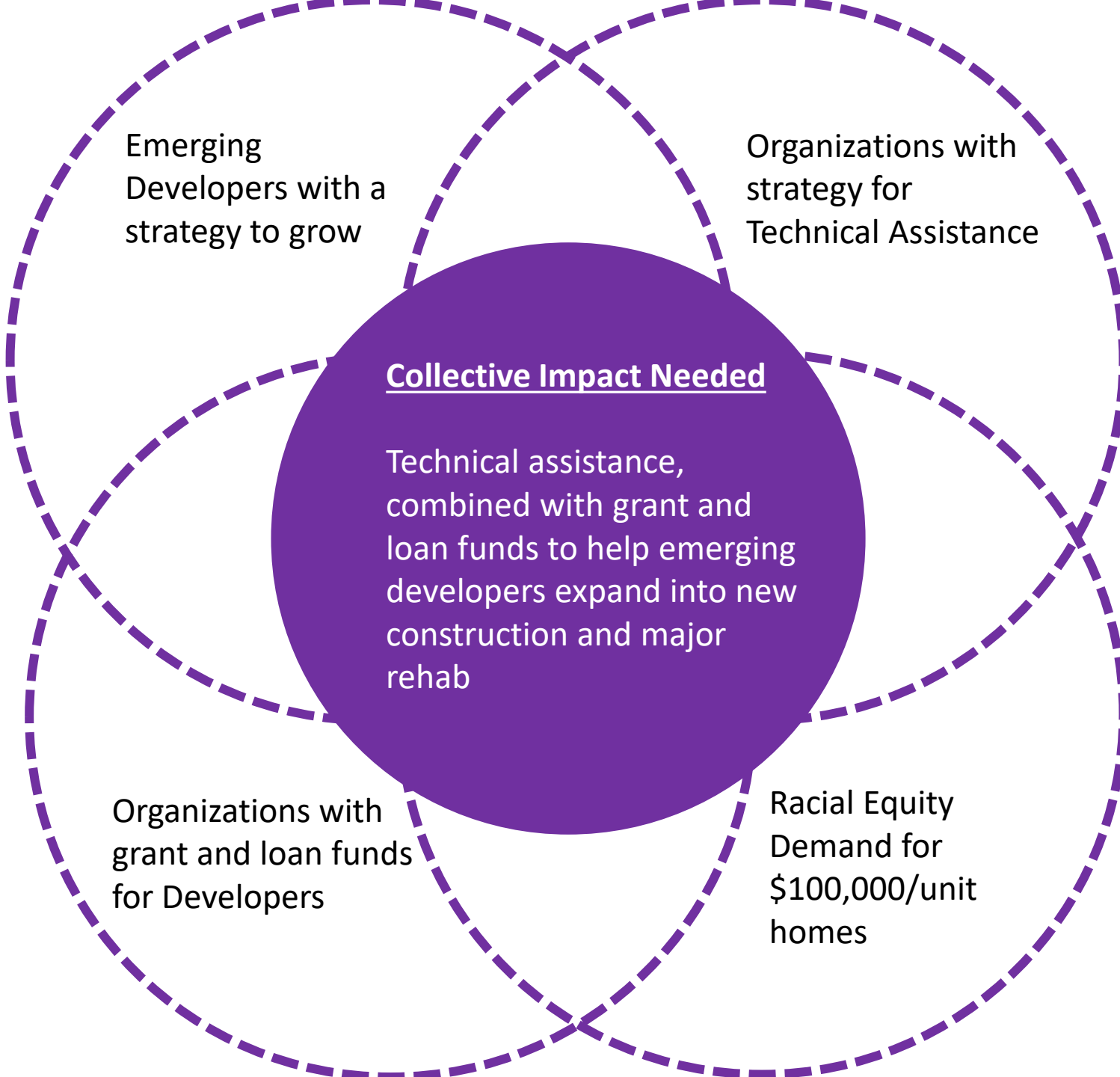
1. What advice, direction, or questions do you have regarding next steps on Down Payment Assistance & Homebuyer Counseling?

