



Housing Partnerships

September 13, 2024

STABLE HOUSING CAN ...



**IMPROVE
DROPOUT
RATES BY 30%**



**REDUCE
CRIME
BY 20%**



**INCREASE
EMPLOYMENT
RATES BY 20%**



**IMPROVE
HEALTH
BY 18%**

FOR ADDITIONAL INFORMATION & UPDATES VISIT WWW.HOUSINGPLAN.ORG



Common Agenda



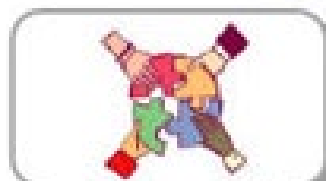
Shared
Measurement



Mutually Reinforcing
Activities



Continuous
Communication



Backbone
Organization



- **Collective Impact achieved population level change when it focused on data, resources, policies, and systems**
- **Most mature implementation started with backbone support and common agenda**



Common Agenda



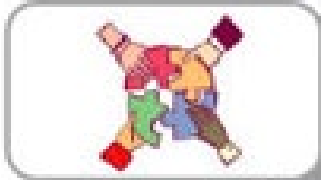
Shared Measurement



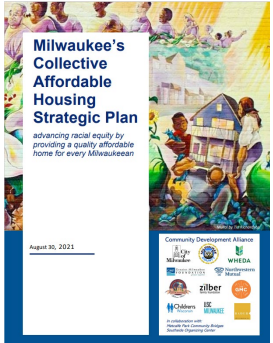
Mutually Reinforcing Activities



Continuous Communication



Backbone Organization



WHY PAIN? WHAT? LET'S GO TO ENTRY LEVEL HOMES

ENTRY LEVEL HOMES HAVE NEVER BEEN BUILT AT SCALE IN MILWAUKEE FOR BLACK & LATINO FAMILIES. IT'S TIME TO CHANGE THAT

THERE ARE OVER 17,000 BLACK & LATINO FAMILIES IN MILWAUKEE ASKING TO BUY A \$100,000 HOME, BUT LESS THAN 1,000 ARE AVAILABLE EACH YEAR. THESE HOMES ARE OVER 70 YEARS OLD AND LARGELY PURCHASED BY INVESTORS.

- The King Park Neighborhood Open market over 200 most bids, and Milwaukee County plans to make significant improvements to the park, and the nearby West Cragg Senior Center.
- The King Park Project will receive [\\$20 million in funding](#) over 4 years. We will evaluate for affordable homeownership in partnership with an organization with the capacity to build homes, and create and build to homeowners. The investment will pilot the use of a Resident Fee Credits to create long-term benefits for homeownership and the value of 100% mortgages. Based on an overall goal, 10% of overall homes will be required to support additional family living arrangements.
- The total project cost of \$32 million is supported by \$8 million in state AFH funds received, \$3.6 million in community development funds, \$8 million in state bonds, and \$2 million in resident support. [\\$22 million in resident support](#) is needed to support the pilot project 10 year horizon period. [\\$22 million in resident support](#)

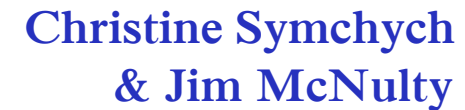
SUBSCRIBE FOR UPDATES & SEE THE COLLECTIVE PLAN AT [WWW.CDA.MILWAUKEE.WI.GOV](#)

| 1 Homeowner Offense | 2 Homeowner Defense | 3 Rental Offense | 4 Rental Defense |
|---|--|--|---|
| Create an acquisition fund to acquire properties for homeownership for BIPOC families | Fund preservation & non-traditional programs to assist homeowners with repairs | Support for mortgage for residents & consider incentives to offer units from \$500 - \$650 | Capacity for preserving/managing existing subsidized units |
| Create alternative ownership structures & physical structures | Provide enhanced post-purchase homeowner counseling | Create tax credit policies that increase incentives for \$500 - \$650 units | Acquisition fund to get properties to responsible landlords |
| Create or stimulate alternative lending | Develop resources and policies to lessen property tax burden | Create and support inclusive strategies to combat racism and address segregation | Policy changes for subsidized units |





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





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

Homebuyer Counseling Partners



Vacant Lots to Entry Level Homes Partners



Collaboration Partners





Built Nation's First Homeowner Acquisition Fund



We build systems, communities & homes

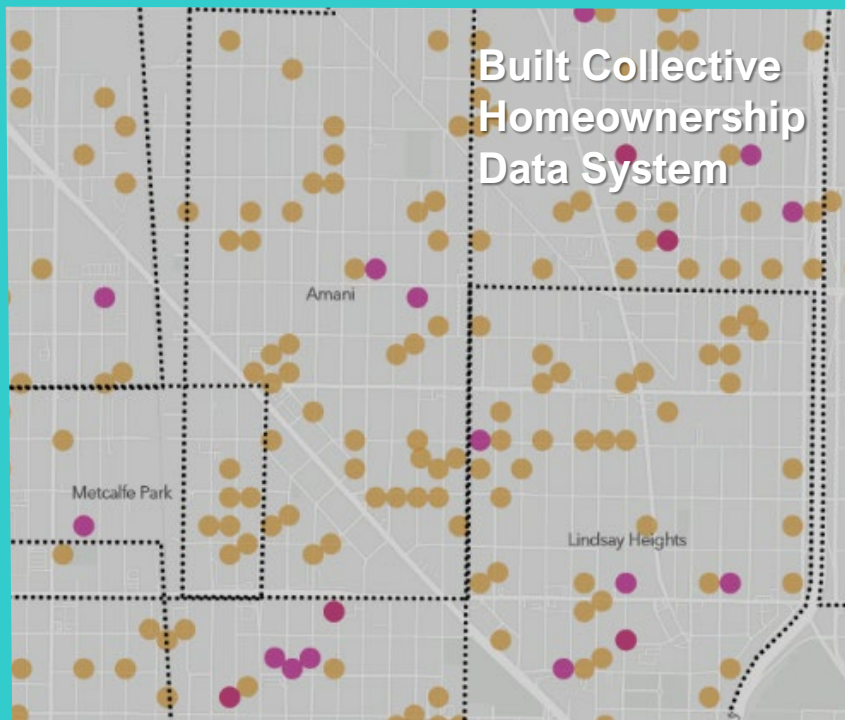
2023 Highlights



Doubled Production of Entry Level Homes. 166 Homes in pipeline



Built Comprehensive Resident Collaboration System



Built Collective Homeownership Data System



Invested \$26 Million since 2022

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

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

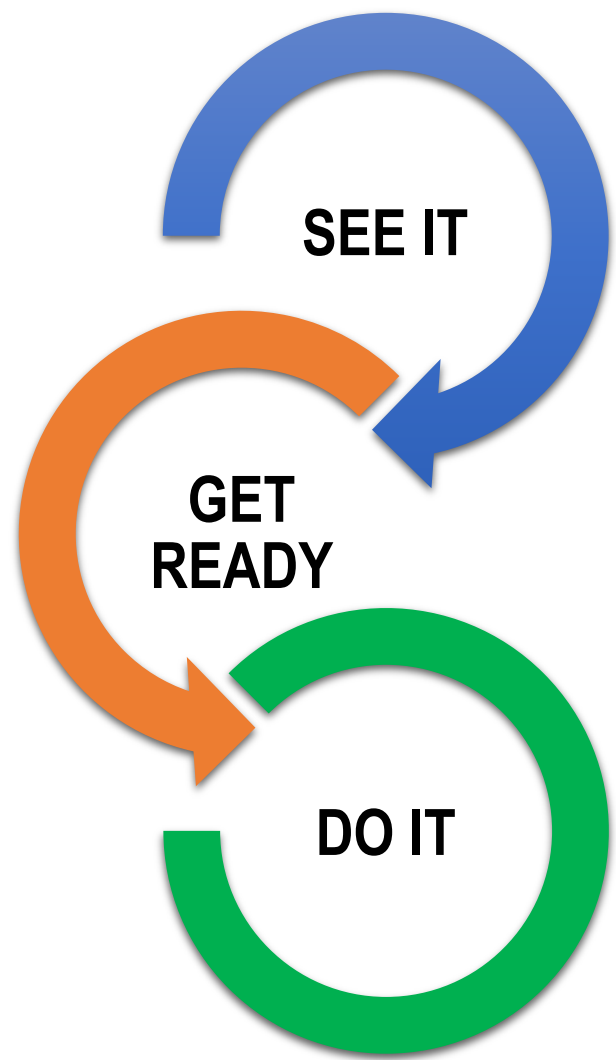
Accountability Monitor & Communicate

Update Continuous Improvement



LOCAL AND REGIONAL GOVERNMENT ALLIANCE ON RACE & EQUITY

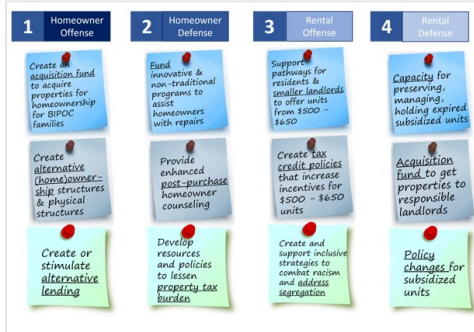
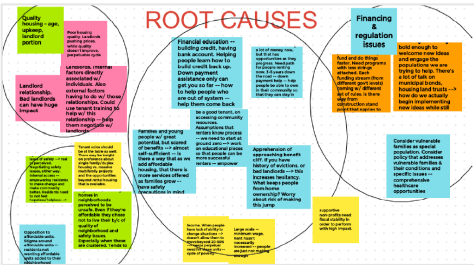
- 2. Collect & Analyze **Data**
- 3. **Engage** Allies
- 4. Develop Equitable **Strategy**



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 and 40 - 60% DTI

COLLECTIVE AFFORDABLE HOUSING PLAN: 2024 Q2 UPDATE

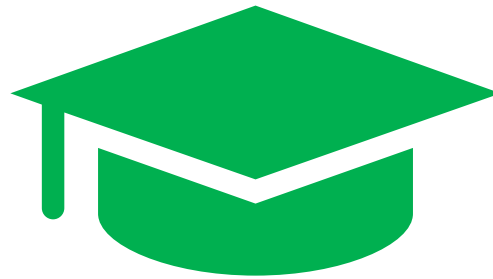


| | Grow DPA | Acquisition Fund | Entry Level Homes | Alternative Lending |
|---------------------------|---|---|--|---|
| Long Term Goal | Grow Down Payment Assistance (DPA) & Homebuyer Counseling by 10% each year for 5 years | Acquire 100 single family homes and duplexes every year that would otherwise 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 |
| Q1 OKR Update | <input type="checkbox"/> Complete Agreements with HBC organizations | <input checked="" type="checkbox"/> LIHTC Expiration ASAP Session | <input checked="" type="checkbox"/> Backbone TID approved by City Staff | <input checked="" type="checkbox"/> Conversations with Investors. |
| Recommended Q2 OKR | <input type="checkbox"/> Integrate quarterly neighborhood organization meeting <input type="checkbox"/> Distribute funds to HBC <input type="checkbox"/> Launch Section 8 to Homeowner Team | <input type="checkbox"/> Launch LIHTC expiration team | <input type="checkbox"/> Complete 25 Foot wide lot design <input type="checkbox"/> Submit Harambee TID Information to City <input type="checkbox"/> Begin Planning Lindsay Heights TID <input type="checkbox"/> CDA Board support of Grow MKE | <input type="checkbox"/> Pitch plan to investor challenge |

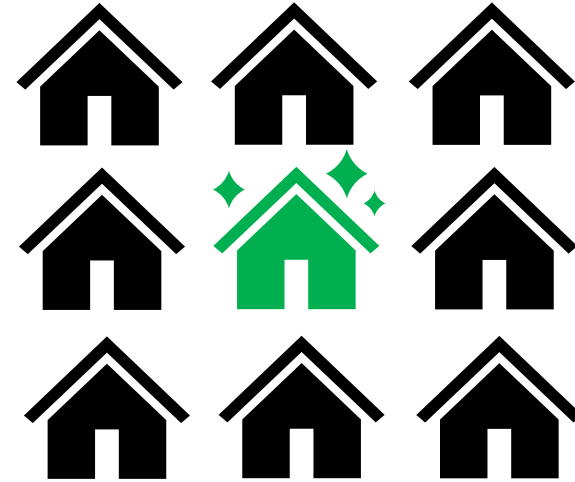
WHAT IS AFFORDABLE HOUSING?



AFFORDABLE HOUSING IS WHEN A HOME IS AVAILABLE FOR 30% OF A FAMILY'S INCOME



FOR FAMILIES LIKE EARLY CHILDHOOD EDUCATORS THAT'S \$650/MONTH



WITH GOOD POLICY A QUALITY AFFORDABLE HOME IS AVAILABLE FOR EVERYONE

FOR ADDITIONAL INFORMATION & UPDATES VISIT WWW.HOUSINGPLAN.ORG

WHAT IS AFFORDABLE HOUSING?



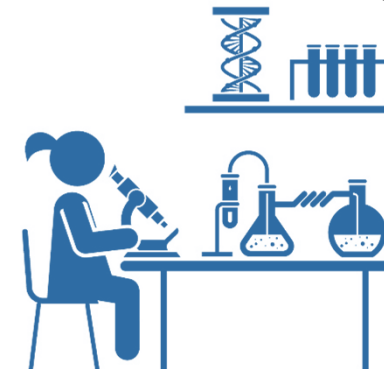
Early Childhood Educator, Healthcare Aide, Warehouse Worker

AN EDUCATOR MAKING \$12 AN HOUR CAN AFFORD A RENTAL HOME FOR \$650/MONTH, OR A \$45,000 HOME.



