

Community Development Division
2024 Capital Budget Request Summary

Request by Proposal

Project/Program Name	2024	2025	2026	2027	2028	2029
Affordable Housing-Consumer Lending	3,157,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000
Affordable Housing-Development Projects	18,000,000	14,500,000	17,500,000	14,500,000	15,500,000	12,500,000
Community Facilities Loan (CFL) Program	750,000	750,000	750,000	750,000	750,000	750,000
Total	\$ 21,907,000	\$ 18,457,000	\$ 21,457,000	\$ 18,457,000	\$ 19,457,000	\$ 16,457,000

Request by Funding Source - GO Borrowing vs. Other

2024 Request

Funding Source	2024	2025	2026	2027	2028	2029	Total ('24 to '28)
GO Borrowing	14,715,000	16,065,000	19,287,000	15,187,000	17,587,000	14,587,000	82,841,000
Other	7,192,000	2,392,000	2,170,000	3,270,000	1,870,000	1,870,000	16,894,000
Total	\$ 21,907,000	\$ 18,457,000	\$ 21,457,000	\$ 18,457,000	\$ 19,457,000	\$ 16,457,000	\$ 99,735,000

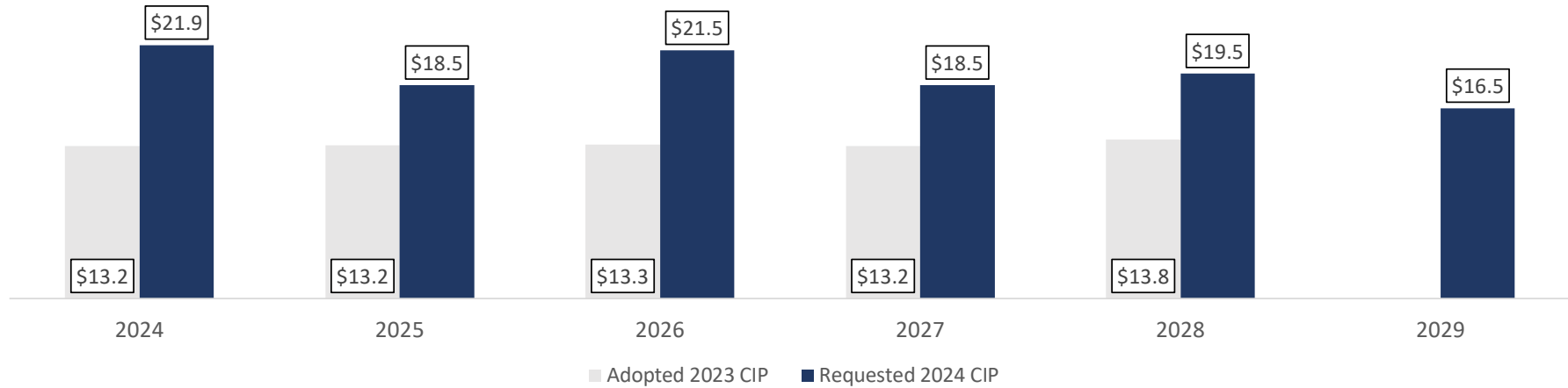
Prior Year CIP

Funding Source	2024	2025	2026	2027	2028	Total ('24 to '28)
GO Borrowing	5,867,000	11,355,000	11,413,000	11,315,000	11,865,000	51,815,000
Other	7,342,000	1,892,000	1,892,000	1,892,000	1,892,000	14,910,000
Total	\$ 13,209,000	\$ 13,247,000	\$ 13,305,000	\$ 13,207,000	\$ 13,757,000	\$ 66,725,000

Request vs. Prior Year CIP - % Change

Funding Source	2024	2025	2026	2027	2028	Total ('24 to '28)
GO Borrowing	150.8%	41.5%	69.0%	34.2%	48.2%	59.9%
Other	-2.0%	26.4%	14.7%	72.8%	-1.2%	13.3%
Total	65.8%	39.3%	61.3%	39.8%	41.4%	49.5%

2024 Capital Improvement Plan
2023 Adopted vs. 2024 Request (Millions)



Major Changes

Affordable Housing – Consumer Lending

- Reduces GO Borrowing by \$1.3 million (21.1%) over life of CIP and applies \$1.6 million in cash reserves 2024 - 2027.

