

The City of Madison 2015 Executive Capital Budget will include a significant commitment of new funds to address affordable housing in the City.

35 – PERMANENT SUPPORTIVE HOUSING

The proposed Capital Budget commits \$2,000,000 to the creation of 60 units of Permanent Supportive Housing for chronically homeless single adults on Rethke Ave. The development successfully applied for and was awarded \$5.4 million in Low-Income Housing Tax Credits from WHEDA earlier this year. This investment represents \$1,050,000 in general obligation borrowing from the City of Madison and \$950,000 from Dane County.

AFFORDABLE HOUSING FUND

The proposed Capital Budget includes \$4.25 million in new investment to create an Affordable Housing Fund to support the development of a range of affordable housing. The Fund will support a second phase of permanent supportive housing targeted at 40-50 homeless families. The Fund will also be used to leverage Low-Income Housing Tax credits in projects from qualified developers to create approximately 75-100 units of rental housing for households at or below 60% of AMI including units affordable to households at or below 50% and 30% of AMI.

The Affordable Housing Fund will be financed by:

- Drawing down the existing Affordable Housing Trust Fund and directing repayments of the existing Trust Fund loans to the new more flexible Affordable Housing Fund
- Committing general obligation debt to support the Affordable Housing Fund
- Taking advantage of tax incremental financing