



United Way of Dane County

Family Homelessness and Affordable Housing Strategies

Mobilization Plan | November 2023



The Power of Many. Working for All.



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United Way of Dane County is a change catalyst with a **strategic priority** to lead collective impact to advance family well-being in Dane County. Through our Plan for Community Well-Being, we work to change systems in order to improve the health of the community.

The Plan for Community Well-Being's goal, which guides our Impact Investments and supporting work is to measurably increase individual and family well-being so that every person in Dane County leads a healthy, thriving and secure life that meets their own defined goals, and that is not impacted by experiences of systemic racism, discrimination and poverty. To do this as an organization, we:

1. Engage in sustainable, long-term work on systems change with a clear focus on early childhood, education, income and health **in a multi-generational approach**.
2. Model equitable, anti-racist practices through all work: investments, partnerships, innovation, public policy advocacy, data and research and connection to resources.
3. Cultivate a stronger nonprofit ecosystem through trust-based collaborations to create positive community change.

Our Approach to Impact is multigenerational, holistic and supports the varying layers of a family's needs while understanding the systemic root causes – working to address those institutional and structural causes. Research consistently tells us that supporting the early childhood, education, income and health needs of family members will help them meet their self-determined goals and lead healthy, secure and thriving lives.

United Way of Dane County invests in housing solutions for families with children because of the impact of stable housing on family well-being goals, and because children's outcomes are directly impacted by homelessness and housing insecurity. **Being unhoused and experiencing housing instability impacts children in many ways.** According to the National Alliance to End Homelessness, research has shown that children experiencing homelessness have higher levels of emotional and behavioral problems and increased risk of serious health problems. They are more likely to experience separations from their families, experience disruptive school moves, repeat a grade, be expelled or drop out of school and have lower academic performance.



United Way's Housing Strategies (2010 to 2023)

2010-2023 Housing Strategies



Prevent and end homelessness for families (Housing in Action) strategies

- Housing First
- Eviction Prevention and Quality Case Management
- Landlord/Tenant Connections (now the Landlord Engagement Committee)
- Financial Coaching (this is now part of our housing programs and not a separate program)
- Access to Healthy Food
- Leveraging Resources and Influencing Policy



Planning for Family Homelessness and Affordable Housing Strategies - the Next Five Years

We recognize that the housing landscape in Dane County has evolved since the formulation of our last housing strategic plan, *Housing in Action*, in 2014. To thoroughly assess the changing needs and circumstances within the community, United Way of Dane County assembled a Housing Delegation comprising City of Madison and Dane County leaders, housing experts and developers, real estate professionals, service providers and individuals with lived experience to craft a five-year plan addressing family homelessness and housing insecurity (refer to Attachment 1 for the roster of Housing Delegation members). This group met throughout 2023 and was tasked with revising United Way's housing strategies for the period spanning 2024 to 2029.

Over the course of a year, the Housing Delegation meticulously examined extensive data, researched prevailing conditions in the housing market and sought insights from local housing experts. Their aim was to equip United Way of Dane County with updated strategies to respond to family housing needs in our community.



The Current State of Family Housing Needs in Dane County

Dane County is a growing community. According to the U.S. Census, Dane County's population grew by 11.34% between 2010 and 2020, almost double the rate of the U.S. (6.72%) and much higher than the overall growth of the state of Wisconsin during this period (2.95%). Rapid population growth has driven up housing demand and rents, causing financial strain for many low-income families. Evictions and homelessness are increasing, with families seeking refuge in shelters and hotels or doubling up with friends and relatives.

New housing development has not been able to keep up with the rising demand. Since the Covid pandemic and its impact on the economy, the cost of building housing of all types has increased drastically. The costs of construction materials and labor have increased, insurance rates have gone up sharply, there are longer delays for materials and products and developers' break-even point for their investments has increased. A March 2023 report from Apartment List stated that Madison ranked third on the top five list of underdeveloped communities and sixth in the U.S for lowest housing vacancy rates.

The Housing Delegation heard evidence that the Madison area was seeing development decrease by 33% on multi-unit developments from a year and a half ago (18 months ago), with single-family development down by 17% for the same period. And while housing is being built in our community, the majority is workforce housing, which is housing for people with incomes at least 50% of the area median income.