Affordable Housing – Development Projects

- Program budget increases by \$29.5 million in GO Borrowing (\$28.8 million) and in TIF Increment Funding (\$700,000) in 2024 - 2028 over 2023 Adopted CIP to further fund affordable housing initiatives. This reflects a 58.4% increase.
- Budget increases in 2024 - 2028 reflect a 63.6% increase in GO Borrowing for same program compared to 2023 Adopted CIP GO Borrowing.
- For 2024, budget increases by \$5.4 million in GF GO Borrowing and \$3.0 million in Non-GF GO Borrowing and decreases TIF Increment funding by \$400,000 for a total increase of \$8.0 million over the 2023 Adopted CIP.

Community Facilities Loan (CFL) Program

- Formerly the Community Facilities Improvements program.
- No 2023 allocation due to carryforward borrowing from 2022 Adopted CIP to cover the start of the program in 2023. Program is being annualized in 2024 CIP. \$750,000 in GF GO Borrowing each year to support smaller capital projects of non-profit partners.

Reserve Fund to Maintain Temporary Shelter Facilities

- Project transferred to Engineering 2024 CIP.

Senior Center Building Improvements

- Project transferred to Engineering 2024 CIP.



Department of Planning and Community & Economic Development

Community Development Division

215 Martin Luther King, Jr. Boulevard, Suite 300

Mailing Address:

P.O. Box 2627

Madison, Wisconsin 53701-2627

Phone: (608) 266-6520

Fax: (608) 261-9626

www.cityofmadison.com/cdd

Child Care
Community Resources
Community Development Block Grant
Madison Senior Center

TO: Dave Schmiedicke, Finance Department
FROM: Jim O'Keefe, Community Development Division
DATE: April 21, 2023
SUBJECT: Community Development Division 2024 Capital Budget Recommendations

Equity Considerations in the Budget

In a number of different ways, the Community Development Division (CDD) focuses its efforts on helping to improve the overall quality of life for those residents in our city who face varied, and sometimes systemic, barriers to their social, economic, and environmental well-being. A key tenet of community development is the promotion of equity, or fairness, in how resources, opportunities and benefits are distributed within the community.

CDD's 2024 Capital Budget recommendations are primarily focused on affordable housing. They do so in recognition of the fact that housing is, or should be, a fundamental right and that the absence of stable housing, or any housing at all, has a cascading effect on a household's success and well-being with respect to physical and emotional health, educational attainment, employment, and family stability. And yet, in Madison, too many of our fellow residents continue to struggle to secure safe and stable housing, and too many of them are people of color or otherwise marginalized members of our community.

We believe one of the most effective ways we can advance equity in Madison is to promote the continued, and expanded, City investment in housing - particularly toward efforts that will increase housing options for lower-income and disadvantaged households. Therefore, our recommendation to the Mayor and the Common Council is to expand the City's commitment to affordable housing to keep pace with plans and opportunities that are before us.

On a much smaller scale, CDD seeks continued support for programming that extends financial support to non-profit community partners for capital investments in neighborhoods. These organizations are mission-driven in their work and they are key resources in our community, including and especially for underserved residents.

Summary of Changes from 2023 Capital Improvement Plan

The CDD capital budget recommendations reflect a significant departure from budget guidelines. They are not made lightly, and were finalized following conversations involving staff from CDD, the DPCED Director, the Economic Development Division and the Community Development Authority. They also reflect projects anticipated to be undertaken in South Madison, and funded through the TID 51.

For years, policy makers have offered strong support for the Affordable Housing Fund, more than doubling its size in the past four years. But there is need, and justification to do more.

For example, land and construction costs continue to rise, making more difficult the ability to deliver affordability. The financial viability of affordable housing developments once depended on City financial

support. Today, however, changing financing options are yielding larger, more fast-paced developments that lean away from the deeper affordability the City covets absent significant subsidy. In addition, the AHF is expected to be a necessary financial tool to numerous housing developments and redevelopments envisioned for properties acquired through the City's Land Banking fund or owned by the Community Development Authority. Finally, the goals contained in the City's Housing Forward Initiative maintains the need to expand the growth of affordable housing not only by supporting larger scale developments but also through "missing middle" developments, preservation efforts and other less traditional means, often proposed by non-profit housing agencies. To support all of the efforts listed above, CDD expects to conduct two funding processes in 2024 to support new development and preservation proposals. The simple fact is that while each of these strategies can make important contributions to meeting affordable housing needs, they cannot all be supported without additional resources.

The second change from the 2023 CIP is the re-insertion of the Community Facilities Loan Program. The Program was authorized in the 2022 Capital Budget. However, its delayed implementation (program guidelines needed to be developed) meant the Program was supported in 2023 using budget authority carried over from 2022. The program was launched and has provided opportunities for community partners to create, expand and improve their physical spaces to add capacity and better serve neighborhood residents. This budget request reflects a slightly lower level of funding from the Program's original \$1 million level, based on our first year of experience.