Teacher, Firefighter, Postal Carrier

A TEACHER MAKING \$24 AN HOUR CAN AFFORD A RENTAL HOME FOR \$1,250/MONTH, OR A \$100,000 HOME.

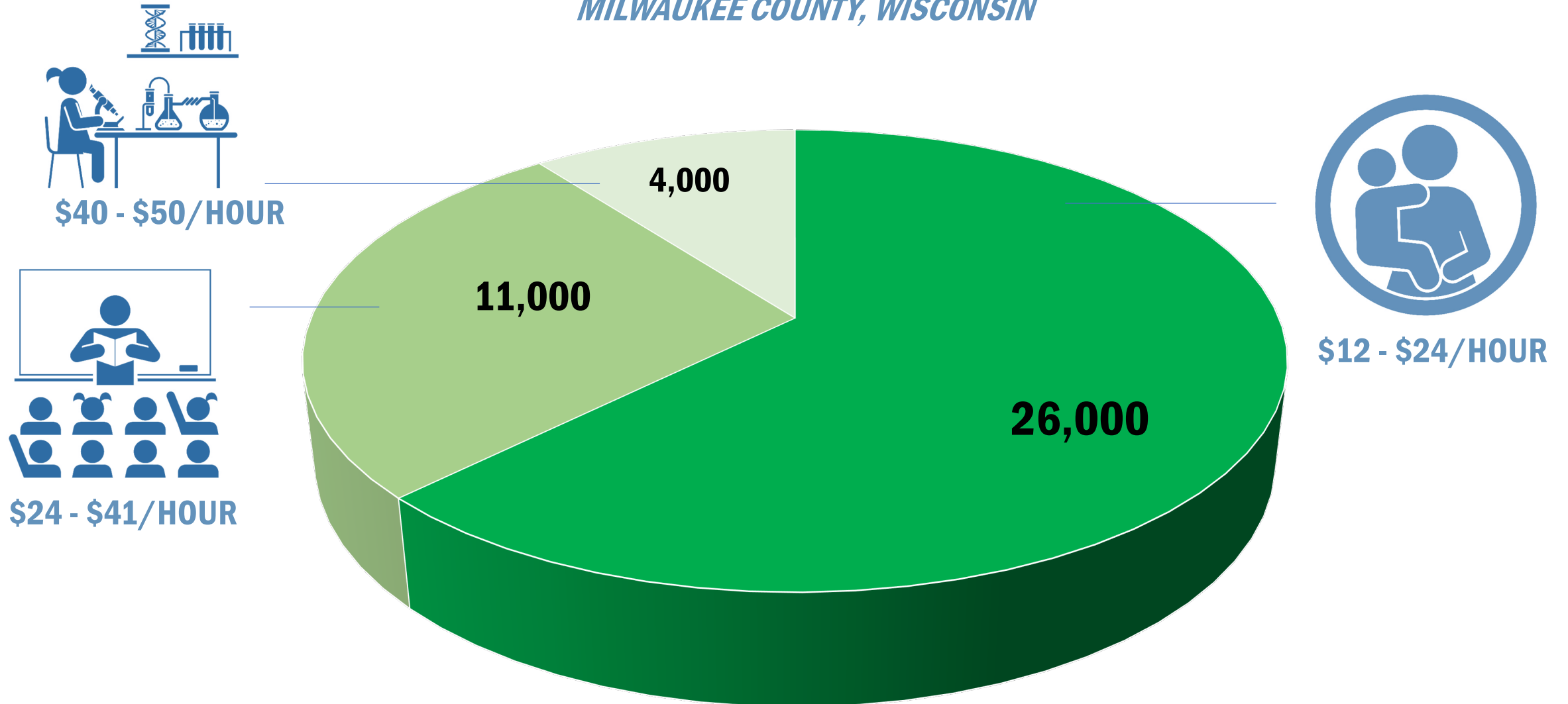


Architect, Professor

A PROFESSOR MAKING \$40 AN HOUR CAN AFFORD A RENTAL HOME FOR \$2,500/MONTH, OR A \$240,000 HOME.