Rent increases are on the rise like never before. The same report from Apartment List indicated that rent in Madison had jumped 14.1% over the past year and 30.4% since March 2020, giving us the fastest-rising rent among the nation's top 100 cities. The chart below shows the rising costs of rent since 2019.





Fair Market Rents Continue to Increase

Nationally we will see FMR increase around 10% but some communities are seeing up to 33% increase in 2023.

	Studio/Efficiency	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
2023	\$1,007	\$1,183	\$1,378	\$1,810	\$2,041
2022	\$929	\$1,076	\$1,254	\$1,676	\$1,948
2021	\$889	\$1,039	\$1,211	\$1,641	\$1,965
2020	\$861	\$1,015	\$1,186	\$1,635	\$1,972
2019	\$776	\$931	\$1,093	\$1,591	\$1,844

Fair Market Rents or FMRs are an estimate of the amount of money that would cover gross rents (rent and utility expenses) on 40 percent of the rental housing units in an area.

Data Source: Housing and Urban Development (HUD)



The Housing Delegation heard from several sources that many families are losing housing when their landlords refuse to renew their leases. While data on lease non-renewals is not formally tracked, United Way’s partner agencies and members of our Landlord/Property Managers Engagement Committee reported that some landlords lack confidence that tenants who received emergency rental assistance during the Covid pandemic will be able to afford rent moving forward. It also appears that some lease non-renewals take place because landlords plan to increase rents and hope to secure higher-income tenants.

Dane County has seen a rise in families being evicted. The Housing Delegation reviewed a report from the Institute for Research on Poverty indicating that evictions can cause significant increases in homelessness and residential mobility (or housing instability). Researchers found that the effects of evictions can last 12 to 24 months (about two years) or longer after an eviction case is filed. It further states, “In the year following an eviction order, the probability of tenants living at a different address increase by about 8 percentage points, on average, and increases the probability of staying in an emergency shelter by 3.4 percentage points, or more than 300% the rate for non-evicted tenants in the same neighborhoods. These effects generally persist through the second year after a case filing. Eviction is often preceded by unemployment and health concerns within a family or individual household. Eviction-prevention policy and action can offer cost effective buffers against housing loss and family upheaval.”¹

¹ Eviction Prevention: Reducing Harm to Households and Society – Institute for Research on Poverty – February 2023



This has led to a rise in family homelessness. In June 2023, our community's Homeless Services Consortium's housing priority list for the so-called "literally homeless" contained **83 families with children who are staying in emergency shelters, cars or other places not meant for human habitation**. This data does not include the number of families that are paying to live in a hotel or are doubled-up in housing with friends or family members. At the same time, the Madison Metropolitan School District had identified 1,046 **homeless students**, most living "doubled-up."

United Way of Dane County is committed to reversing the rise in family housing insecurity. Everyone needs and deserves a place of their own to call home, and finding safe, stable and affordable housing is a systemic challenge facing many families in Dane County. We are resolved to **building compassion and understanding of the problems of family homelessness and housing instability, as when one family lacks access to the housing they need, it affects the entire community**.

Family Homelessness and Affordable Housing Strategies: 2024-2029

The Housing Delegation identified five housing strategies for United Way of Dane County to focus on for the next five years.

Strategy 1: Invest in and support quality Case Management for families at risk of or experiencing instability in their housing. Case Management is an overarching term that describes staff working closely with individuals and families to provide support, resource navigation, access to resources and planning to meet the family's goals. It has been shown to be effective in helping families maintain stable housing over time. More families would benefit from Case Management, but the staff capacity is not available across Dane County to support this critical need. **Through our Plan for Community Well-Being, we will:**

- a. Invest in training and professional development for staff with this expertise and support families.
- b. Increase capacity for Case Management at new housing developments being built in our community.
- c. Increase financial resources that support the community of providers of Case Management in collaboration with partners throughout cities in our communities, Dane County and the State of Wisconsin.
- d. Increase equitable access to Case Management services for families by increasing capacity of programs that offer Case Management and increasing awareness of the effectiveness of Case Management services.