The final change, made in consultation with City Engineering, transfers two project lines from CDD's 2023 CIP to Engineering's capital budget. The two projects, Senior Center Improvements and Maintenance of Temporary Shelters, support capital projects at the Madison Senior Center and at the three temporary shelter facilities established by the City to support persons experiencing homelessness. While these sites are operated directly or through contract by CDD, the oversight and completion of authorized activities are completed by Engineering staff. Transferring these budget items to Engineering will streamline this work and improve staff efficiency in managing the budget expenses.

Prioritized List of Capital Requests

In order of priority, the CDD's 2024 capital budget includes these items:

1. **Affordable Housing – Development** – expand the capacity of the Affordable Housing Fund, enabling CDD to respond to a broader range of development opportunities that emerge within the City. This work will provide the greatest long-term benefit for the greatest number of people.
2. **Affordable Housing – Consumer Lending** – resume and improve loan programs designed to help households gain and maintain home ownership, with particular emphasis on reaching households of color, and undertake needed repairs and improvements to existing rental housing stock.
3. **Community Facilities** – extend for a third year a loan program offered to community partners to help finance non-residential capital improvement projects that provide public benefit.

2024 Capital Improvement Plan

Program Budget Proposal

Identifying Information

Agency	<input type="text" value="Community Development Division"/>	New or Existing Project	<input type="text" value="Existing"/>
Proposal Name	<input type="text" value="Affordable Housing-Consumer Lending"/>	Project Type	<input type="text" value="Program"/>
Project Number	<input type="text" value="62010"/>		
2024 Project Number	<input type="text"/>		

Previous Description

This program supports several direct consumer lending programs administered by the Community Development Division (CDD), including the Home Purchase Assistance (i.e., Home-Buy the American Dream), Housing Rehabilitation Services, and Property Tax Financing for Eligible Seniors programs. The goals of these programs are to help eligible City residents acquire homes, finance home repairs and pay their property taxes. City funds complement, or are occasionally combined with, available federal and state funding to help residents purchase homes and/or secure rehabilitation loans. These programs contribute to the City's Housing Forward Initiative's objectives of increasing homeownership levels among households of color and helping ensure that senior homeowners can stay in their homes and other homeowners can make needed repairs. Projects planned include placing greater emphasis on households of color in the down payment assistance program and adjusting subsidies for lower-income households to make ownership more accessible in the face of rising housing prices. In addition, CDD will expand the Rehabilitation Program to support proposals that involve purchase and rehabilitation of small scale multi-family properties with the goal of preserving and improving naturally occurring affordable housing options for lower-income households.

New or Updated Description

This program supports several direct consumer lending programs administered by the Community Development Division (CDD), including the Home Purchase Assistance (Home-Buy the American Dream), Property Tax Financing for Eligible Seniors and Rental Rehabilitation programs. Their goals are to help eligible residents acquire homes, pay their property taxes and finance small-scale rehabilitation of rental housing. City funds complement, or are occasionally combined with, available federal and state dollars to support these programs. The programs help advance the objectives in the City's Housing Forward Initiative to increase homeownership among households of color and enable senior homeowners to remain in their homes, and they offer help to owners of rental properties to maintain and improve their units. These programs are parts of a larger affordable housing strategy that also devotes resources to financial literacy programs, complementary down payment assistance programs and a program that helps single-family homeowners make needed repairs to their homes. Funding to support this set of programs is included in CDD's operating budget.

Alignment with Strategic Plans and Citywide Priorities

Citywide Element

Neighborhoods and Housing

Strategy

Support the rehabilitation of existing housing stock, particularly for first-time homebuyers and people living with lower incomes.

Describe how this project/program advances the Citywide Element

This program includes financing for a first-time homebuyer assistance program, a housing rehabilitation program, and property tax financing to seniors. The goal is to ensure that low- to moderate-income households have access to affordable, sustainable housing.

Does this project/program advance goals in a Citywide agenda or strategic plan other than Imagine Madison (e.g. Climate Forward, Housing Forward, Metro Forward, Vision Zero)?

Yes

If yes, specify which plan(s) the project/program would advance and describe how the project/program will help the City meet its strategic goals.

This program supports multiple goals in Housing Forward, including "Combat Displacement and Segregation," and "Ensure Seniors and Others Can Stay in Their Homes." Homeownership programs can contribute to neighborhood stabilization and are often focused on neighborhoods in transition where renters might wish to establish a longer term presence as homeowners. Loans to help pay for needed home repairs or property taxes are tools used to help older adults age in place.

Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

Is the proposed project/program primarily focused on maintenance or repair?

No

For projects/programs that are not specifically focused on maintenance and repair 1) what specific inequities does this program intend to address? How and for whom? 2) What data helped shape your proposal? Data may include qualitative and quantitative data such as demographic, qualified census tracts, environmental justice areas, specific recommendations from a Racial Equity and Social Justice Analysis, or other sources.

Though housing discrimination is illegal in the United States, persons of color continue to face barriers to homeownership. In 2019, fewer than 19% of Black households owned their homes. At present, not all of Madison's residents are able to choose whether they want to own or rent their homes. While it is not legal to target housing assistance exclusively to members of a specific race or ethnicity, the City is strategic in how it markets assistance to under-represented households in order to reduce disparities in homeownership rates and improve access to all neighborhoods in Madison. The City has also expanded availability of financial literacy workshops to targeted neighborhoods in order to increase the likelihood that households may be approved for traditional financing in the residential market.

Is the proposed budget or budget change related to a recommendation from a Neighborhood Resource Team (NRT)?

No

If yes, please identify the specific NRT and recommendation. Be as specific as possible.

Climate Resilience and Sustainability

Does this project/program improve the city's climate resilience or sustainability by addressing climate change impacts, reducing GHG emissions, improving energy efficiency, growing a climate-friendly economy, or reducing the environmental impact of city assets or operations?

Yes

If yes, describe how

The City's Rental Rehabilitation loan program encourages energy efficiency improvements for owners of residential properties.

Budget Information

Requested Budget by Funding Source

Funding Source	2024	2025	2026	2027	2028	2029
Reserves Applied	\$ 522,000	\$ 522,000	\$ 300,000	\$ 300,000		\$ -
Loan Repayment	\$ 560,000	\$ 560,000	\$ 560,000	\$ 560,000	\$ 560,000	\$ 560,000
Federal Sources	\$ 1,110,000	\$ 1,110,000	\$ 1,110,000	\$ 1,110,000	\$ 1,110,000	\$ 1,110,000
State Sources	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Borrowing - GF GO	\$ 765,000	\$ 815,000	\$ 1,037,000	\$ 1,037,000	\$ 1,337,000	\$ 1,337,000
Total	\$ 3,157,000	\$ 3,207,000	\$ 3,207,000	\$ 3,207,000	\$ 3,207,000	\$ 3,207,000

Requested Budget by Expense Type

Expense Type	2024	2025	2026	2027	2028	2029
Loans	\$ 3,157,000	\$ 3,207,000	\$ 3,207,000	\$ 3,207,000	\$ 3,207,000	\$ 3,207,000
Total	\$ 3,157,000	\$ 3,207,000	\$ 3,207,000	\$ 3,207,000	\$ 3,207,000	\$ 3,207,000

Explain any changes from the 2023 CIP in the proposed funding for this project/program

The Consumer Lending Program overall budget did not change from the 2023 CIP. However, cash reserves have been added as a funding source to reduce GO-Borrowing. The budget detail for the sub-projects has also been adjusted, reducing budget for Home Buy the American Dream and increasing budget for Rental Rehabilitation programs. This adjustment more accurately reflects historic expenditures for down payment and support an expanded Rental Rehabilitation program to launch mid-year in 2023.

If TIF or Impact Fee are a requested funding source, which district(s)

District/Detail	2024	2025	2026	2027	2028	2029

If TIF is a requested funding source, is this request included in an approved TIF project plan?

If the proposal includes building/ facility expenses, has the proposal been reviewed by City Engineering Facilities?

If no, explain how you developed the facilities cost estimate for the budget request.

Project Schedule and Location

Complete the table below for each year of requested funding. Detail the minor projects that will occur and provide location detail when necessary. If detailed project plans are not available, explain why and when this information will be available.

