Isadore Knox - Dist. 14

1. The City of Madison continues to put money into affordable housing, but we can't develop affordable housing fast enough or in a large enough quantity for people with incomes that are at or below 30% of the Area Median Income (AMI). What new ideas would you bring to the table to assist us in getting more affordable housing for people at or below 30% AMI?

Recently the City has changed the zoning codes and definition of family, so that current property owners can allow for more unrelated individuals to live in households. In addition, the City has provided limited funding for homeowners to develop Accessory Dwelling Units or ADUs where homeowners can develop additional housing units on their properties. The city should continue to invest in the affordable housing fund, to continue to build housing capacity. but in addition, the city should utilize land banking or purchasing small vacant lots within neighborhoods and sell them to residents or develop them for owner occupied duplexes or subsidized low-density multi-unit dwellings, such as four-unit apartments, row houses, town houses at affordable rates. The city should use tax credits, or city low interest loans can be made available for affordable purchases. Selling these units to residents can increase wealth building opportunities for the residents, help reduce the vacancy rate, avoid the problems of high-density developments, and contribute to healthy mixed income neighborhoods.

2. Much of the affordable housing that is currently being built in our area is Section 42 tax credit housing in which the Area Median Income (AMI) is used to determine rent amounts. And because the AMI is so high in Dane County the rent for many of the units ends up being close to market rate. What can we do to make sure that the affordable housing we build ends up being affordable enough to reach lower incomes? Should Section 42 developments that receive city funding be required to have more units affordable for those at or below 30% of AMI than they do now?

Yes , I would encourage requiring section 42 developments that receive city funding to require more affordable units affordable at or below 30% AMI. This should occur in combination with providing financial incentives (rent subsidies) to property owners who develop owner occupied duplexes or subsidized low-density multi-unit dwellings or ADUs at affordable rents.

3. We need more nonprofit developers who are willing to build affordable housing and keep it affordable for longer periods of time. What can we do to get more nonprofit developers in our community and support their growth and success?

The city needs to encourage such nonprofits by providing funding incentives to them and low interest loans to build low density affordable housing within mixed income neighborhoods.

4. Most affordable housing is only affordable for a period of 40 years or less, meaning our investment in affordable units is lost after a set time. Please discuss any ideas that you have for keeping affordable housing in Madison affordable long-term?

Obviously, the market continues to drive the prices up for affordable housing. It is important that the city continues monitor the percentage of properties that raise rents beyond the affordability levels and replenish the percentage of affordable housing units based on the current needs.

Continued investment by the city via the Affordable Housing Initiative and utilizing Tax Incremental Financing (TIF) is critical to producing more affordable housing units to keep pace with the housing rental demand.

5. Tenants in the city and county have had access over the last couple of years to eviction prevention and security deposit funds thanks to the federal government's COVID relief funding. These funds – the CORE program – likely will end in 2023. Do you think the city should prioritize providing more funds once the COVID money ends and if so, please give some ideas of sources of funding?

While the CORE program funds were critical in preventing more evictions and providing security deposit funds, it is obvious that the distribution of such funds to those in most need was poorly executed and temporary at best. Instead of recipients avoiding eviction and utilizing the opportunity to stabilize financially and prepare for the future, we are now facing an even more difficult crisis with no federal funding forth coming.

Obviously, the city will have to prioritize providing more funding to help reduce the growing homeless problem. It is important that the city also invest in incentives to assist potential employers and non-profits to assist renters in skill training and job internships that lead to permanent living wage employment that will allow renters to be able to pay affordable rents and possible even become homeowners. Financial literacy training should also be provided.

One possible additional source of funding could be a developer affordable housing surtax, on all market rate housing developments. This fee can be waived with the appropriate affordable housing units.

6. Are there any changes that the city could make – zoning requirements, paperwork, etc. – that could make affordable housing development and operation easier and more attractive to nonprofits and businesses, and also less burdensome for tenants who have to complete a lot of paperwork and meet reporting requirements?

As mentioned previously, the city has changed the zoning codes and definition of family, so that current property owners can allow for more unrelated individuals to live in the same households. In addition, the City has provided limited funding for homeowners to develop Accessory Dwelling Units or ADUs where homeowners can develop additional housing units on their properties. Financial incentive or property tax breaks should be offered to those homeowners, nonprofits, or property businesses to induce them to develop more affordable units and require them to keep rents at affordable rates. If the funding is local, the requirement should not be so burdensome. Providing trained personnel to assist individuals through the process, having vigilant process auditors and a vigorous complaint process is also required to have an effective program.