NUMBER OF BLACK & LATINO FAMILIES NOT CURRENTLY HOMEOWNERS

MILWAUKEE COUNTY, WISCONSIN

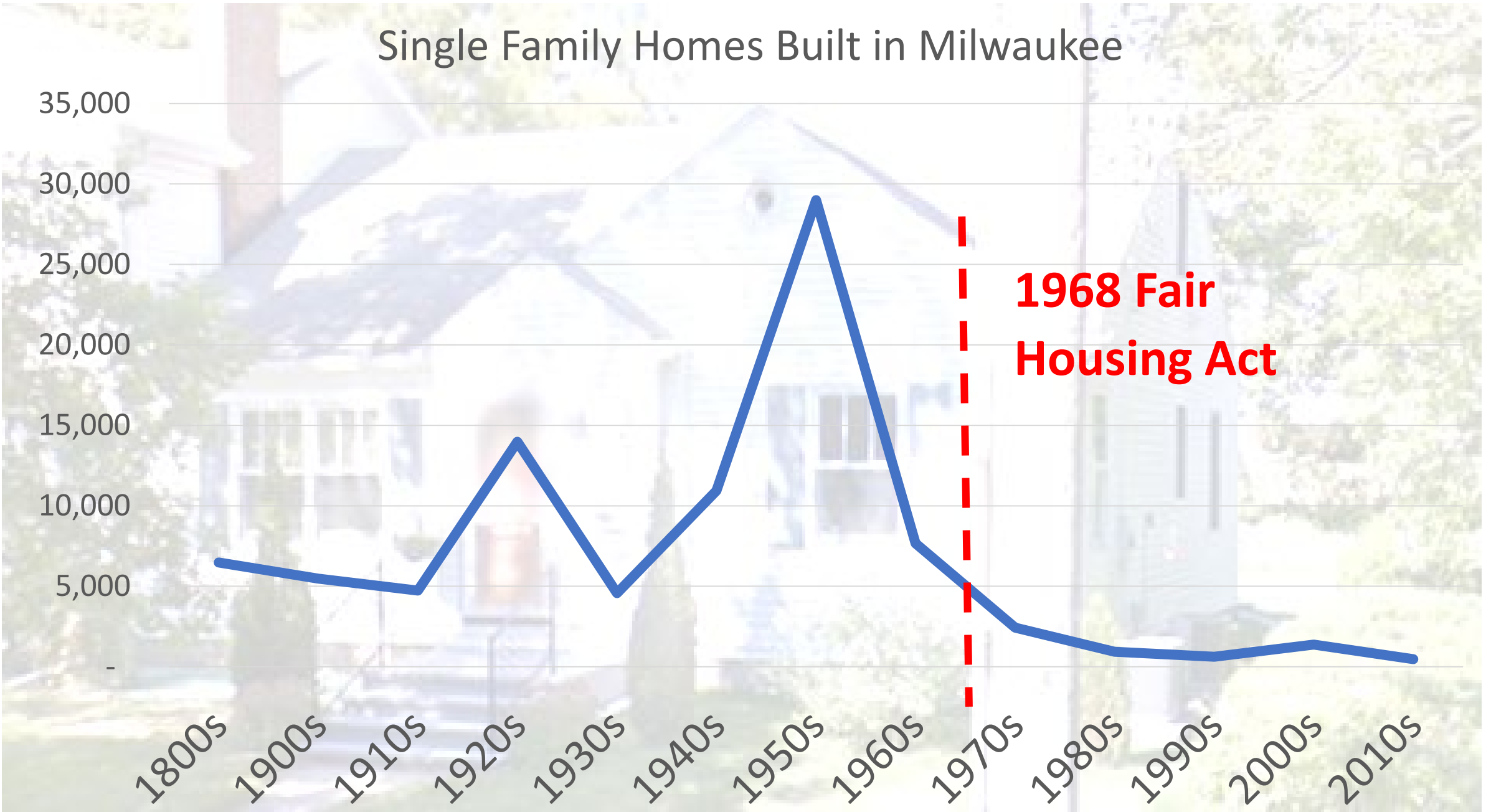


Single Family Homes Built in Milwaukee

35,000
30,000
25,000
20,000
15,000
10,000
5,000
-

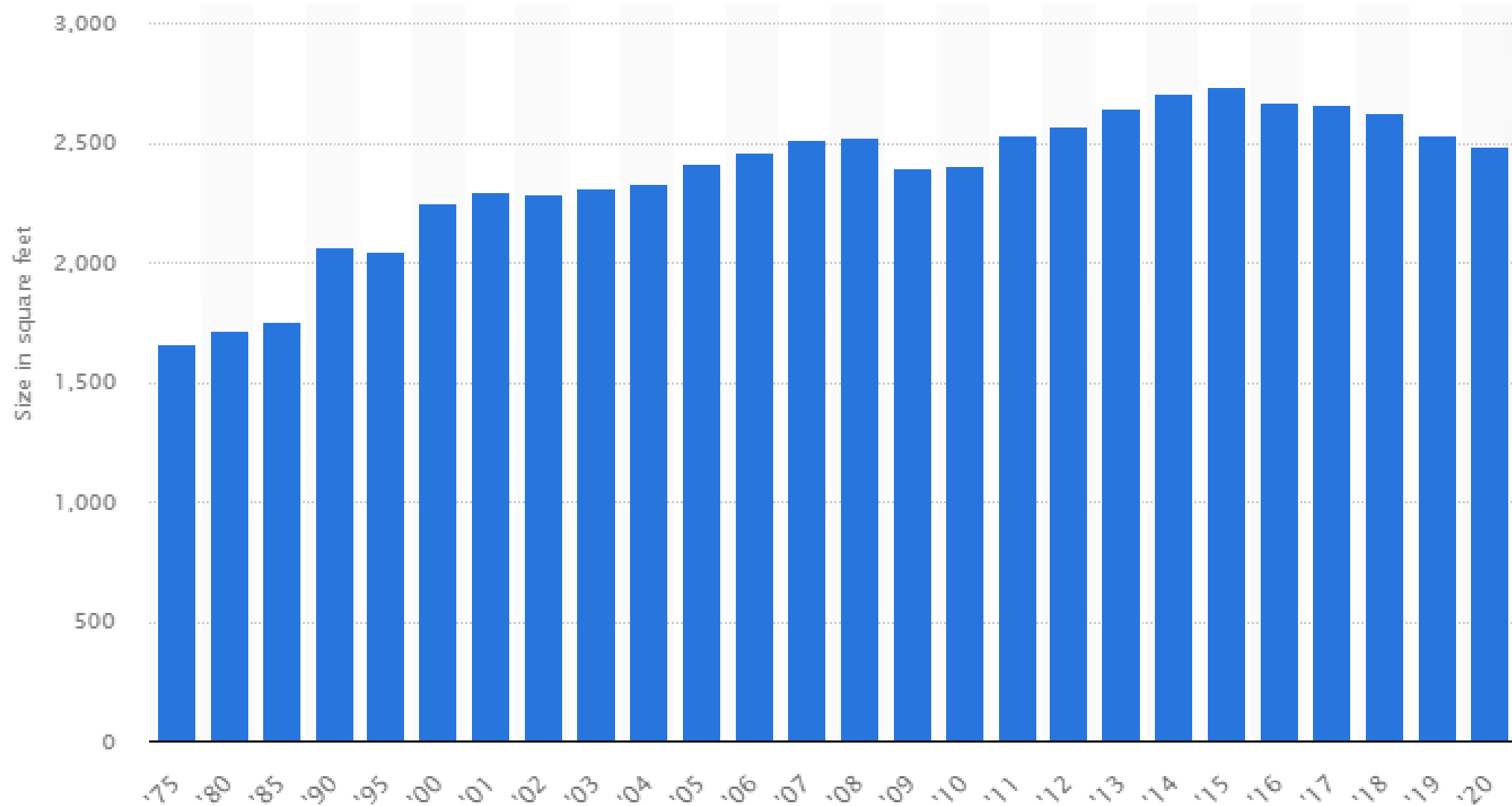
**1968 Fair
Housing Act**

1800s 1900s 1910s 1920s 1930s 1940s 1950s 1960s 1970s 1980s 1990s 2000s 2010s



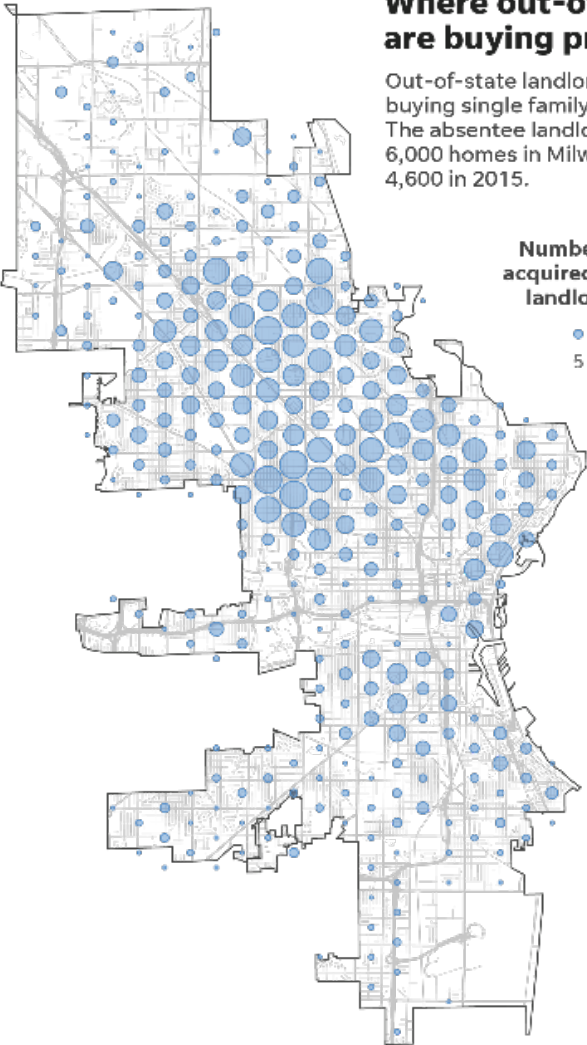
AVERAGE SIZE OF NEW SINGLE-FAMILY HOMES

UNITED STATES



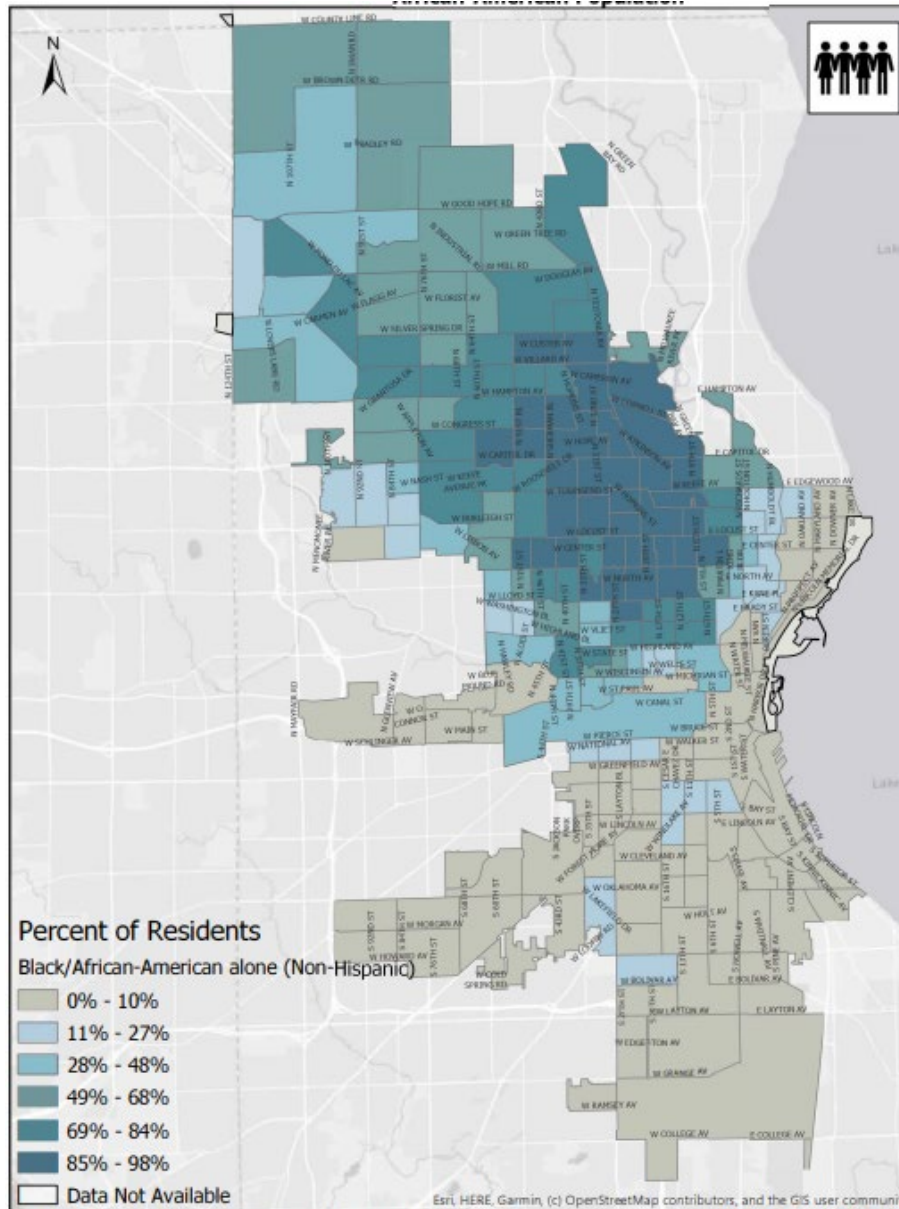
Where out-of-staters are buying property

Out-of-state landlords are rapidly buying single family rental homes. The absentee landlords own about 6,000 homes in Milwaukee, up from 4,600 in 2015.



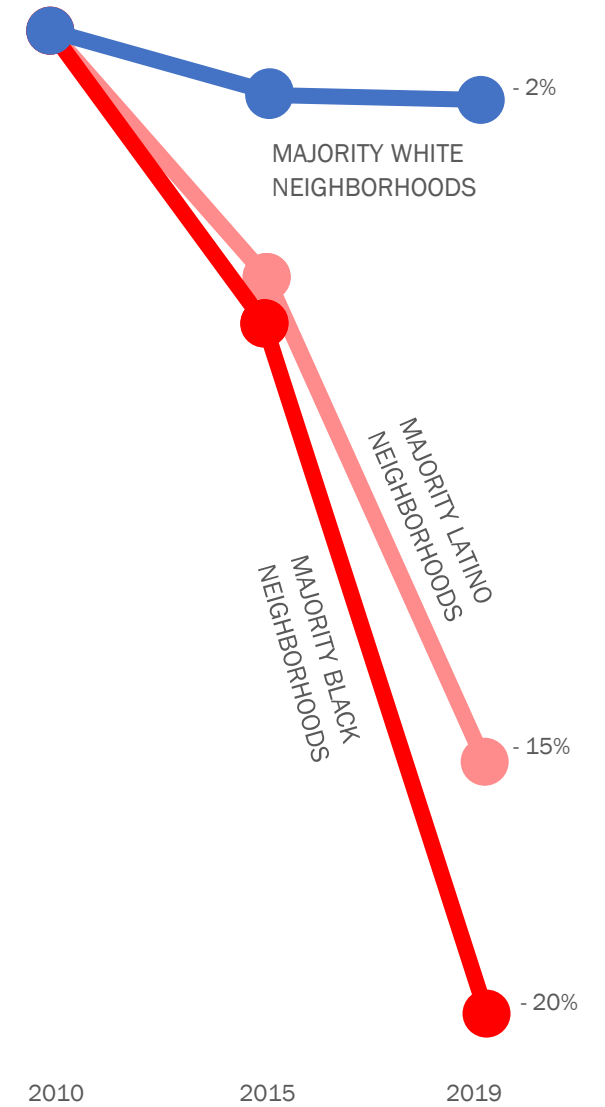
Only includes housing properties. Does not include properties with apartment buildings.

Source: Marquette Law School's Lubar Center for Public Policy Research and Civic Education; City of Milwaukee records

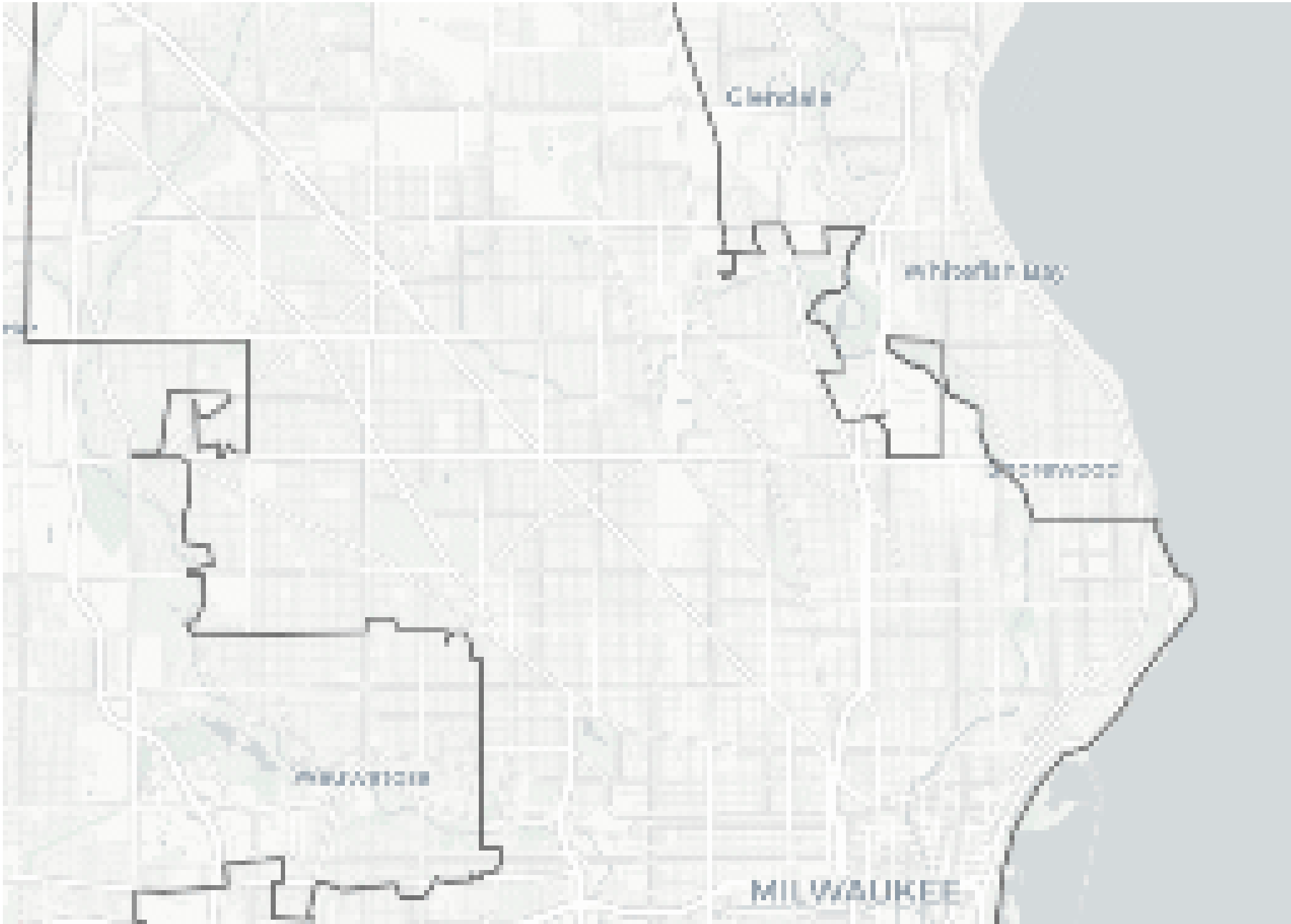


Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates. Classification Method: Jenks Natural Breaks (6 classes) based on the geographic distribution of the data at the census tract level. Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community. Prepared by Data You Can Use January 2020