Year	Project Name	Cost	Location	Alder District
2024	Home Purchase Assistance	\$ 1,256,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2024	Housing Rehabilitation Services	\$ 1,676,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2024	Property Tax Financing for Eligible Seniors (65+)	\$ 225,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2025	Home Purchase Assistance	\$ 1,256,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2025	Housing Rehabilitation Services	\$ 1,726,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2025	Property Tax Financing for Eligible Seniors (65+)	\$ 225,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2026	Home Purchase Assistance	\$ 1,230,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2026	Housing Rehabilitation Services	\$ 1,752,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2026	Property Tax Financing for Eligible Seniors (65+)	\$ 225,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2027	Home Purchase Assistance	\$ 1,230,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2027	Housing Rehabilitation Services	\$ 1,752,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2027	Property Tax Financing for Eligible Seniors (65+)	\$ 225,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2028	Home Purchase Assistance	\$ 1,130,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2028	Housing Rehabilitation Services	\$ 1,852,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2028	Property Tax Financing for Eligible Seniors (65+)	\$ 225,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2029	Home Purchase Assistance	\$ 1,130,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2029	Housing Rehabilitation Services	\$ 1,852,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	
2029	Property Tax Financing for Eligible Seniors (65+)	\$ 225,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.	

Operating Costs

Over the next six years, will the project/program require any of the following IT resources?

Electronic hardware that will be connected to a City device in any manner, including wireless, bluetooth, NFC, etc.?	No
Software (either local or in the cloud)?	No
A new website or changes to an existing website?	No

For projects/programs requesting new software/hardware:

Have you submitted an IT project request form? IT Project Request Form	
---	--

Changes to existing hardware/software:

Will any existing software or processes need to be modified to support this project/program or initiative? If yes, submit an IT Project Request Form	No
---	----

Surveillance Technology:

Do you believe any of the hardware or software to be considered surveillance technology? Surveillance technology is defined in MGO Sec. 23.63(2). If yes, please reach out to Sarah Edgerton prior to submitting your budget request.	No
---	----

In addition to IT costs, projects/programs may have other operational impacts. Over the next six years, will the project/program require any of the following:

Facilities/land maintenance?	
Vehicle setup or maintenance costs?	
External management or consulting contracts?	
How many additional FTE positions required for ongoing operations of this project/program?	

Estimate the project/program annual operating costs

Description - please detail operating costs by major where available	Annual Costs

2024 Capital Improvement Plan

Program Budget Proposal

Identifying Information

Agency	Community Development Division	New or Existing Project	Existing
Proposal Name	Affordable Housing-Development Projects	Project Type	Program
Project Number	17110		
2024 Project Number	tbd		

Previous Description

This program continues and expands a major initiative created to expand and improve the supply of affordable housing in Madison. Since 2015, the CDD has used these funds to leverage other public and private resources for projects that improve and expand the supply of quality, affordable housing accessible to low- and moderate-income households. To date, the program has assisted projects that, collectively, have added nearly 1,600 rental units to the Madison market that are deemed affordable for households earning not more than 60% of the Dane County median income. Still, the need for more affordable housing options is considerable. CDD conducted a competitive request for proposals (RFP) process the summer of 2022 to solicit development proposals seeking federal Low Income Housing Tax Credits (LIHTCs). Proposals offered City assistance will learn in late 2022, or early 2023, whether they receive tax credits. To position the City to increase the number of affordable units brought online, including those that will support lower-income households, and support Housing Forward's call for a broader range of housing choices, CDD seeks to expand this program's capacity. That will allow the program to continue to offer support, for example, for non-traditional models like co-op housing and land trusts, for homeownership initiatives, for developments that take advantage of City- or CDA-controlled properties, and for development proposals that emerge in highly desirable locations.

New or Updated Description

This program represents the primary resource by which the City offers direct support to efforts to expand and improve the supply of affordable housing in Madison. Since 2015, CDD has used these funds to leverage other public and private resources for projects that improve and expand the supply of quality, affordable housing accessible to low- and moderate-income households. To date, the program has supported 28 projects in which nearly 1,950 new rental units that are deemed affordable for households earning not more than 60% of the Dane County median income have been built, or are under construction or in final design. Yet, the need in Madison for more affordable housing persists. This summer, CDD will again solicit development proposals that plan to seek federal Low Income Housing Tax Credits (LIHTCs). The fate of tax credit applications will be known later in 2023, or in early 2024. In recent years, the City has responded to a changing tax credit environment that has brought larger development proposals forward, and on tighter schedules. At the same time, City staff seek to preserve the ability to support Housing Forward's call for a broader mix of housing choices, and to be prepared to support development opportunities that emerge, or are initiated by the City or the Community Development Authority. Given the continued acute shortage of affordable housing in Madison, CDD seeks to continue to expand this program's capacity.

Alignment with Strategic Plans and Citywide Priorities

Citywide Element

Neighborhoods and Housing

Strategy

Integrate lower priced housing, including subsidized housing, into complete neighborhoods.

Describe how this project/program advances the Citywide Element

The Affordable Housing Fund increases affordable housing options and/or preserves existing affordability in targeted neighborhoods.

