

May 13, 2025

To: Community Development Authority

From: Wauwatosa Joint Housing Coalition

Re: Comments on CDA Affordable Housing Fund Policy Draft

The Housing Coalition* is very pleased that the CDA is working on an implementation policy for the Affordable Housing Fund—something we have been advocating for since the idea of a fund was introduced.

We support the draft policy statement of the Purpose of the AHF as supporting housing for households earning 60% or lower of AMI and creation of affordable housing by leveraging additional funding sources and timely project completion.

We support the rest of the draft as it pertains to funding for affordable units in new large-scale multi-family housing development projects. We suggest adding a #7 to the Funding Preferences for these projects relating to Sustainability/Access to Transportation. For example, “**Enhanced Sustainability:** Preference will be given to projects that exceed city code requirements for sustainability features for the building and property and/or are accessible to public transportation and alternative modes of transportation.”

However, the Coalition believes that the AHF Policy should not be limited to funding for affordable units in large-scale multi-family housing developments. We would like to see the AHF Policy broadened to include use of funds for additional options to meet its Purpose of “creation of additional affordable housing...”

For many well-known reasons, large-scale affordable housing projects are difficult to develop now. So, the Affordable Housing Fund Policy should provide enough flexibility for the CDA to also allocate funds to increase affordable housing in both existing housing stock and new smaller-scale and missing middle housing and for both rentals and home-ownership.

The Coalition does not see a need to rush completion of this policy – our stated goal is to have a policy in place by the end of 2025. With that in mind, we are asking the CDA to consider the following changes to the draft AHF Policy before finalizing it. Each of these additional options does not need to be fully developed to include them in the policy, but adding them would provide flexibility and room for creativity to address a variety of affordable housing needs. All of these ideas have been presented previously to the Common Council and Development Department by the Coalition.

1. Keep Section I - Purpose as is.

2. Label draft items II – V as **Section A – Funding for Large-Scale Multi-Family Affordable Units**. Then current items II through V could be subpoints under that heading (with additional point 7 in item 3 as suggested above).

3. Create the following new Sections:

Section B – Funding for Affordable Single-Family Homes for Ownership. This section would include eligibility requirements, etc., for AHF use for subsidies for development and/or purchase of Land Trust homes, Habitat for Humanity homes or any other affordable home ownership model. Funds should be allowed for the both the development of houses and for the potential purchasers.

Section C – Funding for Small-scale/Missing Middle affordable housing development

This section would include eligibility requirements, etc., for new smaller-scale affordable housing developments/units that fit into existing neighborhoods or along more residential arterial streets.

Section D – Funding for Home Maintenance/Accessibility Upgrades

While the current program will hopefully use CBDG funds and self-generating funds over time, we believe it should be included as a potential use of AHF funds for 2 reasons:

1. Current funding sources may not continue or may not be sufficient to meet the community needs; and
2. Keeping lower income homeowners – up to 120% of AMI - in their own homes does increase the affordability of the community and prevent gentrification. Current funding may not allow services to this expanded clientele and AHF funds could bridge this gap.

Section E: - Funding Incentives for Small Scale Landlords

This section would allow use of AHF funds to subsidize incentives for small scale landlords (duplexes, townhouses, 4 – 50? unit buildings) in potentially 2 ways:

1. Providing funds for maintenance/accessibility upgrades in return for renting unit/units at affordable prices for a certain period of years
2. Providing funds to incentivize landlords outside of the 53226 and 53213 zip codes to accept renters with Section 8 Housing Vouchers - similar to incentives offered by the County and Fair Housing Council to Tosa landlords currently in those zip codes.

Section F – Contributions to the AHF Fund

This section would outline ways to grow the AHF. Potential options could be:

1. A formula/policy for determining the amount of contribution to the AHF from housing developers who seek city funds but do not wish to include affordable units within the development
2. A formula/policy for determining the amount of contribution to the AHF from any non-housing developer who is seeking city money for their development.
3. If allowed by state law, a formula/policy for a contribution to the AHF from any developer who seeks to build in the city even if they are not seeking city funds.

Section G – Administration –

Keep current item VI language

One or more Housing Coalition members hope to be at the 5/15 CDA meeting and would be happy to discuss any of these ideas with you.

Sincerely,

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**The Wauwatosa Housing Coalition is made up of the Senior Commission, the Commission for Persons with Disabilities, the Equity and Inclusion Commission, the Sustainability Commission, and the Tosa Together community organization.*