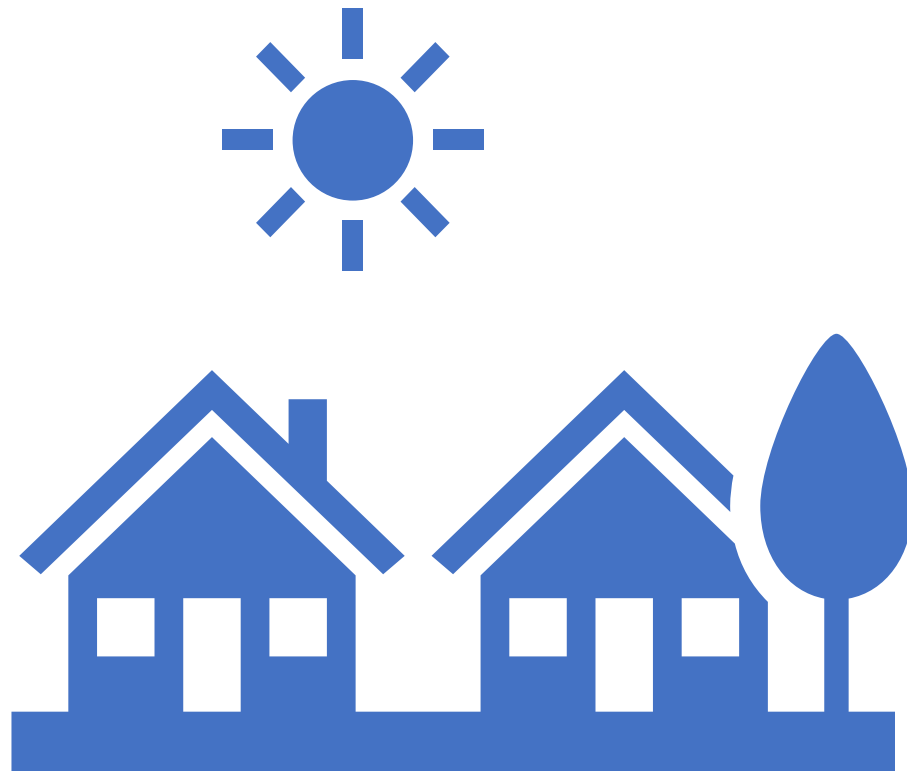
40% OF MILWAUKEE'S ENTRY LEVEL HOME INVENTORY HAS BEEN PURCHASED BY INVESTORS



THERE ARE OVER 17,000 BLACK & LATINO FAMILIES IN MILWAUKEE ASPIRING TO BUY A \$125,000 HOME, BUT ONLY ABOUT 1,500 ARE AVAILABLE EACH YEAR, AND OVER 40% HAVE BEEN PURCHASED BY INVESTORS

Source: Number of families analyzed by CDA and includes multiplying White homeownership rate to the number of Black and Latino families making \$25,000 - \$50,000/year (see 2019 ACS census tables B19001L and B19001B), less estimated existing homeowners (See 2000 Table HCT035). Property numbers analyzed by CDA and includes information from the City of Milwaukee Assessors office.





	Acquisition Fund
Long Term Goal	Acquire 200 single family homes and duplexes every year that would otherwise be investor owned and sell to homeowners
Q3 Objective & Key Result (OKR)	<ul style="list-style-type: none">✓ Launch Implementation Team✓ Raise total of \$11 million for Tiers I & II (\$3 million requested, \$5 million requested)<input type="checkbox"/> Technical Assistance Plan for Tier III developers
Recommended Q4 OKR	<ul style="list-style-type: none"><input type="checkbox"/> Raise Final \$3-\$7 Million<input type="checkbox"/> Technical Assistance Plan for Expanding Developers