Does this project/program advance goals in a Citywide agenda or strategic plan other than Imagine Madison (e.g. Climate Forward, Housing Forward, Metro Forward, Vision Zero)?

Yes

If yes, specify which plan(s) the project/program would advance and describe how the project/program will help the City meet its strategic goals.

This program advances the goals of the City's Five-Year Consolidated Plan, submitted to the U.S. Department of Housing and Urban Development (HUD). The Plan, similar to the City's Housing Forward Initiative, seeks to improve and expand the supply of housing in Madison that is available, and affordable, to households with more modest incomes—generally, those at or below 60% of the County median income.

Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

Is the proposed project/program primarily focused on maintenance or repair?

No

For projects/programs that are not specifically focused on maintenance and repair 1) what specific inequities does this program intend to address? How and for whom? 2) What data helped shape your proposal? Data may include qualitative and quantitative data such as demographic, qualified census tracts, environmental justice areas, specific recommendations from a Racial Equity and Social Justice Analysis, or other sources.

(1) The lack of housing opportunities in Madison fall disproportionately on BIPOC households in our community. CDD's experience administering the Affordable Housing Fund suggests the program is benefitting those very groups. Specifically, surveys of households living in housing units assisted with City AHF funds indicate that approximately 44% are households of color, compared to 36% of all low-income households Citywide. (2) The City's Analysis of Impediments to Fair Housing (www.cityofmadison.com/dpced/community-development/documents/AI%20Summary%20FINAL.pdf)

Is the proposed budget or budget change related to a recommendation from a Neighborhood Resource Team (NRT)?

No

If yes, please identify the specific NRT and recommendation. Be as specific as possible.

Climate Resilience and Sustainability

Does this project/program improve the city's climate resilience or sustainability by addressing climate change impacts, reducing GHG emissions, improving energy efficiency, growing a climate-friendly economy, or reducing the environmental impact of city assets or operations?

Yes

If yes, describe how

Developments that seek AHF funds are explicitly encouraged to construct with higher sustainability standards than those a private development may consider. The evaluation of development applications take into account the presence/strength of sustainability measures.

Budget Information

Requested Budget by Funding Source

Funding Source	2024	2025	2026	2027	2028	2029
Borrowing - GF GO	\$ 10,200,000	\$ 12,000,000	\$ 15,000,000	\$ 10,900,000	\$ 15,500,000	\$ 12,500,000
Borrowing - TIF	\$ 3,000,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000		
TIF Increment	\$ 4,800,000			\$ 1,100,000		
Total	\$ 18,000,000	\$ 14,500,000	\$ 17,500,000	\$ 14,500,000	\$ 15,500,000	\$ 12,500,000

Requested Budget by Expense Type

Expense Type	2024	2025	2026	2027	2028	2029
Loans	\$ 18,000,000	\$ 14,500,000	\$ 17,500,000	\$ 14,500,000	\$ 15,500,000	\$ 12,500,000
Total	\$ 18,000,000	\$ 14,500,000	\$ 17,500,000	\$ 14,500,000	\$ 15,500,000	\$ 12,500,000

Explain any changes from the 2023 CIP in the proposed funding for this project/program

CDD is seeking increased budget authorization in the 2024 CIP to support the Affordable Housing Fund program. In order to ensure there is capacity to support ongoing, and broadened, development opportunities we feel these increases are necessary. The recommended funding schedule is the product of conversations involving staff from CDD, the DPCED Director, the Economic Development Division and the Community Development Authority. It reflects, based on those discussions, varying amounts of budget authority based on projected demand for financial support to affordable housing projects. This will include projects currently envisioned for South Madison, funded through the TIF #51 plan that may require both TIF and AHF support.

If TIF or Impact Fee are a requested funding source, which district(s)

District/Detail	2024	2025	2026	2027	2028	2029
TID 51	\$ 3,000,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000		
TIDs 29,39,47-closed	\$ 4,800,000					
TID 41				\$ 1,100,000		

If TIF is a requested funding source, is this request included in an approved TIF project plan?

Yes

If the proposal includes building/ facility expenses, has the proposal been reviewed by City Engineering Facilities?

N/A

If no, explain how you developed the facilities cost estimate for the budget request.

Project Schedule and Location

Complete the table below for each year of requested funding. Detail the minor projects that will occur and provide location detail when necessary. If detailed project plans are not available, explain why and when this information will be available.