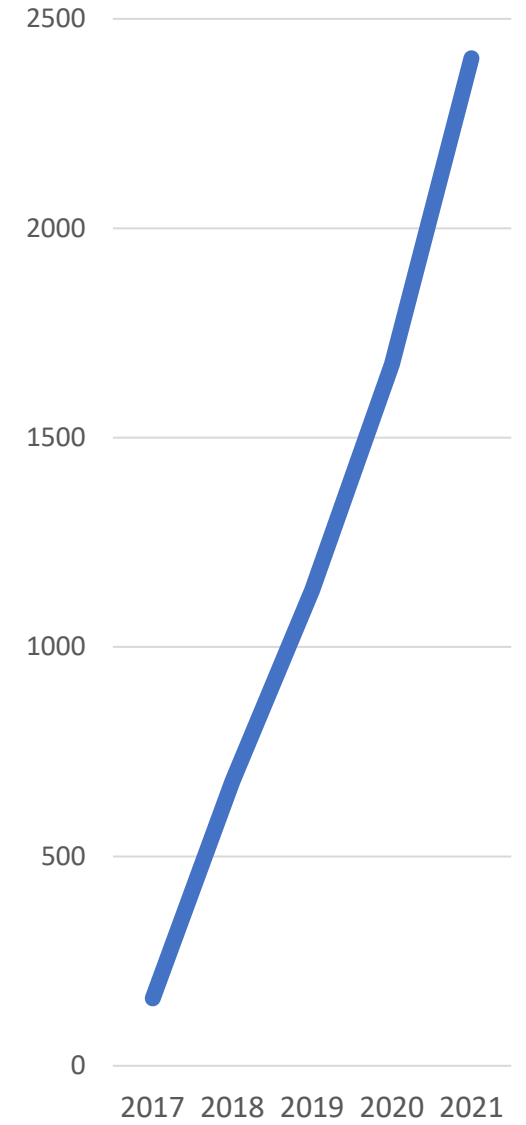
% DROP IN HOMEOWNERSHIP SINCE 2010

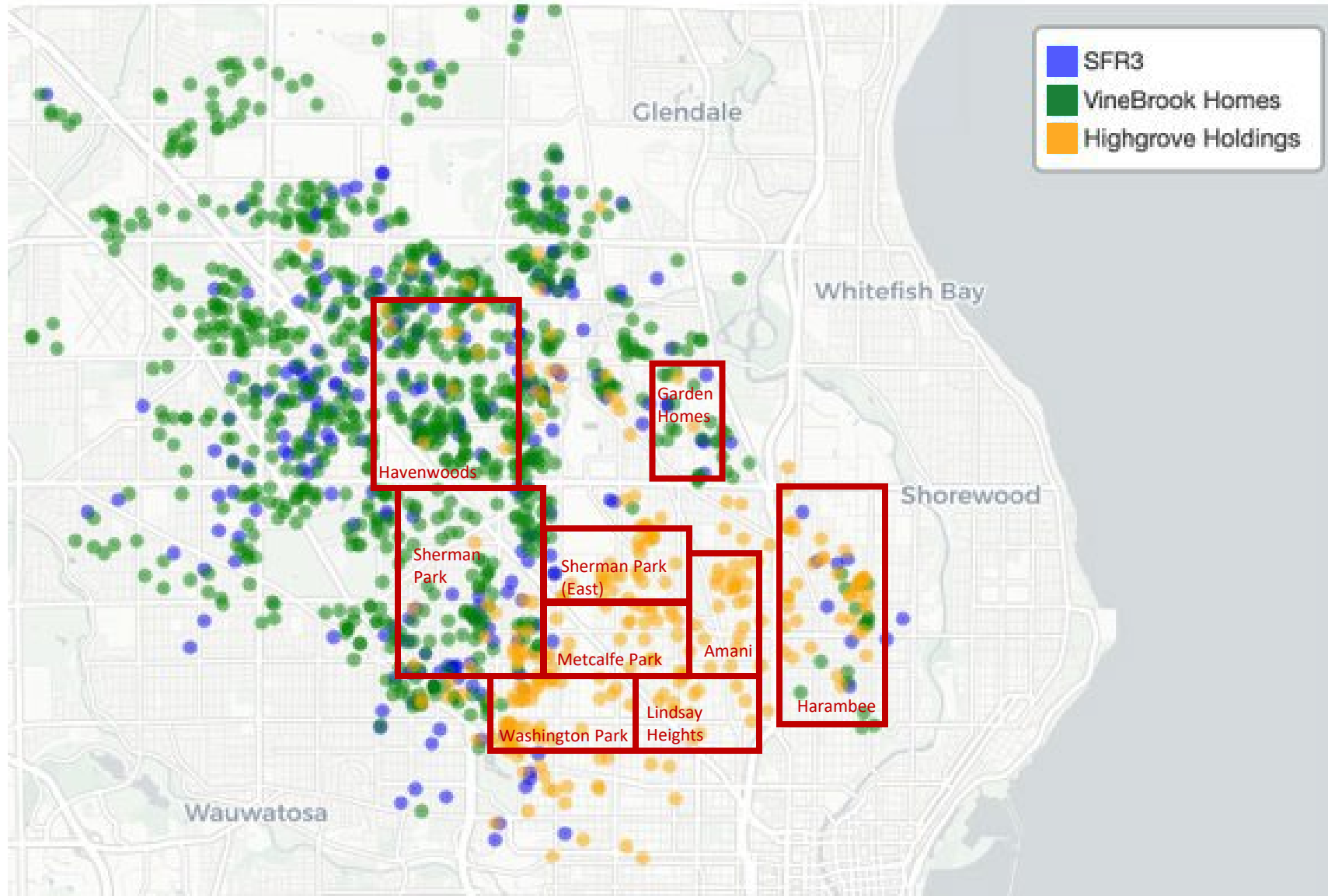


Source: Comparison of Milwaukee County ACS Census Tables P2 (Race, 2010) and B2118 (Homeownership)



Cumulative Parcels in Portfolio Sales

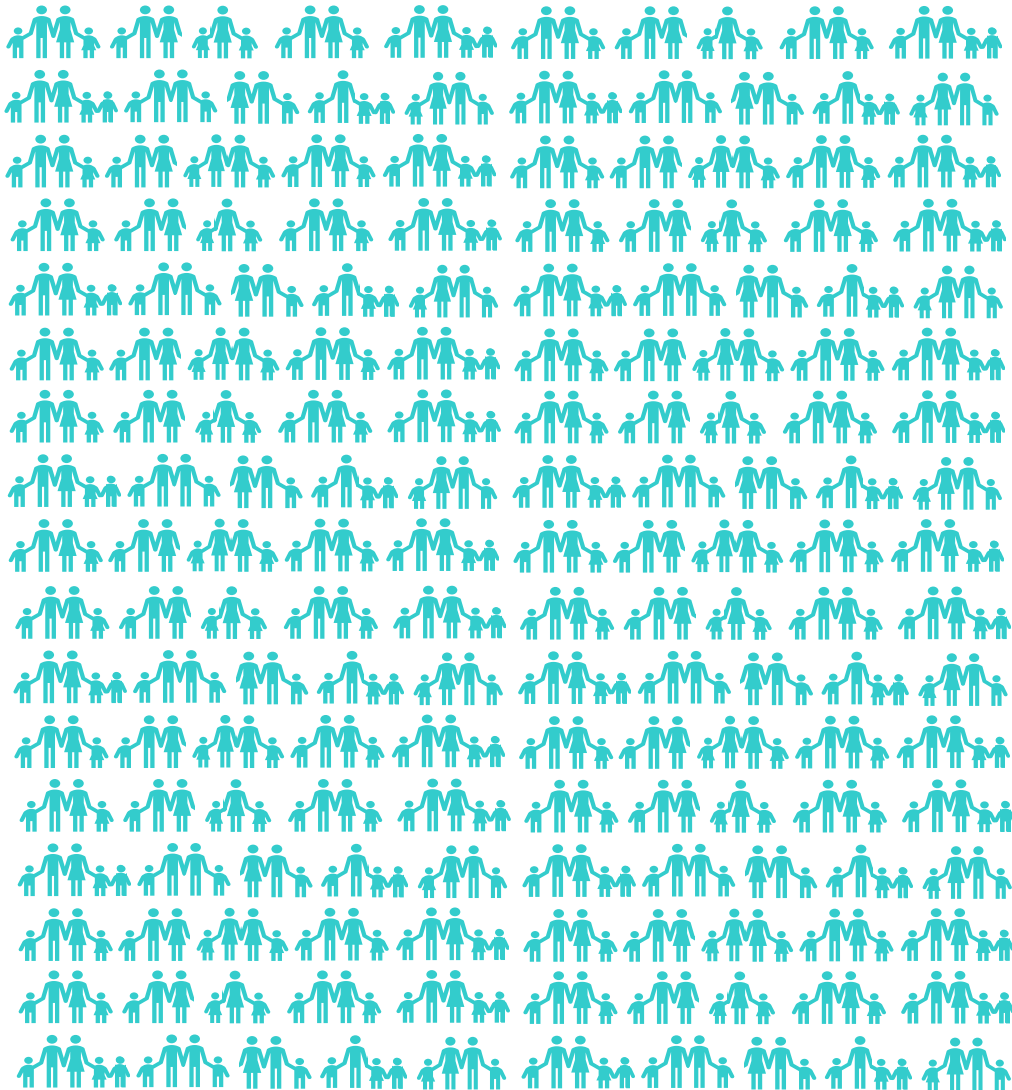




This out-of-state investment trend is largely driven by 3 private equity backed firms, all of which mainly target Milwaukee's north side. They collectively own over 1,400 houses, up from 17 five years ago.

