City of Stoughton, 381 E Main Street, Stoughton WI 53589

RESOLUTION OF THE FINANCE COMMITTEE

Approving the request for city participation and contribution to partner with the Wisconsin Partnership for Housing Development (WPHD), Stoughton Area Resource Team (START) and the Housing Advocacy Team of Stoughton (HATS) to support development of rental housing for families to address homelessness in Stoughton

Committee Action: Finance Committee meets April 24, 2018

File Number:	R-87-2018	**Date Introduced:**	April 24, 2018

WHEREAS, the Wisconsin Partnership for Housing Development (WPHD), along with the Stoughton Area Resource Team (START) and the Housing Advocacy Team of Stoughton (HATS), are making application to develop four units of rental housing for families to address homelessness in Stoughton; and

WHEREAS, WPHD will be responsible for the development of the rental units and provide property management services; and

WHEREAS, the supportive services team will be led by START who will coordinate intake, establish a plan for achieving stability, make referrals to services, monitor progress on the plan and otherwise ensure that families in need are provided with the services necessary to gain housing stability; and

WHEREAS, HATS will provide community oversight of the project including education of community groups about the goals of the project and will raise funds for the local share of the development costs and for ongoing support of the project; and

WHEREAS, START will work with the Stoughton Area School District, Joining Forces for families, Stoughton Police, Stoughton Area Senior Center and area social service providers as sources of referrals. All of these groups, as well as other representatives of the faith community, concerned citizens, and city officials are part of the HATS group, which has been advocating for permanent supportive housing in the community for several years; and

WHEREAS, the three key partners involved in various aspects of the project include WPHD as the developer, START as the primary service provider, and HATS who will oversee and monitor the project from the community's perspective; and

WHEREAS, the project is being funded using three main sources: (1) a loan to be supported with rent payments, (2) Dane County (HOME funds or Dane County Trust Funds) in the amount of $200,000, and (3) grants and local contributions. The funds that will be needed to support the project from local contributions is estimated at $15,000; and

WHEREAS, when the local community demonstrates support, including financial support, it is known to strengthen an application, now therefore

BE IT RESOLVED that the Common Council of the City of Stoughton authorizes the proper city officials to send a letter in support of the grant application and authorizes $15,000 from the contingency account to support this project.

Council Action: ☐ **Adopted** ☐ **Failed** **Vote** _____

Mayoral Action: ☐ **Accept** ☐ **Veto**

_____

Tim Swadley, Mayor Date

Council Action: _____ ☐ **Override** **Vote** _____

Request for City of Stoughton Project Support

Wisconsin Partnership for Housing Development (WPHD), along with the Stoughton Area Resource Team (START) and the Housing Advocacy Team of Stoughton (HATS), are requesting that the City of Stoughton support an affordable housing project to be developed to meet the housing needs for families living in Stoughton. This project will be developed on Pine Street in Stoughton. We are requesting funds from Dane County for this project to support much of the development of these units. In addition, we would like to demonstrate the commitment of the community by obtaining a commitment of funds from the City should these county funds be awarded for the project. We are requesting a commitment of $15,000 of funds from the City for this project.

Community Need for Affordable Housing

The need for affordable rental housing for families in Stoughton is critical as it is across the country. Nationwide, housing costs have increased in real terms by 70 percent since 1995, while incomes for those with a high school education or less have remained constant. In 2016, slightly more than 34 percent of the population of Stoughton were renter households, and about 6.5% of all households had incomes below the poverty line. The median gross rent in Stoughton in 2016 was $881, which, while less than the Dane County average, is still ***unaffordable for those who make less than $15 per hour***.

Over the past several years, this has become evident in the community as demonstrated by the increase in homeless individuals and families.

In 2017, START served 50 different households who identified as homeless, an increase from 2016. In addition to these 50 homeless households, 117 households were provided with some type of housing assistance, which means they were at risk of becoming homeless.

Over the past 10 years, the number of economically disadvantaged children in the schools has more than doubled resulting in an increase in the number of households who are homeless. ***The total number of reported homeless children to date during the 2017/2018 school year is 71 children in 37 families.*** Of the 71 homeless students:

- 2.6% were living in parks/campgrounds when identified
- 9.6% were living is shelters (Homeless, Domestic Violence or Briarpatch)
- 8.3% were living in hotels in Stoughton and other communities
- 5.4% were high school aged "couch surfers" - Doubled up and unaccompanied youth
- 74.4 % were doubled up

It is important to note that schools use a definition of homelessness that is different from federal homeless program (HUD) definition. Those students who are “doubled up” or “couch surfing” do not meet the federal homeless definition and are therefore not eligible for most homeless services. However, they are eligible for a broad range of services, such as transportation, through the school district, costs that are paid by the school system.

The lack of affordable housing for these households increases community costs in other areas. Lack of stable housing causes multiple issues for families and increases community costs for health care, education and social services. It is the hope of all participating groups that the housing proposed here would have a positive impact on a small number of those in danger of homelessness, providing the services and assistance necessary to make permanent, stabilizing change by removing the stress created by the lack of housing.

Stoughton Affordable Housing Project

WPHD, HATS and START are proposing to develop 4 units of rental housing to address homelessness in Stoughton. WPHD will develop and manage the units, while START will provide ongoing case management to the households in the rental units to ensure that they are able to sustain long-term permanent housing. HATS will provide community oversight of the project, will assist in the education of community groups about the goals of the project, and will raise funds for the local share of the development costs and for ongoing support of the project. This is a collaborative community effort to provide assistance to households in need in our community.

Comprehensive support services will be provided to households living in the units. The supportive services team will be led by START, a United Way Dane County nonprofit providing services to individuals in crisis since 2003. Its role will be to coordinate intake, establish a plan for achieving stability (a case management plan), make referrals to services, monitor progress on the plan and otherwise ensure that families in need are provided with the services necessary to gain housing stability. They will work with the Stoughton Area School District, Joining Forces for families, Stoughton Police, Stoughton Area Senior Center and area social service providers as sources of referrals. Many of these groups, as well as representatives of the faith community, concerned citizens, and city officials are part of the HATS group, which meets monthly and has been advocating for permanent supportive housing in the community for several years. The HATS group will serve as an important resource for this housing program.

WPHD owns vacant land on Pine Street in Stoughton. Four units of family housing will be built on the site. These units will provide safe and stable housing to families with children in the Stoughton School District who have become homeless. Rents will be affordable, and efforts will be made to identify rental assistance where necessary. All four units will include two or three bedrooms and 1.5 baths and each will have a separate entrance, so there will be no common space included in the development. Off-street parking will be available to tenants.

Project Costs

We estimate that the total cost of developing these housing units will be about $600,000. We will seek about $200,000 in funds from Dane County (HOME funds or Dane County Trust Funds). In addition, we will support some debt on the project, with debt service covered by rents. We intend to charge less than market rate rents for units, and will seek rental assistance where possible for households receiving housing in these units. While the $15,000 requested from the City of Stoughton is not a substantial percentage of the project costs, it represents a strong indication of support to Dane County.