Case Management

Quality Case Management is a collaborative approach to serving families that ensures they have the services needed to become stably housed and meet critical goals to improve their overall well-being. While Case Management varies by housing program, one common component is connecting families with the services that they need to be successful. In 2022, **484** families received quality case management through programs supported by United Way of Dane County. The Housing Delegation identified this strategy as the most effective and important Housing Strategy for United Way moving forward.

Strategy 2: Increase investments in Housing First Programs: Housing First Programs are strategic partnerships that work to help place families into housing quickly after they become homeless. Over the last 15 years, local Housing First programs have achieved an 83% success rate of families remaining stably housed for one year. **Through our Plan for Community Well-Being, we will:**

- a. Increase or expand capacity for programs that provide Rapid Rehousing support, financial and through case management and housing locator support services.
- b. Review capacity and policies to increase equitable access to Housing First programs to strengthen this work in our community.
- c. Increase community awareness of Housing First as an effective strategy to fight family homelessness. Emphasize the importance of Case Management for families as a key component for Housing First programs to achieve the outcomes that families and our community are striving for.
- d. Support policy changes and trainings that result in more equitable access to housing with local landlords and property managers.



Housing First is a national evidence-based model where people experiencing homelessness are placed into housing and receive access to additional services that they need while housed.

This strategy gives clients the dignity to address their needs and meet their goals in their home. Housing First does not mandate participation in services before families obtain housing. Instead, this model views housing as the steppingstone or foundation on which everything else is built. It does not mean that people are not supported in their journey, instead it allows the clients to determine which goals they wish to prioritize once they are housed. This approach empowers clients to make decisions that align with their needs and preferences. Quality Case Management is a critical component of this model.

There are two different housing program types that fall within the Housing First model:

1. **Permanent Supportive Housing**, which provides permanent housing and support to those with a chronic illness, mental health issues, disability, substance abuse or have been homeless for a long time and/or many times. Housing assistance is long-term along with supportive services to keep the family housed.
2. **Rapid Rehousing** is available for a broader group of individuals who receive assistance for six months to a year. This process helps families move quickly from homelessness into housing, work on increasing their housing sustainability and remain housed. Case Management and other services are provided to assist families in their housing search. Families also receive rent assistance, assistance with move-in costs and other support they need for housing stability.



Strategy 3: Continue to invest in Eviction Prevention – Eviction Prevention supports families through rental financial assistance, financial planning and budgeting through connections with a Case Manager, so families remain stably housed. Our goal is that 87% of families will remain stably housed after one year. **Through our Plan for Community Well-Being, we will:**

- a. Develop and adopt community-wide best practices and definition of Eviction Prevention program delivery standards and goals. Currently, Eviction Prevention implementation varies by program.
- b. Focus our investments on Eviction Prevention that includes Case Management and is flexible enough to meet the needs of every family.
- c. Recognize that a planned move may be a successful outcome for Eviction Prevention when a family's current living conditions are not conducive to their well-being.
- d. Through Early Identification and Prevention, work with the system of housing providers, landlords and schools on methods to identify families that are at risk of becoming homeless.
- e. Provide more equitable access to information and resources related to Eviction Prevention for families in Dane County.

Eviction Prevention is a strategy that provides financial assistance to keep families stably housed.

The Housing Delegation raised a valid concern about the surge of emergency rental assistance entering the community during the Covid pandemic. They observed that when this assistance was not attached to Case Management, some families were left without a clear plan for paying rent once the aid concluded. Consequently, the Housing Delegation concluded that United Way should prioritize Eviction Prevention initiatives that incorporate Case Management support. In 2022, **544** families received Eviction Prevention services through United Way's partner agencies.



Strategy 4: Invest in financial coaching specifically partnering with BIPOC-led organizations already providing financial coaching programming and support services. Financial coaching assists clients with budgeting, money management and other skills that help them create a financial plan toward financial security as defined by the client. **Through our Plan for Community Well-Being, we will:**

- a. Increase financial investments, specifically to BIPOC-led organizations already providing these services.
- b. Research the peer support model in Dane County and examine potential opportunities for clients to learn from each other's experiences around financial planning and budgeting.
- c. Explore developing a Payee Protection Plan, where programs such as a church or other entity oversees payments of rent or mortgage to support families struggling with financial security and position them for success.