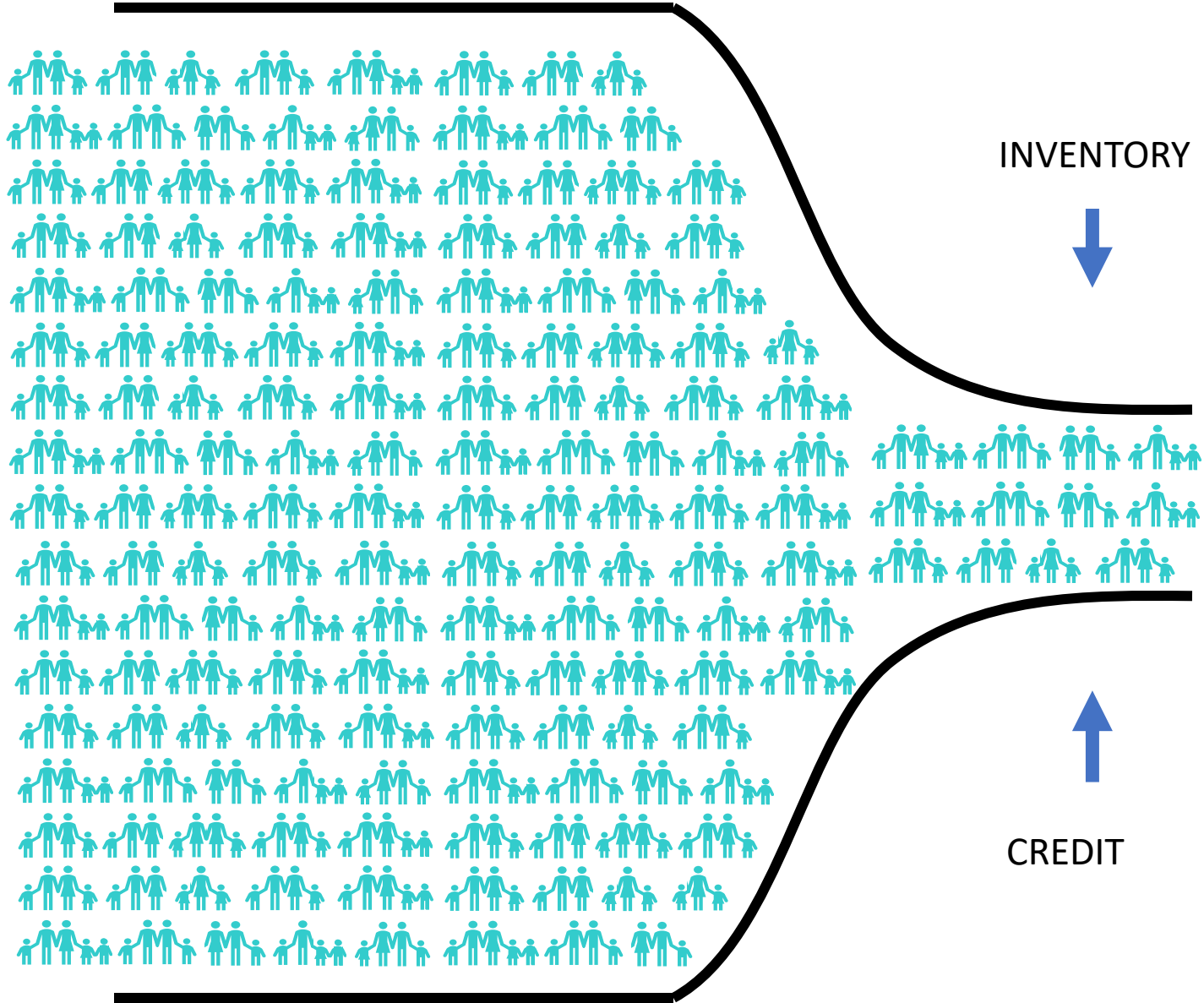
John Johnson
Marquette Law School

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

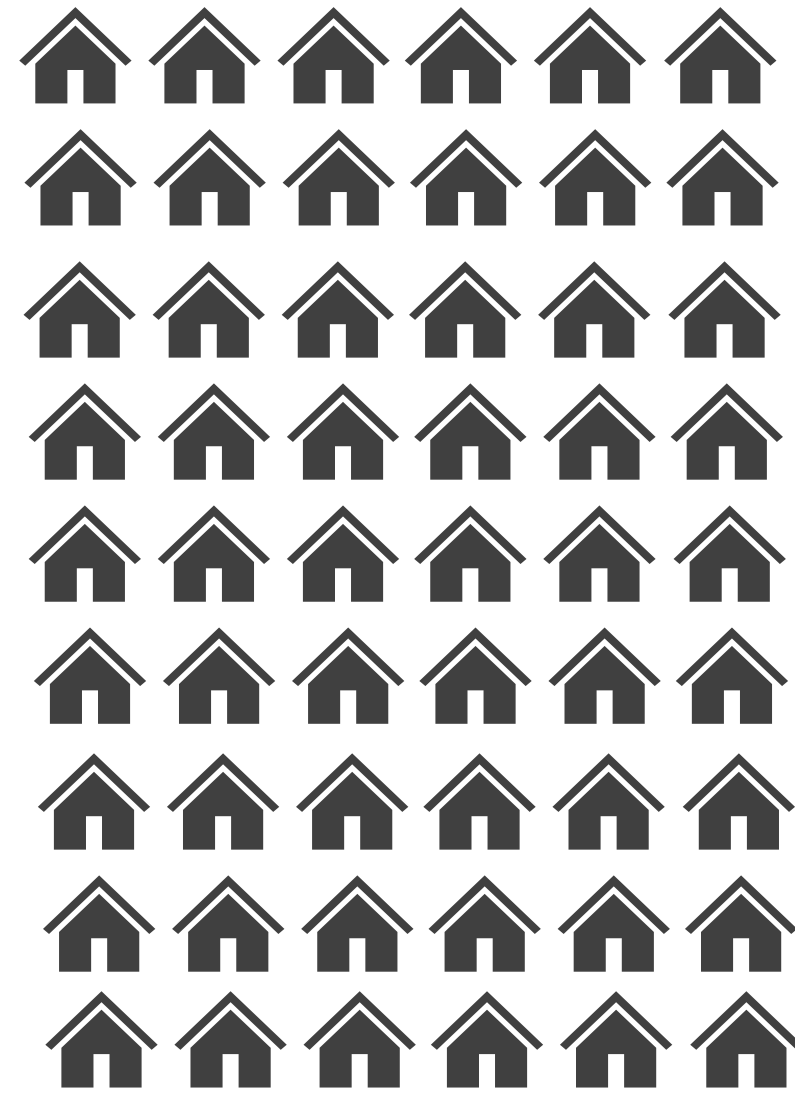
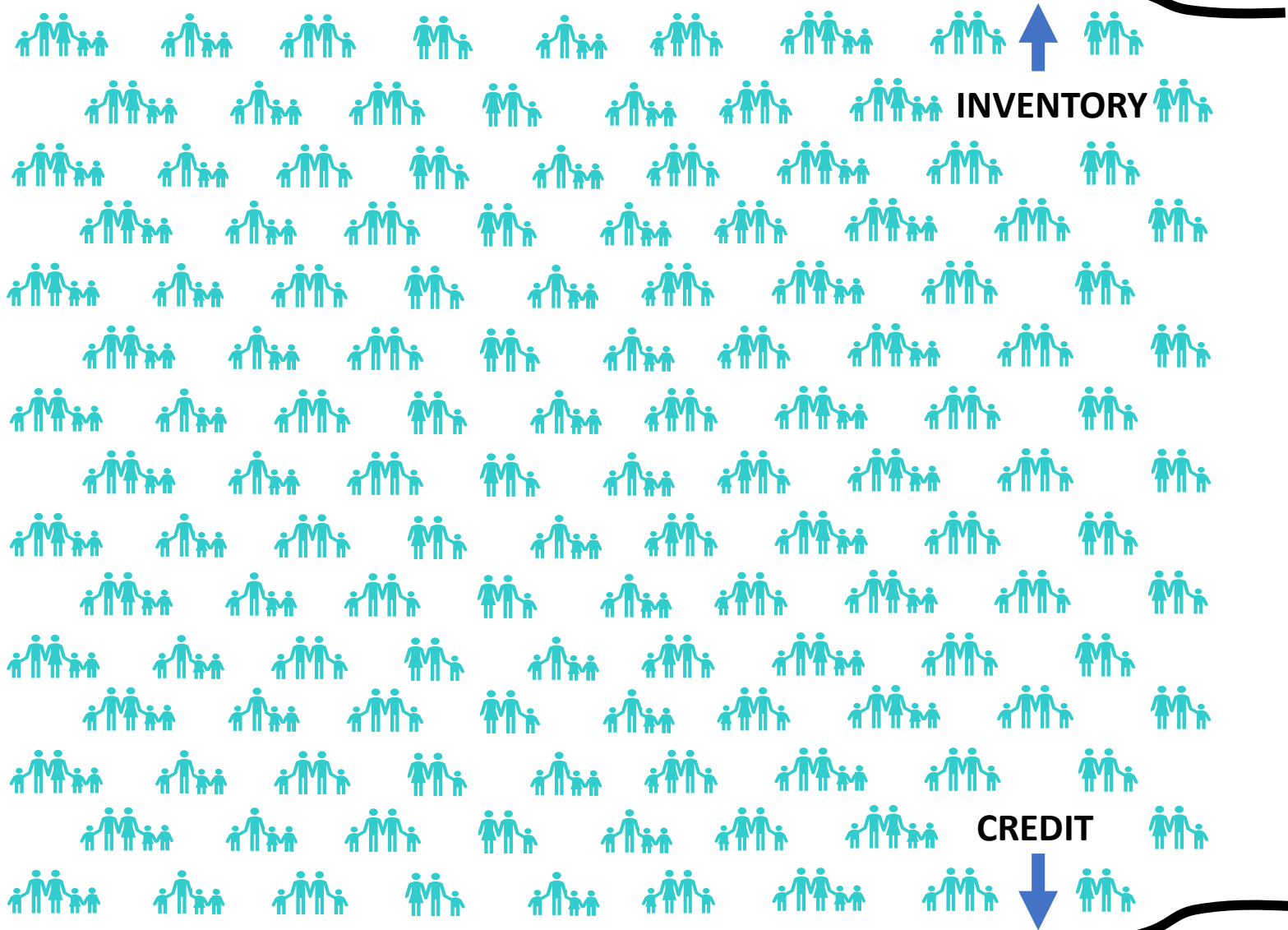
Source: Number of families analyzed by CDA and includes multiplying White homeownership rate to the number of Black and Latino families making \$25,000 - \$50,000/year (see 2019 ACS census tables B19001L and B19001B), less estimated existing homeowners (See 2000 Table HCT035). Property numbers analyzed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



IN ONE YEAR THERE WERE
2,000 ASPIRING BLACK &
LATINO HOMEOWNERS IN
MILWAUKEE THAT COMPLETED
HOMEBUYER COACHING

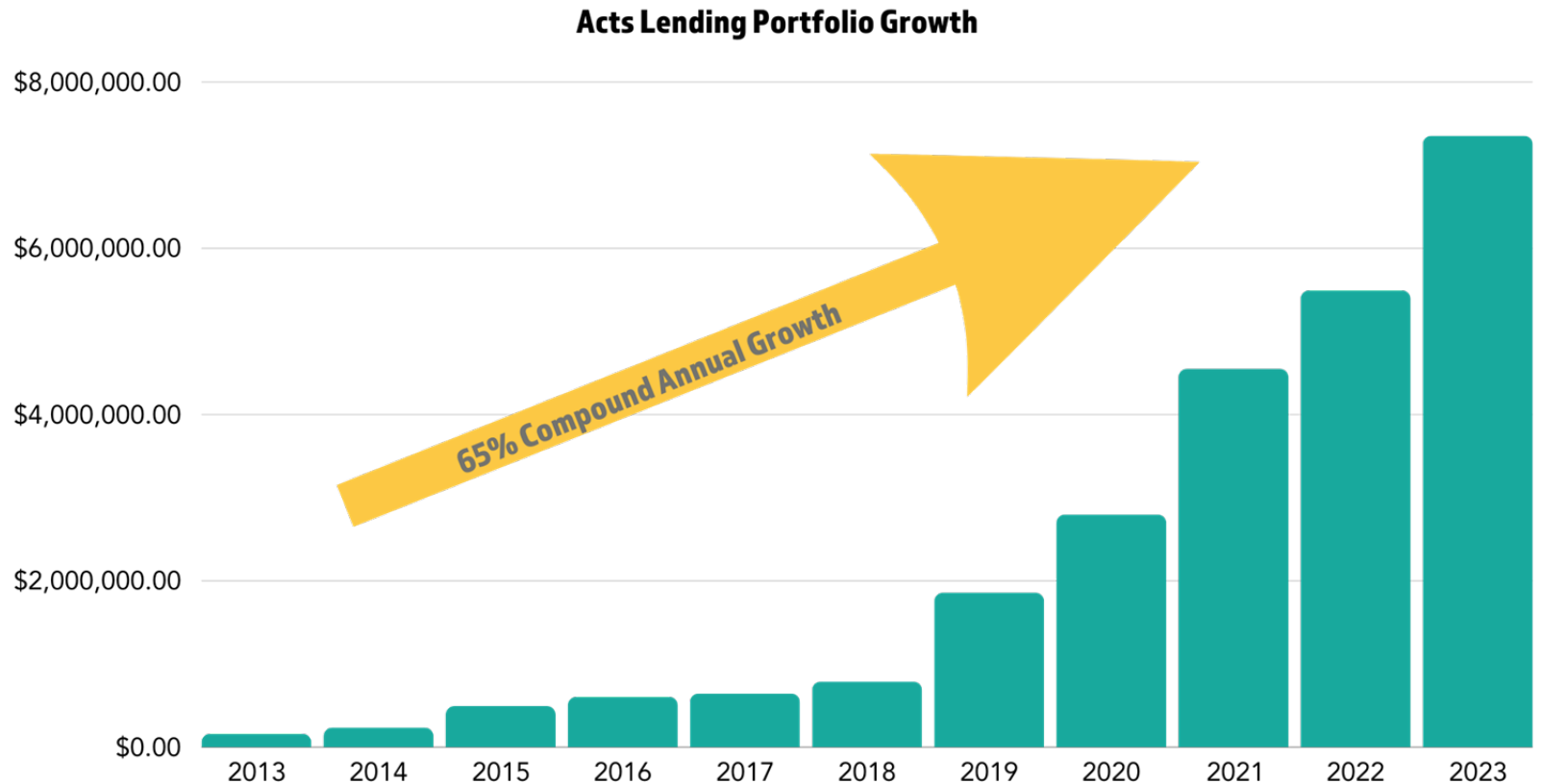


BUT ONLY ABOUT 600
HAVE RECEIVED
INVENTORY & LOANS

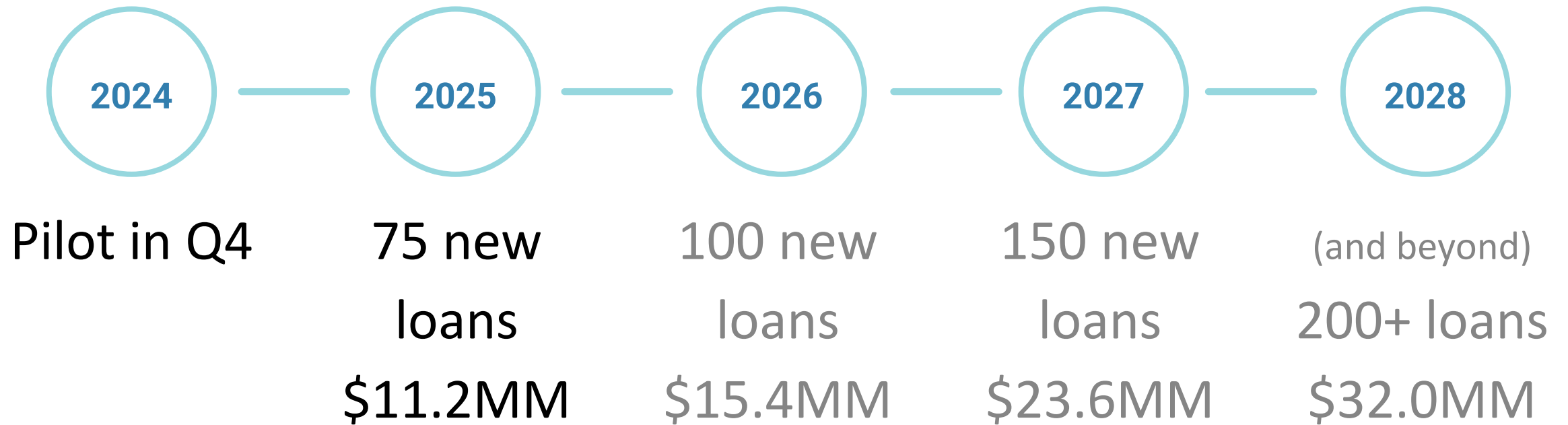


Acts Lending 10-year Pilot Results (2013-2023)