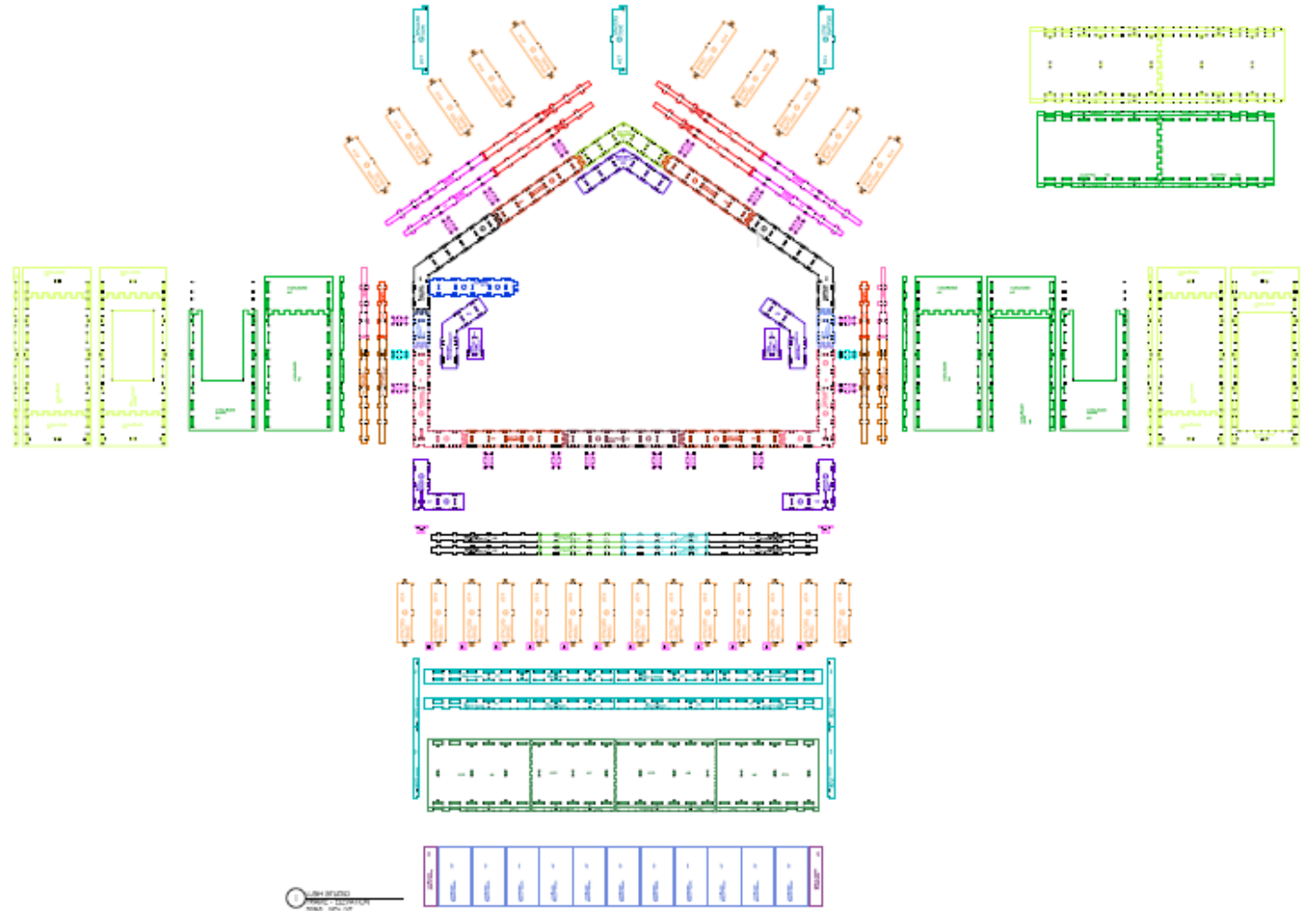
Poll Question



1. What advice, direction, or questions do you have regarding next steps on Acquisition Funds and other funding and Technical Assistance for Expanding Developers?