Year	Project Name	Cost	Location	Alder District
2024	AHF Developments Seeking Tax Credits	\$ 10,000,000	TBD	TBD
2024	Non-Tax Credit Developments or City/CDA	\$ 5,000,000	TBD	TBD
2024	South Madison/TID 51	\$ 3,000,000	TBD	14
2025	AHF Developments Seeking Tax Credits	\$ 10,000,000		
2025	Non-Tax Credit Developments or City/CDA	\$ 2,000,000		
2025	South Madison/TID 51	\$ 2,500,000		
2026	AHF Developments Seeking Tax Credits	\$ 10,000,000		
2026	Non-Tax Credit Developments or City/CDA	\$ 5,000,000		
2026	South Madison/TID 51	\$ 2,500,000		
2027	AHF Developments Seeking Tax Credits	\$ 10,000,000		
2027	Non-Tax Credit Developments or City/CDA	\$ 2,000,000		
2027	South Madison/TID 51	\$ 2,500,000		
2028	AHF Developments Seeking Tax Credits	\$ 10,500,000		
2028	Non-Tax Credit Developments or City/CDA	\$ 5,000,000		
2029	AHF Developments Seeking Tax Credits	\$ 10,500,000		
2029	Non-Tax Credit Developments or City/CDA	\$ 2,000,000		

Operating Costs

Over the next six years, will the project/program require any of the following IT resources?

Electronic hardware that will be connected to a City device in any manner, including wireless, bluetooth, NFC, etc.?	No
Software (either local or in the cloud)?	No
A new website or changes to an existing website?	No

For projects/programs requesting new software/hardware:

Have you submitted an IT project request form? IT Project Request Form	No
---	----

Changes to existing hardware/software:

Will any existing software or processes need to be modified to support this project/program or initiative? If yes, submit an IT Project Request Form	No
---	----

Surveillance Technology:

Do you believe any of the hardware or software to be considered surveillance technology? Surveillance technology is defined in MGO Sec. 23.63(2). If yes, please reach out to Sarah Edgerton prior to submitting your budget request.	No
---	----

In addition to IT costs, projects/programs may have other operational impacts. Over the next six years, will the project/program require any of the following:

Facilities/land maintenance?	No
Vehicle setup or maintenance costs?	No
External management or consulting contracts?	No
How many additional FTE positions required for ongoing operations of this project/program?	

Estimate the project/program annual operating costs

Description - please detail operating costs by major where available	Annual Costs

2024 Capital Improvement Plan

Program Budget Proposal

Identifying Information

Agency New or Existing Project

Proposal Name Project Type

Project Number

2024 Project Number

Previous Description

New or Updated Description

(Note: this is actually an Existing—not a New—Program. It was included in the Adopted 2022 Capital Budget but the delayed start of the program made additional funding authorization in 2023 unnecessary. Thus, the program doesn't appear in the 2023 Capital Budget and, therefore, the proposal templates don't recognize it as an Existing Program.) This proposal seeks to continue funding for a program resource that offers support for smaller capital projects proposed by non-profit partners to meet facility needs that serve or benefit specific neighborhoods or populations. Originally approved in the adopted 2022 CIP (but not fully underway until 2023), the program is a flexible resource to be deployed, with Council and Mayoral oversight, in support of projects of varying size and scope (e.g., property acquisition, new construction, or renovation or expansion of existing structures) that create or improve physical spaces designed to primarily serve low- to moderate-income households. It also supplements CDD's existing Community Development Block Grant (CDBG)-funded Acquisition/Rehab Reserve Fund, adding a degree of flexibility and predictability to that resource, which is (a) often hampered by regulatory burdens that add cost and complexity to small projects, and (b) suffers from a lack of predictability (the A/R Reserve Fund is largely dependent upon income from loan repayments that are unplanned/unscheduled), thus making funds available for projects for which CDBG funds are not available, or suitable.

Alignment with Strategic Plans and Citywide Priorities

Citywide Element

Strategy

Describe how this project/program advances the Citywide Element

Does this project/program advance goals in a Citywide agenda or strategic plan other than Imagine Madison (e.g. Climate Forward, Housing Forward, Metro Forward, Vision Zero)?

If yes, specify which plan(s) the project/program would advance and describe how the project/program will help the City meet its strategic goals.

Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

Is the proposed project/program primarily focused on maintenance or repair?

No

For projects/programs that are not specifically focused on maintenance and repair 1) what specific inequities does this program intend to address? How and for whom? 2) What data helped shape your proposal? Data may include qualitative and quantitative data such as demographic, qualified census tracts, environmental justice areas, specific recommendations from a Racial Equity and Social Justice Analysis, or other sources.