As of 3/31/24:
150 loans totaling \$8
million



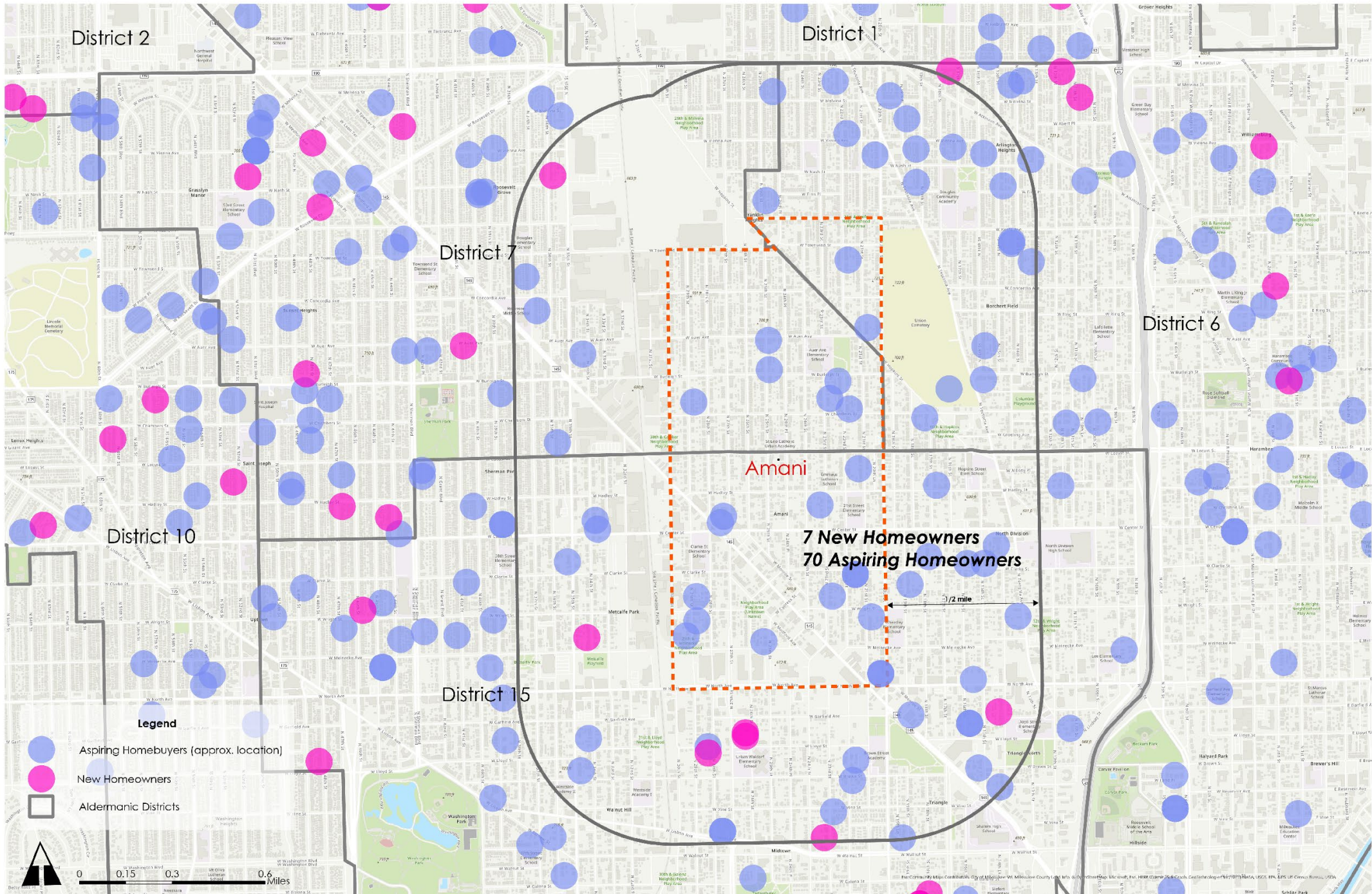
Timeline





AQ FUND HOMES





District 2

District 1

District 7

District 6

District 10

Amani

7 New Homeowners
70 Aspiring Homeowners

1/2 mile

District 15



Legend

- Aspiring Homebuyers (approx. location)
- New Homeowners
- Aldermanic Districts

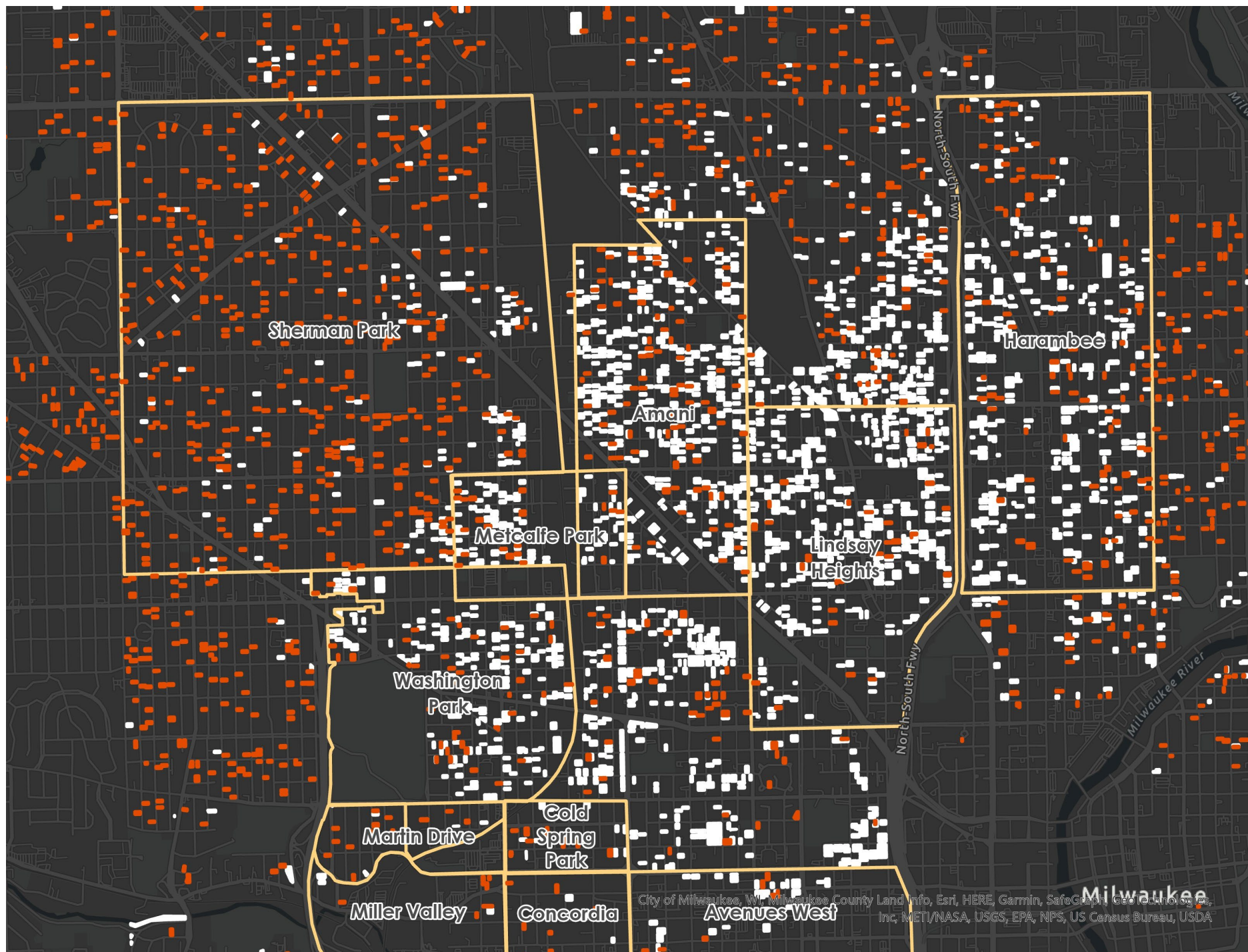
0 0.15 0.3 0.6 Miles

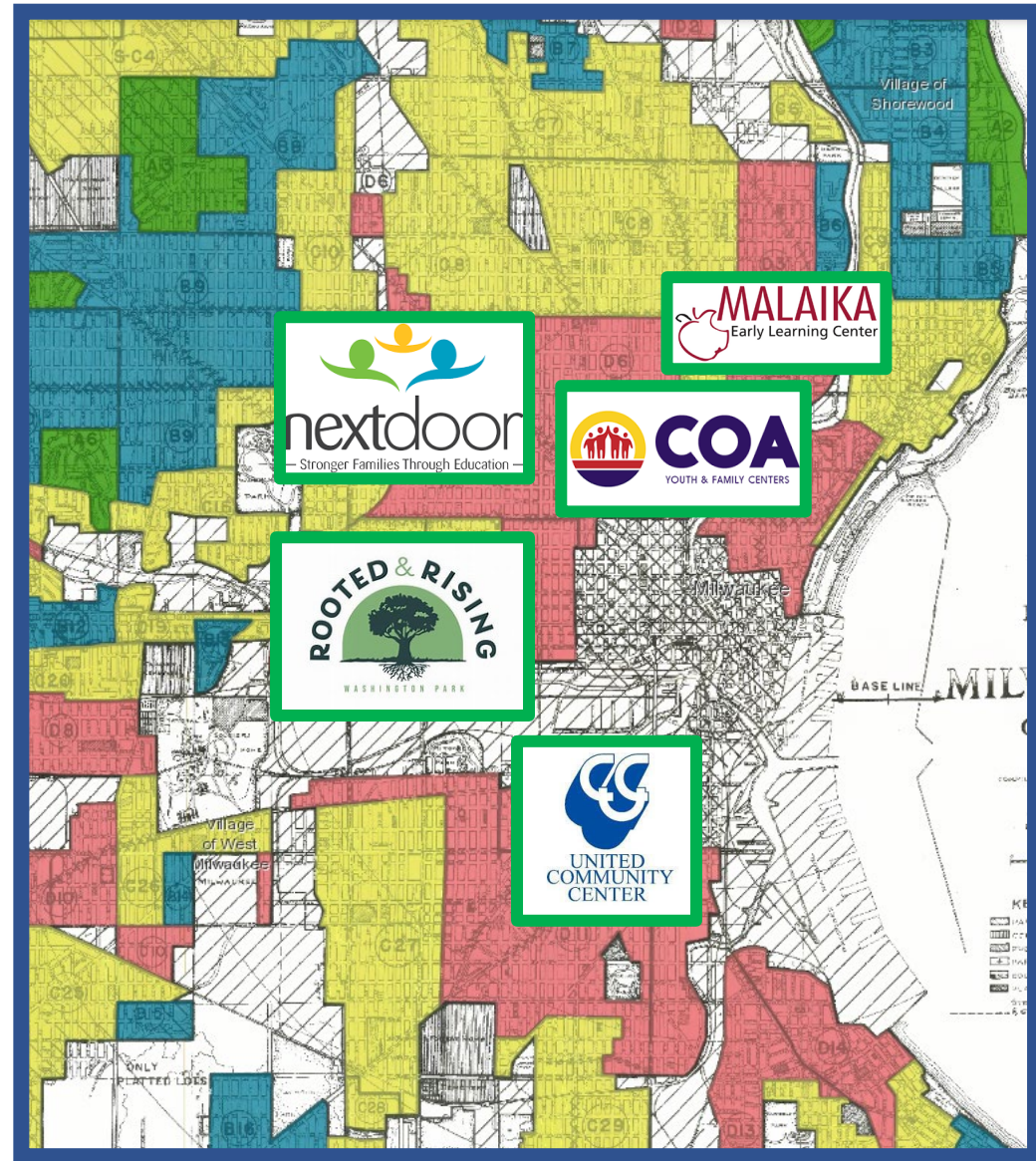
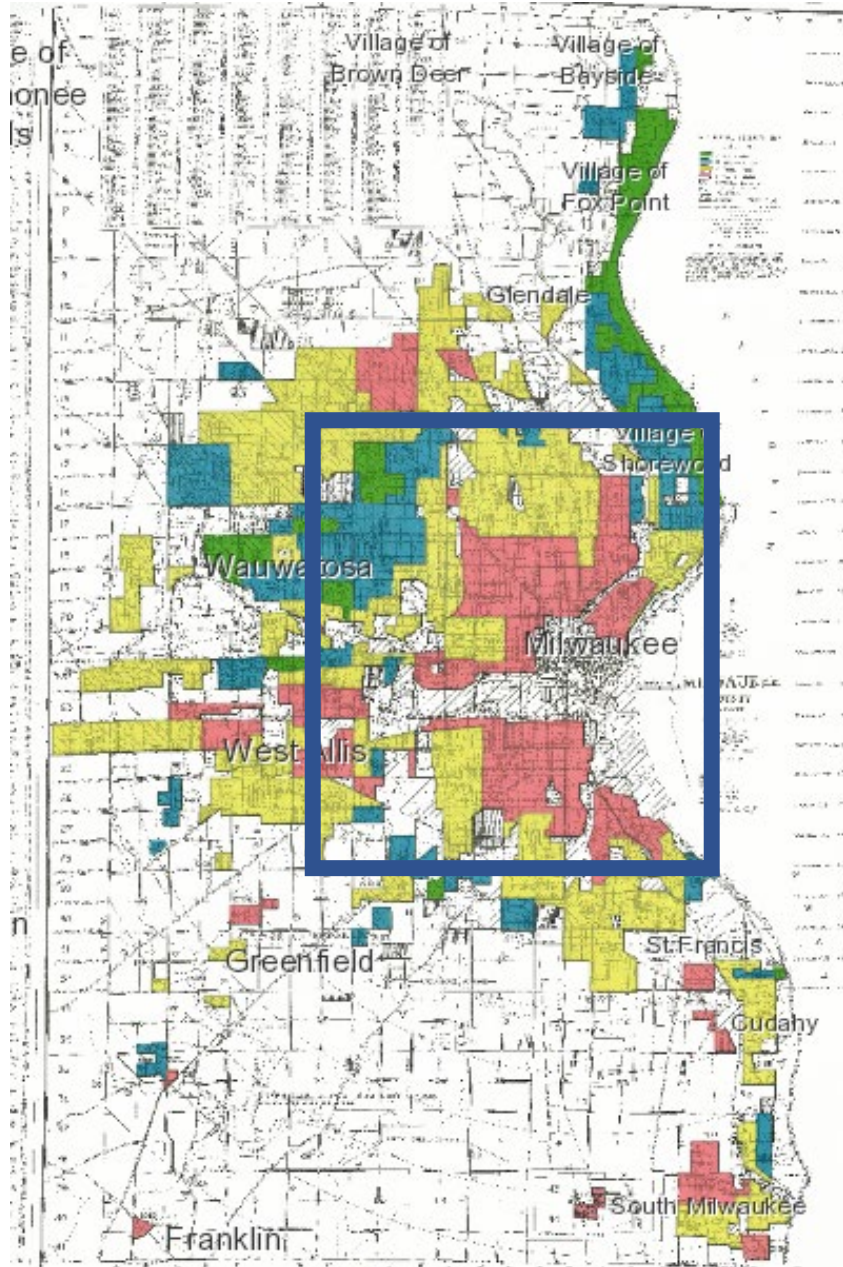


All 2022 residential property sales & vacant lots

-  Residential Property Sales - 2022
-  Vacant Lots

Data Source: Home Mortgage Disclosure Act Data, 2022, Prepared and analyzed by Russell Star-Lack from Metropolitan Fair Housing Council, Map visualization by DYCU