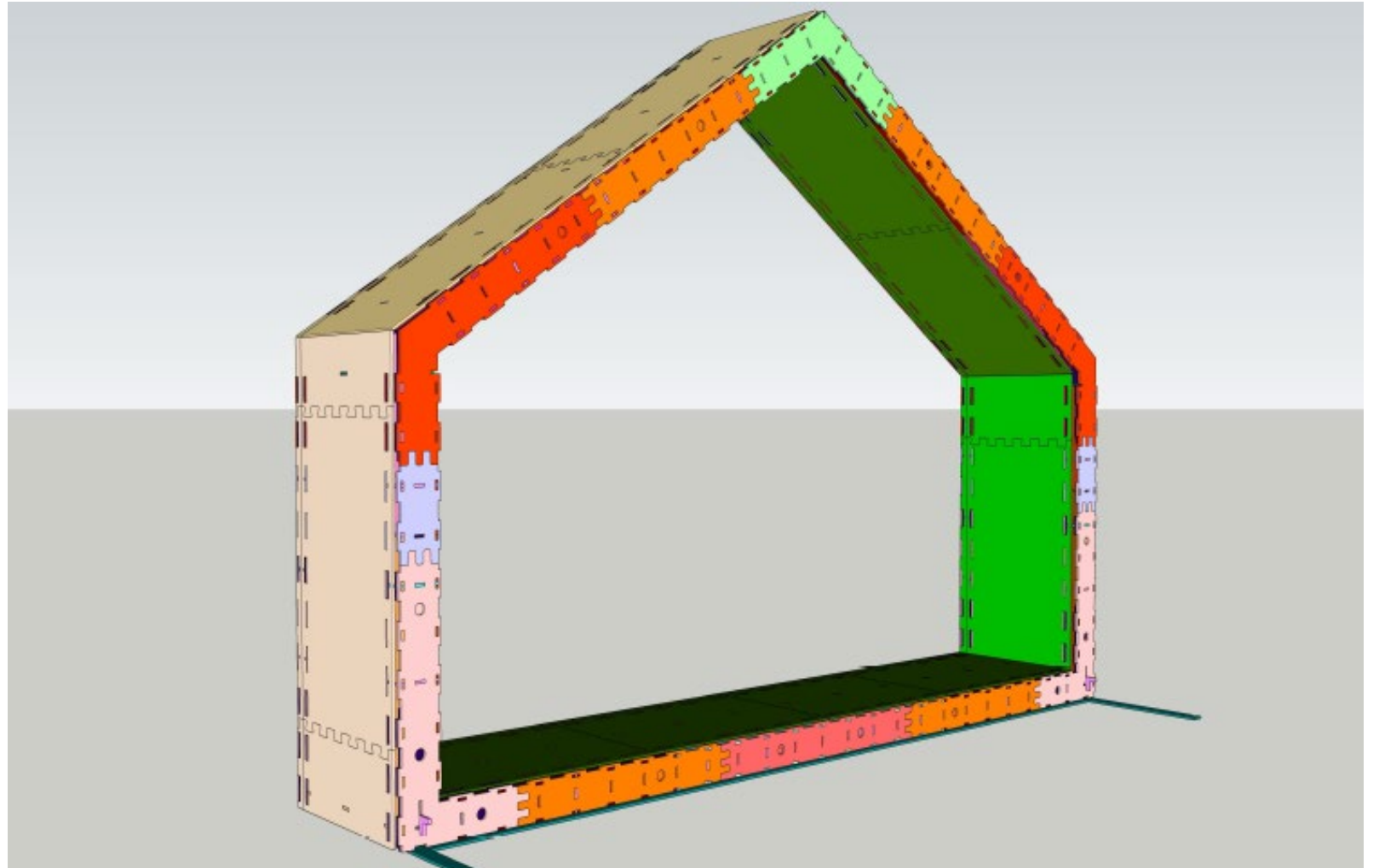
WHAT IS ENGINEERED FRAMING?

Engineered framing uses the advanced technology to cut framing pieces in a controlled environment and maximizes 95% of the materials used, the remaining is shredded and used for agricultural purposes for zero-waste.