This program was created to respond to calls by residents in areas with NRTs, many of whom are Black, Indigenous, or other People of Color and largely living with lower incomes, for places and spaces in their neighborhoods from which programs and activities are offered. The program provides another, more flexible, resource for small capital projects that can help bring about, expand, or improve such spaces. Residents of areas with NRTs and other areas with similar demographics – i.e., higher concentrations of Black, Indigenous or other People of Color, people living with lower incomes and people who are largely renting as opposed to owning their homes – are the primary beneficiaries of this program.

Is the proposed budget or budget change related to a recommendation from a Neighborhood Resource Team (NRT)?

Yes

If yes, please identify the specific NRT and recommendation. Be as specific as possible.

NRTs have carried forth recommendations for years to build and expand specific community facilities, as well as to create a resource to support such efforts. The NRTs reflect the voices of residents directly, as well as those of staff from numerous community-based organizations and other City agencies. NRTs have supported the creation of this resource, which is intended to be responsive to clearly and consistently voiced needs of residents, as carried forth by the NRTs.

Climate Resilience and Sustainability

Does this project/program improve the city's climate resilience or sustainability by addressing climate change impacts, reducing GHG emissions, improving energy efficiency, growing a climate-friendly economy, or reducing the environmental impact of city assets or operations?

Yes

If yes, describe how

Not always, but non-profit organizations seeking these funds to finance new facilities, or make improvements to existing ones, are often occupying older, retro-fitted buildings which, among other things, tend to be energy inefficient. While perhaps not the primary objective of the projects, one of their outcomes is likely improved energy efficiency.

Budget Information

Requested Budget by Funding Source

Funding Source	2024	2025	2026	2027	2028	2029
Borrowing - GF GO	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
Total	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000

Requested Budget by Expense Type

Expense Type	2024	2025	2026	2027	2028	2029
Loans	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
Total	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000

Explain any changes from the 2023 CIP in the proposed funding for this project/program

This program was originally approved as part of the adopted 2022 CIP ("Community Facilities Improvements"), in the amount of \$1 million, but because the program's funding criteria and guidelines for applicants were not finalized until late in 2022, the program did not get fully underway until 2023, and thus, had not been included for additional funding among CDD's 2023 CIP proposals. While it is difficult to project ongoing demand for funds, a \$750,000 annual program allocation, used in combination with CDBG funds, should be sufficient.

If TIF or Impact Fee are a requested funding source, which district(s)

District/Detail	2024	2025	2026	2027	2028	2029

If TIF is a requested funding source, is this request included in an approved TIF project plan?

If the proposal includes building/ facility expenses, has the proposal been reviewed by City Engineering Facilities?

If no, explain how you developed the facilities cost estimate for the budget request.

Project Schedule and Location

Complete the table below for each year of requested funding. Detail the minor projects that will occur and provide location detail when necessary. If detailed project plans are not available, explain why and when this information will be available.

Year	Project Name	Cost	Location	Alder District
2024	Community Facilities Loan Program	\$ 750,000	TBD	TBD
2025	Community Facilities Loan Program	\$ 750,000	TBD	TBD
2026	Community Facilities Loan Program	\$ 750,000	TBD	TBD
2027	Community Facilities Loan Program	\$ 750,000	TBD	TBD
2028	Community Facilities Loan Program	\$ 750,000	TBD	TBD
2029	Community Facilities Loan Program	\$ 750,000	TBD	TBD

Operating Costs

Over the next six years, will the project/program require any of the following IT resources?

Electronic hardware that will be connected to a City device in any manner, including wireless, bluetooth, NFC, etc.?	No
Software (either local or in the cloud)?	No
A new website or changes to an existing website?	No

For projects/programs requesting new software/hardware:

Have you submitted an IT project request form? IT Project Request Form	No
---	----

Changes to existing hardware/software:

Will any existing software or processes need to be modified to support this project/program or initiative? If yes, submit an IT Project Request Form	No
---	----

Surveillance Technology:

Do you believe any of the hardware or software to be considered surveillance technology? Surveillance technology is defined in MGO Sec. 23.63(2). If yes, please reach out to Sarah Edgerton prior to submitting your budget request.	No
---	----

In addition to IT costs, projects/programs may have other operational impacts. Over the next six years, will the project/program require any of the following:

Facilities/land maintenance?	No
Vehicle setup or maintenance costs?	No
External management or consulting contracts?	No
How many additional FTE positions required for ongoing operations of this project/program?	

Estimate the project/program annual operating costs

Description - please detail operating costs by major where available	Annual Costs