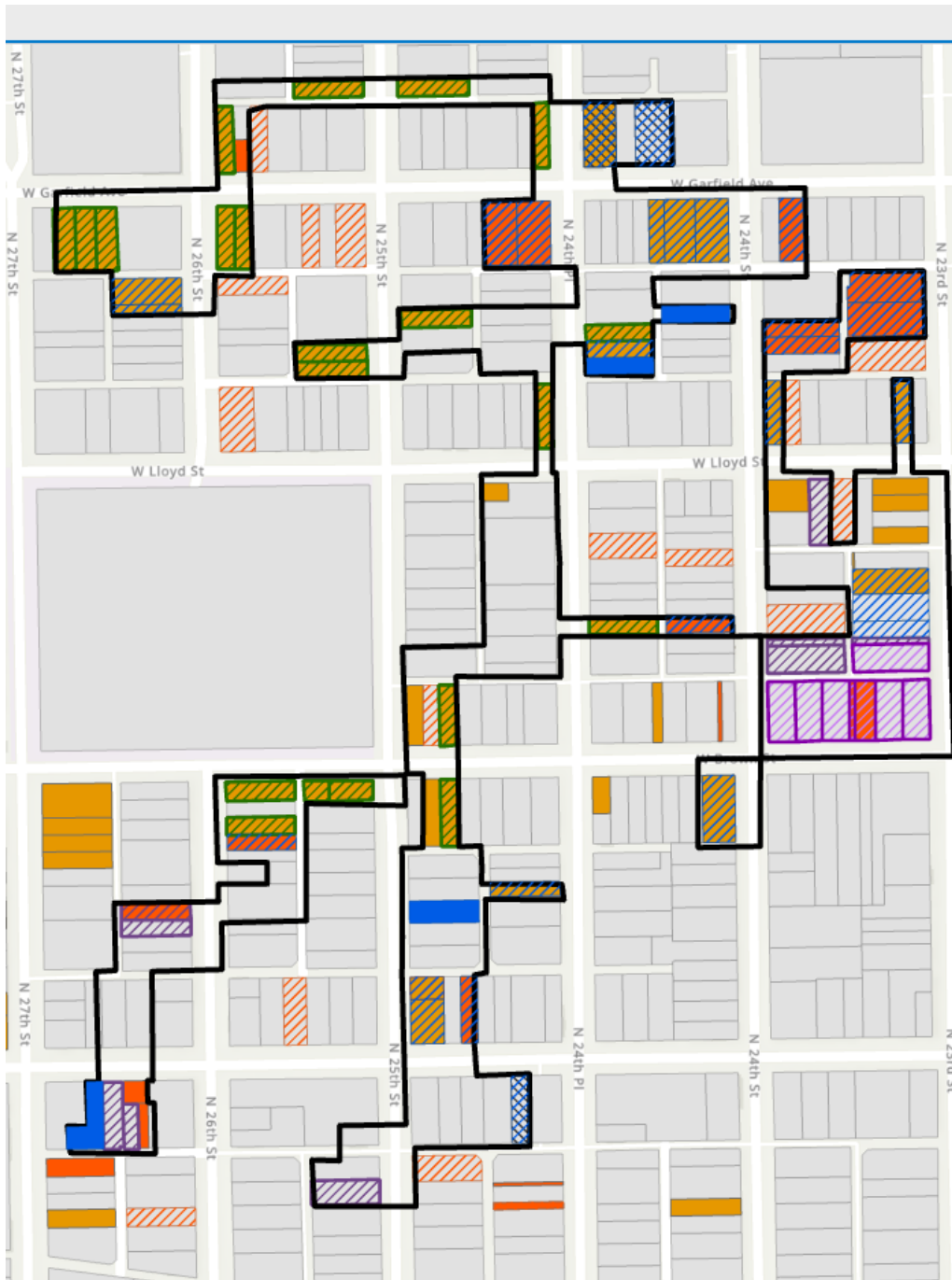


Need renewable non-competitive resources



COST \$250,000

| | |
|------------------|-----------|
| HOMEBUYER | \$120,000 |
| PHILANTHROPY | \$30,000 |
| TID | \$50,000 |
| NMTC/LIHTC/OTHER | \$50,000 |



King Park Backbone TID

Increment Generated

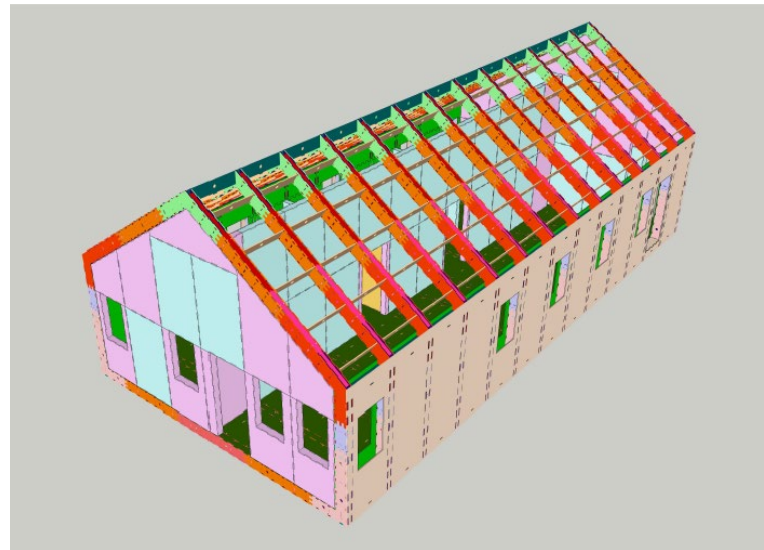
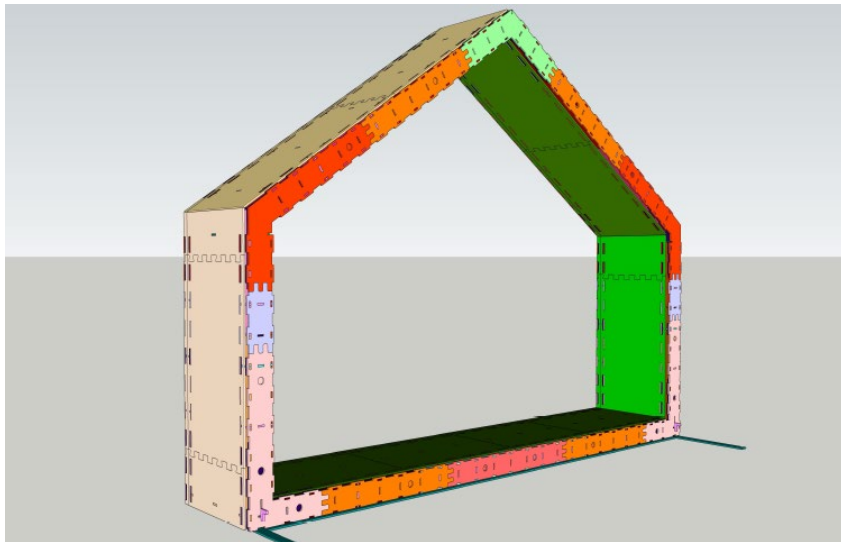
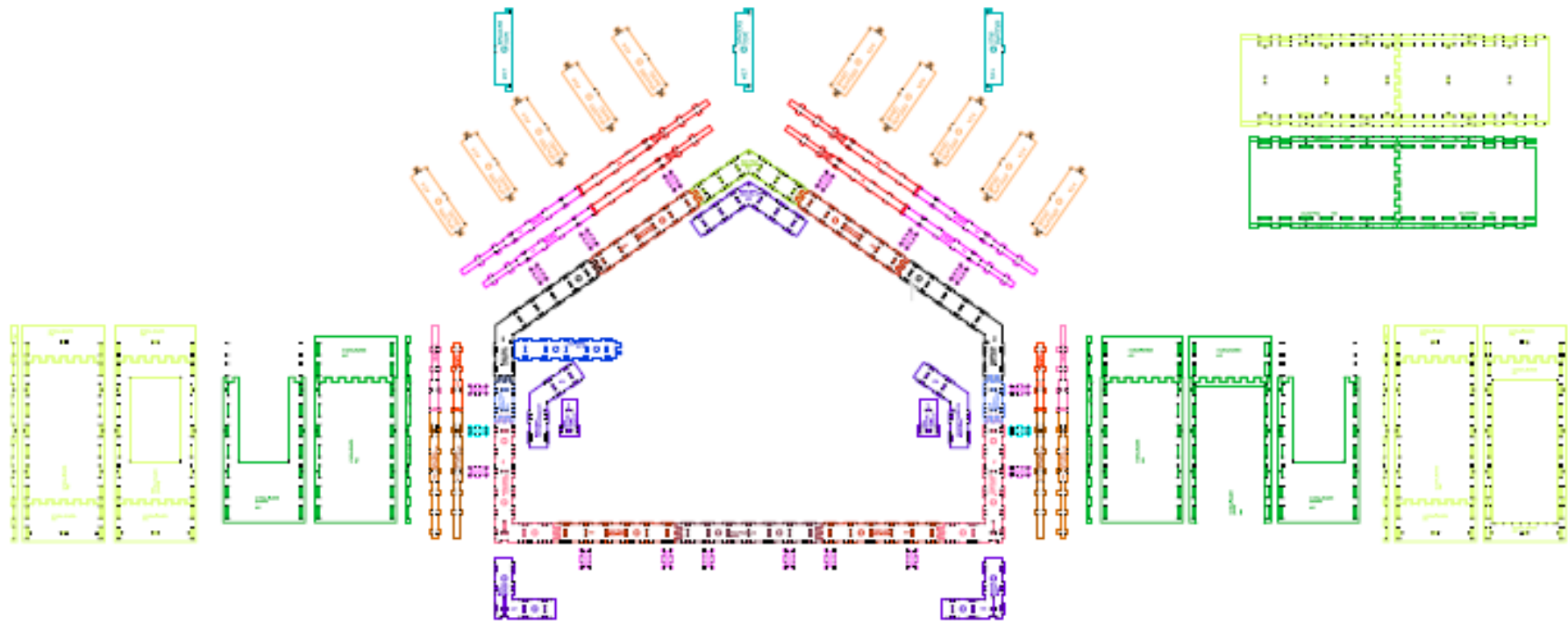
Present Value 25 Year: \$2.5 M

Project Support

Emem Duplexes: \$1.6 M

Habitat Homes: \$0.9 M



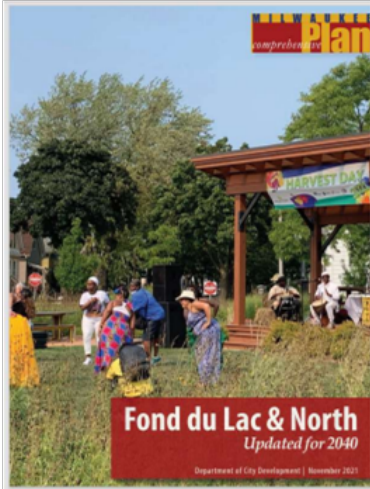


OUR COLLABORATION DESIGN

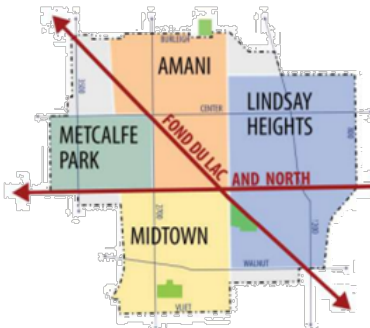


REVIEW OF FOND DU LAC & NORTH PLAN

A review of the core identified policies and strategies from resident focus groups and planning sessions during the development of the Fond du Lac & North Plan.



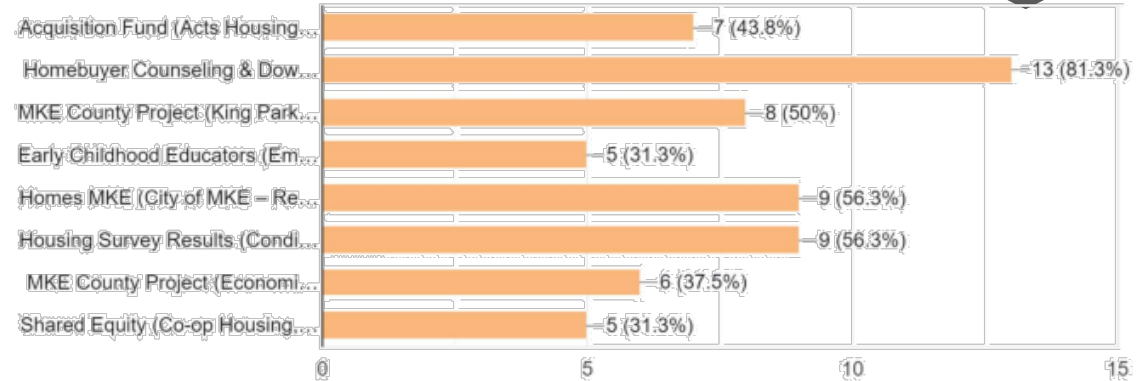
| STRONG NEIGHBORHOODS POLICIES & STRATEGIES | |
|---|--|
| A. Increase Homeownership | |
| 1. Continue and strengthen programs for existing homeowners to stay in their homes. | a. Expand existing programs that assist low and moderate income homeowners in making needed home repairs, such as the Strong Homes Loan Program (NIDC) and the Code Compliance Loan Program (DNS). |
| | b. Support homeowners at risk of foreclosure, and identify resources to assist low and moderate income homeowners facing property tax hardship. |
| | c. Assist homeowners and homebuyers in making needed accessibility improvements to allow for aging in place. |
| 2. Support existing neighborhood renters become homeowners. | a. Continue to prioritize owner occupancy in the sale of City-owned properties. |
| | b. Expand programs that assist moderate income renters become homeowners, such as the Homebuyer Assistance Program (NIDC). |
| | c. Provide direct down payment assistance to new home buyers. |
| | d. Support innovative ownership models, including co-ops and community land trusts. |
| | e. Support and grow the capacity of community based organizations working to increase homeownership. |
| | f. Support the construction of new single-family homes throughout the area. |