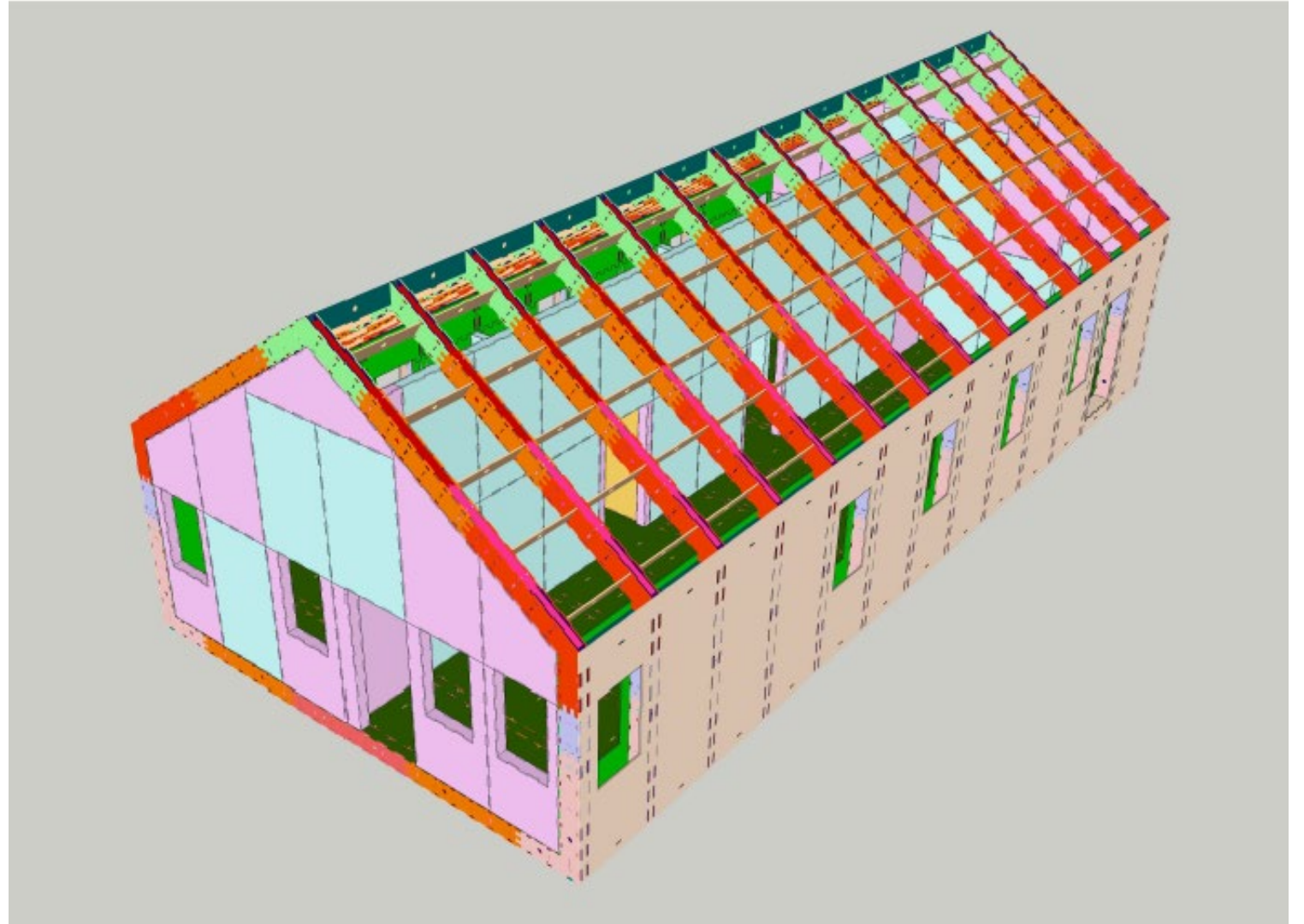
WHAT IS ENGINEERED FRAMING?

Pieces are assembled into major framing components and shipped to the building site to be attached. On site assembly can be done in 2 days any time of year.



WHAT IS ENGINEERED FRAMING?

The framing has predrilled holes for plumbing, electric, HVAC, and solar. The design has been reviewed by structural engineers and meets or exceeds all local building codes.