Financial Coaching

The Delegation recommends incorporating this strategy to deepen impact, especially in relation to the Home Ownership strategy. United Way plans to allocate specific resources to Financial Coaching services to underscore the importance of empowering people to make independent decisions and take control of their financial well-being.

Members of the Delegation emphasized that financial coaching should stand alone as a program, separate from Case Management services due to the heavy workload of Case Managers. While members have a strong belief in offering this service, the Delegation was adamant that it not be a mandatory part of other housing services. This allows each family to decide whether this would be beneficial for them.



Strategy 5: Increase investments in home ownership programs. A focus on home ownership is an investment in building generational wealth. Successful home ownership programs include case management, readiness assessments, financial coaching and removing barriers to maintaining your home once you own the home. **Through our Plan for Community Well-Being, we will:**

- a. Expand our current home ownership investments to include support for home ownership programs for women of color who have children.
- b. Develop and adopt a standardized readiness assessment to ensure women of color are prepared for home ownership.
- c. Provide downpayment assistance and/or closing costs as needed for women of color.
- d. Provide home ownership maintenance loans for women of color.

Home Ownership

Home ownership is a crucial yet often neglected strategy that is critical to wealth building and dismantling systemic barriers perpetuated by racism, which have historically limited access to wealth building and housing.

Recognizing the need to address the wealth gap experienced by women of color in our community, United Way of Dane County has prioritized initiatives aimed at enhancing homeownership opportunities. The Housing Delegation affirmed that this is a needed and underfunded portion of United Way's work. United Way of Dane County has invested over \$1.2 million in programs that support home ownership since 1999 and plans to expand this investment with a special focus on women of color with children, continuing our focus on families. United Way's focus will be on augmenting existing community programs to better serve our objectives.



United Way of Dane County's Other Work to Support Family Housing Stability

In addition to the five strategies identified by the Housing Delegation, United Way will continue to engage in the following priorities in the housing area.

Affordable Housing Fund – The increasing need for affordable housing in Dane County prompted United Way to create our Affordable Housing Fund in 2018. This fund, which operates as a revolving loan fund, helps housing developers with the last dollars they need to finance projects that create affordable housing. To date, the Affordable Housing Fund has invested \$850,000 in eight Dane County projects that created 416 units of affordable housing.

Landlord/Property Management Engagement – United Way leads a committee that works with landlords and property managers to explore opportunities and strategies to increase housing options for homeless and low-income families in Dane County. The committee is comprised of representatives from the City of Madison, Dane County, United Way partner agencies, housing case managers, landlords, property management companies, the UW-Madison Law School and the Apartment Association of South-Central Wisconsin. We cannot address family housing insecurity and end family homelessness without involvement of all stakeholders – and that includes landlords and property managers.

Public Policy – The Housing Delegation noted the contributions that public policy change can make towards achieving our goals to reduce family homelessness and build generational wealth. The United Way of Dane County Public Policy Committee works on issues around increased affordable housing, support for low-income renters and other measures to help families increase their housing security and economic well-being.

Involvement in Community Housing Committees - United Way of Dane County is actively involved in various committees within the community to stay informed about relevant issues related to supporting family housing and addressing homelessness.

The Director of Community Impact at United Way of Dane County actively participates in the following committees focused on homelessness and housing. This involvement is crucial for aligning our efforts with other organizations that share our objective of ensuring housing security for all families in our community.

- Homeless Consortium Funder's Committee (committee chair)
- Homeless Consortium Membership Committee
- Homeless Consortium Community Plan to End Homelessness
- Homeless Consortium Core Committee
- City of Madison CDBG (Community Development Block Grant) Committee



- Dane County Regional Housing Planning Committee
- Dane County Housing Initiative Steering Committee
- Interagency Council for Homelessness Equity Committee (committee chair)
- Homeless Services Board of Directors meetings (as needed to report on United Way of Dane County funding changes)

We will continue to participate in and support our community's coordinated efforts around homelessness and housing in order to enhance family well-being in Dane County.

Attachments

1. Housing Delegation Roster
2. Housing Delegation Committee Responsibilities
3. Housing Delegation Workplan