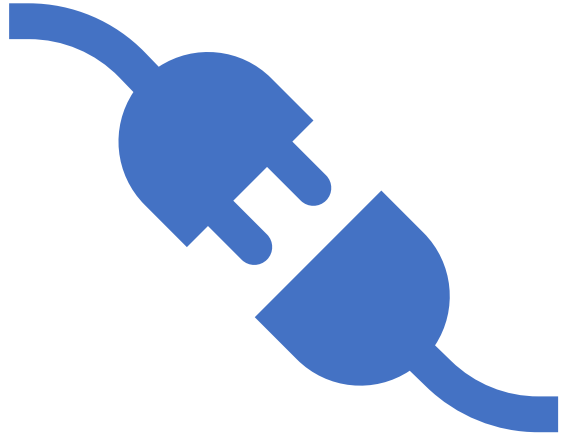
| STRONG NEIGHBORHOODS POLICIES & STRATEGIES | |
|--|--|
| D. Construct New Housing | |
| 1. Support new housing development that will accommodate a diversity of incomes. | a. Encourage new affordable housing where a lack of options exist. In areas with a low concentration of subsidized housing units encourage new multi-family developments to include at least 20% of units as affordable to households with income less than 60% AMI. |
| | b. Encourage new market-rate housing in areas with high concentrations of affordable housing. In areas with a high concentration of subsidized housing units, encourage new multi-family developments to include at least 20% of units as market-rate. |
| | c. New subsidized housing developments should serve a range of incomes of existing neighborhood residents, including providing options for households at or below the median income for the neighborhood. |
| 2. Support new housing development that will accommodate a variety of household types. | a. Encourage new family-oriented housing, units with at least 2 bedrooms, especially in close proximity to schools and parks. |
| | b. Encourage new higher density multi-family housing in close proximity to primary transit nodes and job centers. |
| | c. Support the development of duplex, townhome and multi-family housing along arterial streets and public open spaces. |
| | d. Support the development of single-family and duplex housing on residential streets, and in areas that are predominately single-family or duplex housing. |
| | e. Support the addition of accessory dwelling units (ADUs) at owner-occupied properties, and other housing types that can facilitate intergenerational households, aging in place, or rental income for homeowners. |

Which housing topics are you interested in learning about?

16 responses



| | |
|--|---------|
| 11 Housing development program | Housing |
| 12 Really want to houses improvement | Housing |
| 13 More community involvement. Safe zones for families to enjoy neighborhood. Parks, walking and exercising. | Housing |
| 14 Abolishing abandon housing, making them available for 1st time homebuyers and lead free | Housing |
| 15 Increase employment for residents | Housing |
| 16 Assist Customer with home repairs | Housing |
| 17 Lower crime + no deaths. Make our home lead safe. | Housing |
| 18 That every household has some type of security whether it be a ring door bell | Housing |
| 19 Affordable housing = less homeless shelters. More mental health facilities | Housing |
| 20 Develop guidelines for out-of-state home-owners. Eventually require new owners to in-state. | Housing |
| 21 Home repair improvements extension for residents | Housing |
| 22 Remove trouble spots which have existed for years. Remove negligent landlords. Improve cleanliness + consistency of city services. Grants for | Housing |
| 23 more for housing | Housing |
| 24 more ring camera, more assistance in housing upkeep, more safety | Housing |
| 25 Money to repair homes, streets, more policing | Housing |
| 26 Money for home repairs | Housing |
| 27 Less homeless and abandoned housing. | Housing |
| 28 Rehab or tear down empty houses | Housing |
| 29 Yes, more housing on my block | Housing |
| 30 Reduction of vacant lots in Quadrant 2. New housing on 8th, 9th, 10th, and 11th streets between Meinecke and Center | Housing |
| 31 A strong leadership and less vacant lots and empty houses | Housing |
| 32 18th St: the houses on the block need some help; landlords do not help in keeping the properties up to date | Housing |
| 33 Raise enough money to rebuild all dilapidated homes so "looking like Wauwatosa" | Housing |
| 34 Assistance with repairs and upgrades and more respect for keeping neighborhoods clean | Housing |



PLUG IN

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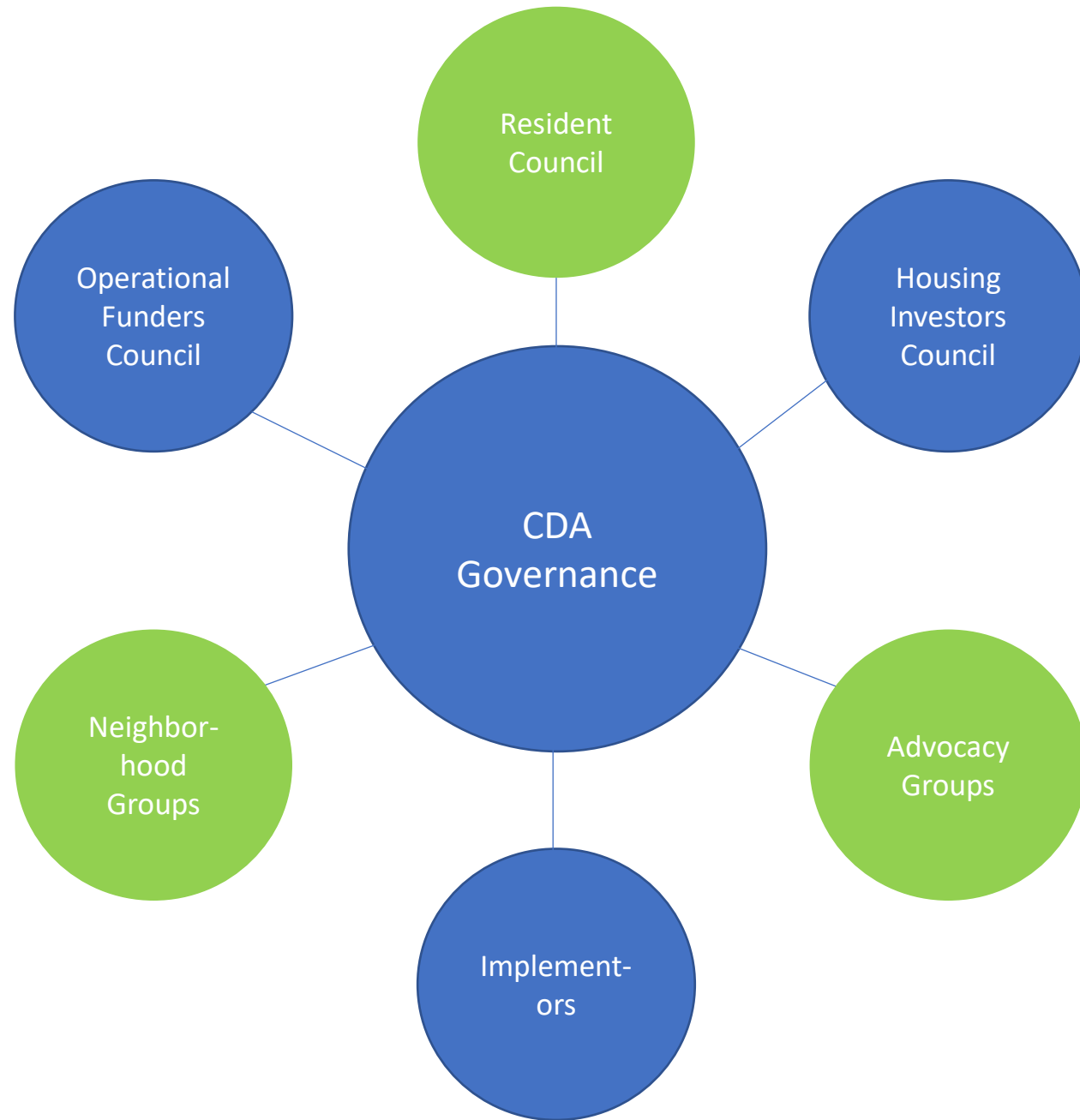
HAVE AN IDEA?

EMAIL US AT IDEAS@HOUSINGPLAN.ORG



GET GOING

DATA AND STRATEGY SUPPORT AVAILABLE



Resident
Council

Housing
Investors
Council

CDA
Governance

Advocacy
Groups

Implement-
ors

Neighbor-
hood
Groups

Operational
Funders
Council

1 Systems Level

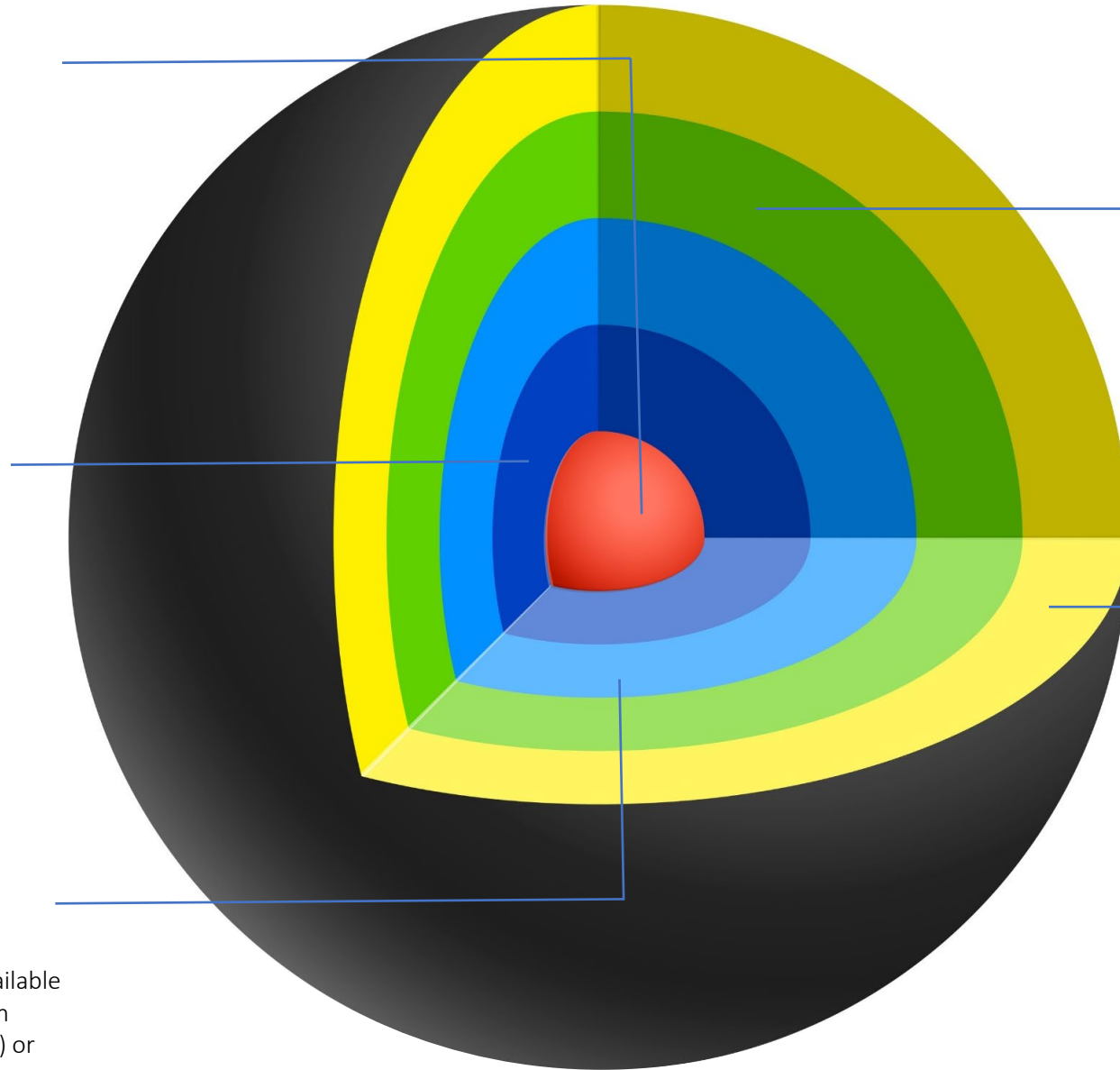
Investments that can impact housing policy or that can build new pathways to homeownership that don't currently exist. These efforts cannot be done individually and require investments in a Collective Impact backbone organization.

2 Implementation Level

Investments in entities that produce housing, or administer counseling, downpayment assistance, accessible loan products, or long-term support of homeowners. These entities are delivering a product that cannot be delivered by the market and thus require operational support.

3 Inventory Level

Investments in the production of homeownership inventory that is available to families making the county median income (CMI) or below (e.g. \$50,000) or less. The production of a home costs about \$250,000 and the accessible sale price is \$120,000, thus \$130,000 of support is needed for each home.



4 Credit Level

Investments in providing credit available to families making the CMI or below. The primary reasons for denial are a Debt-to-Income ratio of 50% - 60% and non-housing related credit history. The market is not able to meet this demand, thus an investment is needed.

5 Family Level

Investments that are given directly to homeowners in the form of down payment assistance, or the buy down of interest rates. These investments will directly reduce the costs of homeownership for families that receive the investment.

Investments in Homeownership