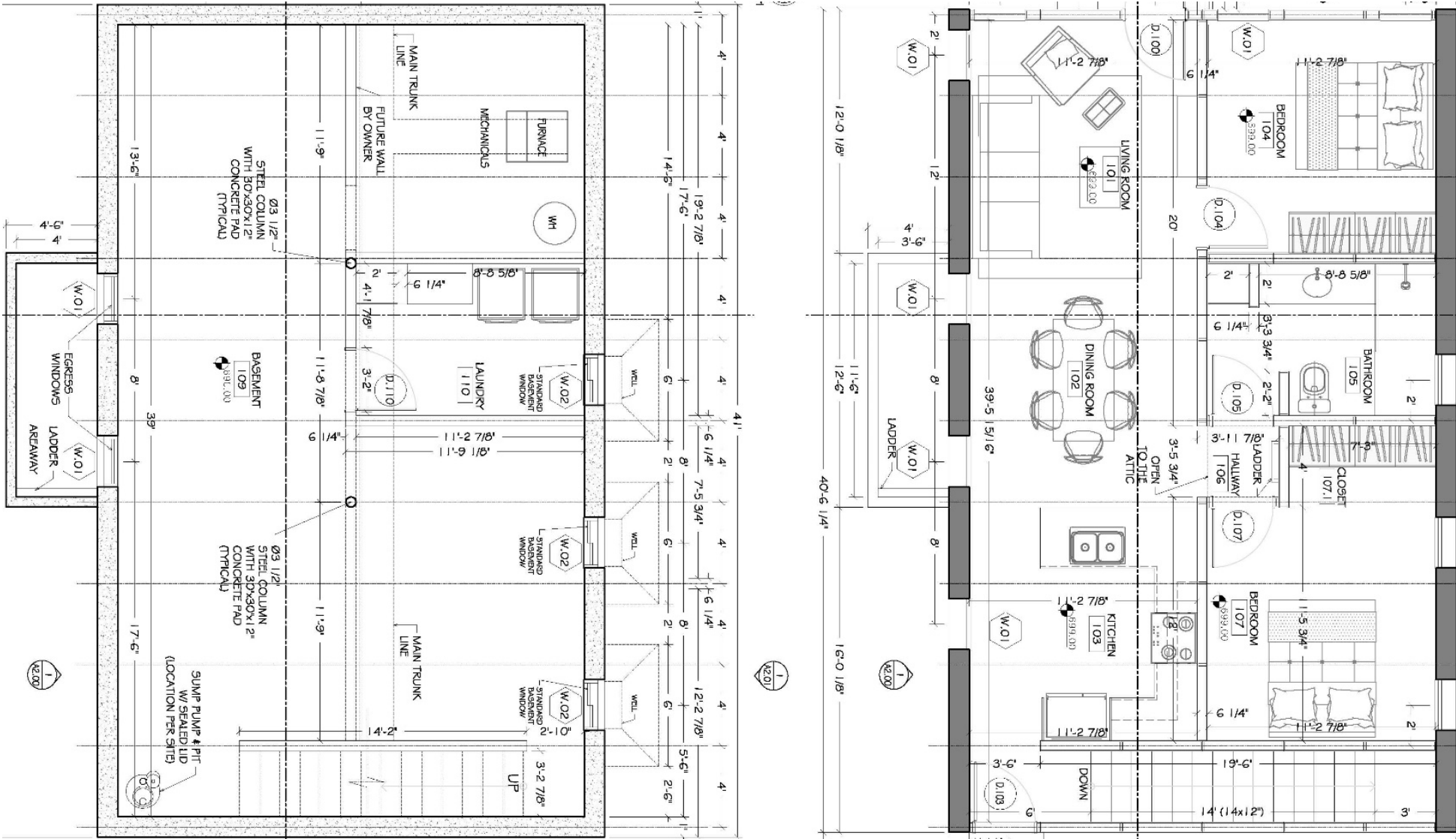


LUSH 1000

The LUSH 1000 model home has 2 bedrooms on the first floor, with the ability to add two more bedrooms in a finished basement with egress. Future remodels are easy because none of the interior walls are load bearing.



LUSH 1000



MODEL HOME CONSTRUCTION BUDGET

USES	
Land & Permits	\$2,000
LUSH Parts	\$36,935
Rough Lumber	\$3,000
Labor	\$11,000
Doors	\$5,130
Windows	\$4,350
Trim	\$6,735
Insulation	\$6,500
Cement	\$28,230
Electrical	\$10,213
Flooring	\$3,200
Plumbing	\$12,351
Drywall	\$8,000
HVAC	\$8,350
Siding	\$15,840
Roofing	\$9,902
Cabinets/Tops	\$10,000
Dumpster	\$500
Paint	\$2,000
Landscaping	\$1,500
Excavation	\$5,000
Porch	\$10,000
Subtotal (\$200/Sf)*	\$200,736
Contractor Overhead	\$18,873
Contractor Profit	\$18,873
Total	\$238,484

Sources	
Purchase Mortgage from Homeowner	\$100,000
Down Payment Assistance	\$10,000
Lead Sponsor	\$75,000
CDA Contribution	\$15,000
In-Kind (LUSH)	\$38,484
Total	\$238,484

