

Overview: The Blueprint to Affordable Housing

In 2001 Housing Coalition members determined there was a great need to have accurate information on the state of and need for affordable housing in our community. The Appleton Housing Authority engaged Community Partners Research, Inc. of Lake Elmo, MN to conduct a comprehensive affordable housing needs assessment. Titled “Blueprint to Affordable Housing”, the study was released to the public in April of 2002 at the annual meeting of the Housing Authority.

The consultant was charged to find relevant demographic information, define affordable housing, project anticipated demand for affordable housing for the next five years, summarize information on current housing stock and make recommendations to address affordable housing need. The consultant compiled relevant 2000 Census data; conducted interviews with elected officials, housing professionals and community leaders; and gathered data about housing stock, employment trends, economic trends and vacancy rates.

The Blueprint painted this general picture of need for affordable housing.

1. Demographic Need 2000, Rental Housing:

	No. People	No. Households	No. Renter Households (31.6%)
Appleton	70,623	26,864	8,489
Fox Cities	202,097	77,354	24,443
MSA	361,591	136,597	43,164

The majority of renters with household incomes under \$25,000 experience a housing cost burden, especially those who spend 40 or 50% of their income on housing. Those who spend thirty percent of their adjusted gross income spend about \$625 per month. (“Affordable” home ownership was a home valued at \$127,000 or less.) Families who pay more than 30% of their adjusted gross income for rent or a home mortgage may be jeopardizing other parts of the family budget. They may be one health crisis or a few paychecks away from losing their home. Est. median household income in Appleton in 2000 was \$46,000 to \$50,000. “Affordable” rent for a median income household was \$1100-\$1200 per month.

2. Availability of affordable housing stock: The needs assessment showed that there are between 1500 and 1600 subsidized housing units in the Fox Cities. Again, “Affordable” is defined as housing that takes 30% or less of adjusted gross income for housing costs. In the last fifteen years the Federal government is no longer providing “deep subsidy” rental housing development dollars. They do provide “shallow subsidies” such as tax credit programs, but these don’t necessarily address the needs of the lowest income renters.

3. The Section 8 (housing choice) voucher program most successfully addresses the needs of the lowest income renters by providing rental assistance in the general market, but not enough new vouchers are being approved to meet the growing need. Close to 600 families are on the Appleton Housing Authority Section 8 waiting list for rental assistance while an additional 550 families are being served. The waiting period is typically from two to five years.

4. The acquisition or development of more affordable housing is necessary to keep pace with trends. The consultants said Appleton should anticipate the need for 99 to 119 new rental units per year to keep pace. Most of these won't be affordable, but will create tradeups which will make lower rent units available in the market. Ideally, some of the new production will include more affordable housing units.

The Blueprint identified eleven specific issues related to affordable housing.

The report listed 17 findings/recommendations related to rental housing and another nine findings/recommendations related to home ownership. Finally, the report specifically discussed eleven issues to address our community's need for affordable housing:

1. Review the Fox Cities Housing Delivery System. There is potential for the system to be fragmented since there are 14 political jurisdictions and three counties. It is important to regard affordable housing as a regional issue in order to maximize staff and resources and reduce gaps.
2. Identify the Appropriate Public Role in Affordable Housing Development. The city should have an active role in generating affordable housing. A consensus is needed on the city's role. Examples suggested are partnering with non-profits to create affordable housing and having policies and zoning ordinances that are supportive of affordable housing, and that are adhered to when affordable projects are proposed.
3. Rental Housing Registration and Inspection. This could assure decent, safe, sanitary housing and would help provide adequate records about housing.
4. Promote Affordable Subdivisions and Homes. Work with WHEDA, TIF, CDBG, non-profit organizations and employers to create affordable subdivisions.
5. Promote Area Wide Fair Share of Affordable Housing. Assure that affordable housing is distributed throughout the Fox Cities area and not concentrated in the city of Appleton.
6. Developers Commit A Percentage of All New Housing Units to Low/Moderate Income Households. To assure that affordable housing is developed on an ongoing basis and that there is economic integration in the city.
7. Development of Special Needs Housing. The Appleton area attracts people with special needs because of the economy and support network. ("special needs" includes people who are mentally ill, developmentally & physically disabled, and dual diagnosis) Housing developments for the special needs population should be coordinated with relevant social and health service agencies for supportive services.

8. Increase Rental Property Owner Participation in HUD Section 8 Rental Assistance program. The goal is that there are more participating landlords so that renter households have enough options for using their rent subsidies.
9. Promote employer involvement in addressing housing needs to better leverage Federal and State housing funds. This has been done successfully in the Twin Cities and elsewhere.
10. Allocate Available City Resources to Affordable Housing. The city should drive its \$700,000 HUD CDBG funds primarily to benefit low and moderate income people.
11. Coordinate Efforts to Assist the “Hard to House”. “Hard to house” people are those with poor rental histories, bad credit, unfavorable references, criminal backgrounds.

Response to the Eleven Issues Identified.

The Appleton Housing Authority invited a community wide group of housing and development professionals and others that met in June, 2002 to discuss the eleven issues identified in the Blueprint document. Many issues are already being addressed by the Appleton Housing Authority and the Housing Coalition. But the community wide group prioritized issues numbers 2, 7 and 11 for action by the broader group. Committees were formed around each and committee members have been working since then on creating solutions & options.

Progress made of the three issues:

Issue 2. Identify Public Role (and Private Role) in Addressing Affordable Housing.

- a. Formed a Model Housing Policies subcommittee to develop a consistent set of policies for the development of affordable housing. Identified regulatory, political and economic barriers to affordable housing. The plan is to disseminate the report widely in all towns and cities and interested parties in the area when considering affordable housing development.
- b. Formed a Model Housing Project subcommittee that completed a rough draft of a Model Housing Project Theory which included:
 - An analysis of the maximum purchase price limit a household can afford based on its income, ranging from 10% CMI to 130% CMI.
 - An analysis of the affordability of rental and owner occupied housing units in the Fox Valley. Examples of important neighborhood features to include in a housing project.
 - A summary of potential non-profit partners for a housing project that incorporates affordable housing.
 - A summary of 40 possible funding sources to be used for affordable housing, including an easy to use matrix that lists funding sources according to eligible applicants.

Issue 7. Development of Affordable Housing for the Special Needs Population.

- a. Formed a committee that included both housing & service providers.
- b. Prepared a gaps analysis outlining the housing needs of this population.
- c. Applied for Mainstream Vouchers through HUD to assist 50 disabled individuals/families with rental assistance in the private market.
- d. Created a collaboration between the Appleton Housing Authority, Outagamie County Aging Services and Lutheran Social Services to develop a CBRF that will house 6 disabled individuals with supportive services.
- e. Begun the process to create a comprehensive affordable housing guide for the disabled population
for connection to affordable housing options in the community.
- e. Researching available tax credit/private program funding to develop housing.

Issue 12. Housing the “Hard to House”.

- a. The committee has begun work on ways to serve the hard to house population through broader wrap around services including participation in the Community Rent Smart Program, landlord/community educational outreach and

In addition, a Public Relations Committee was established to publicize and bring to the forefront the issue of affordable housing in the Fox Cities. This committee is working on a series of “housing huddles” designed to build community awareness of affordable housing needs and engage community partners in addressing that need. A Housing Memo is currently in initial production that will keep folks up to date with local affordable housing issues/trends.

For a full version of the Blueprint to Affordable Housing please contact the Authority at 739-6811 x 104 and we will gladly mail you a copy.

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