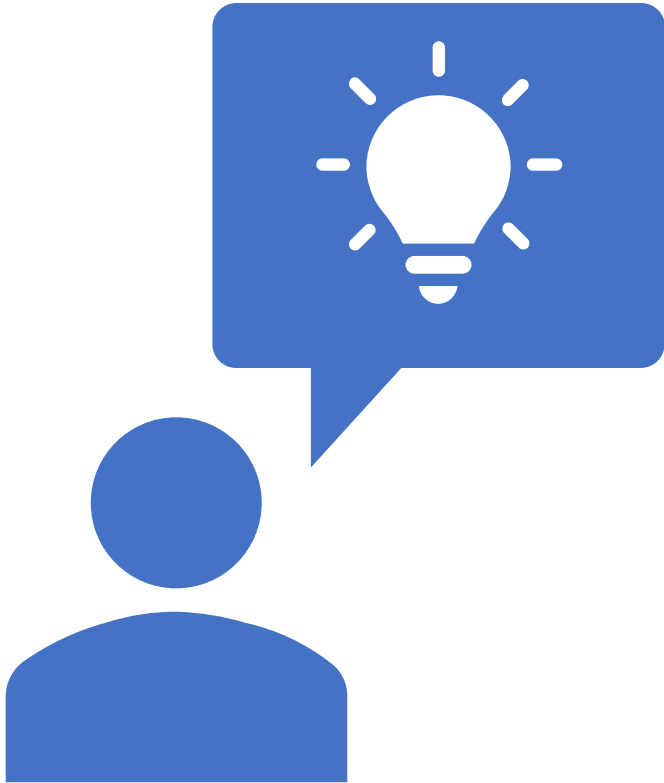


1ST GENERATION HOMES HAVE NEVER BEEN BUILT AT SCALE IN MILWAUKEE FOR BLACK & LATINO FAMILIES, IT'S TIME TO CHANGE THAT.



	1 st Generation Homes
Long Term Goal	Construct 100 entry level homes on vacant lots every year
Q3 Objective & Key Result (OKR)	<ul style="list-style-type: none"> ✓ Launch Implementation Team ✓ Identify Developer for Phase I (RFP in progress) <input type="checkbox"/> Complete Phase I Land Acquisition ✓ Raise \$5 million for Phase II
Recommended Q4 OKR	<ul style="list-style-type: none"> <input type="checkbox"/> Complete Phase I Land Acquisition <input type="checkbox"/> Complete New Markets Study <input type="checkbox"/> Raise \$225K for Model Homes

Poll Question



1. What advice, direction, or questions do you have regarding next steps on 1st Generation Homes?



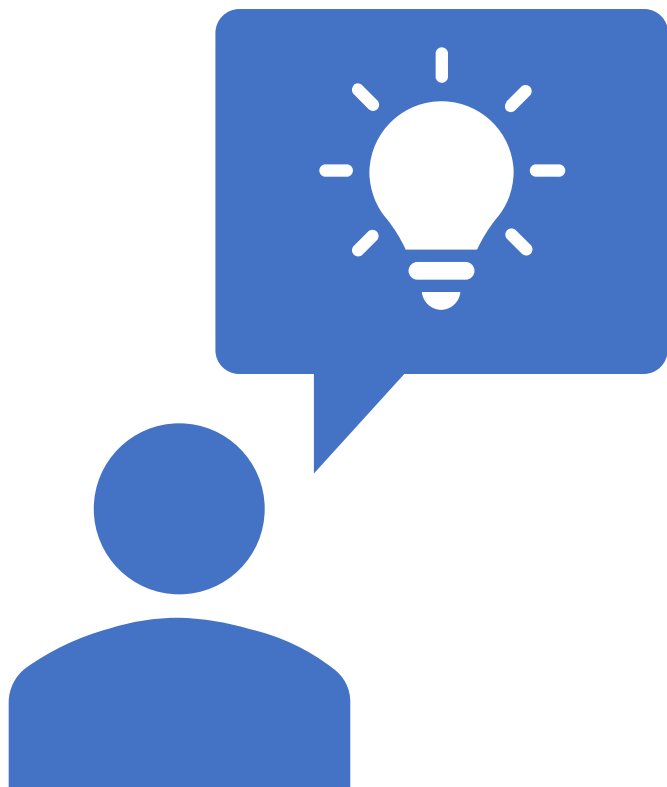
	Alternative Lending
Long Term Goal	Create a local lending pool that lends to first time homebuyers based on rental history
Q3 Objective & Key Result (OKR)	<ul style="list-style-type: none">✓ Launch Project Team✓ Preliminary Business Plan (Project Charter Drafted)
Recommended Q4 OKR	<ul style="list-style-type: none"><input type="checkbox"/> Data Collection<input type="checkbox"/> Engage Allies

Poll Question



1. What advice, direction, or questions do you have regarding next steps on Alternative Lending?

Poll Question



1. Do you support the Q4 recommended OKRs?
2. The FORMAT of today's meeting was engaging
3. The CONTENT of today's meeting was informative
4. How likely are you to recommend that other housing allies attend these quarterly meetings?
5. Additional Comments

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