

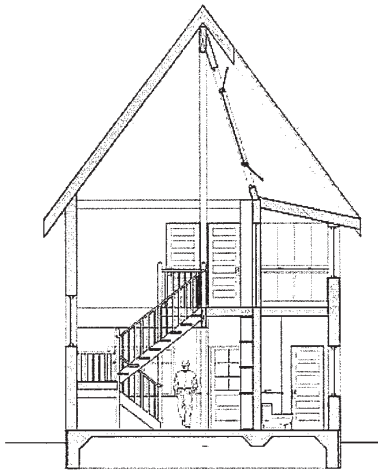


Home Pages

The Newsletter of the
**Wisconsin Partnership
for Housing Development**

Winter 2001

Milwaukee Idea Home Combines Affordability, Quality



A cross-section drawing of the Milwaukee Idea Home.

The University of Wisconsin-Milwaukee (UWM) School of Architecture and Urban Planning is taking a new approach to the affordable housing crisis—the Milwaukee Idea Home initiative. It starts with the premise that using public subsidies to make housing affordable is not sustainable in the long run. Instead, the initiative aims to develop a housing prototype that can be built for less and sold at market rates to households with service-sector incomes.

The Wisconsin Partnership for Housing Development

(WPHD) recently joined forces with UWM, lending financial support to the project through its contract with HUD to provide technical assistance to HOME program participating jurisdictions. WPHD's support helped secure five-year funding commitments from Wells Fargo Bank and the Wisconsin Energy Corporation.

The goal of the five-year Milwaukee Idea Home initiative is to design and test a new form of high-quality home that can be sold for \$100,000. "Affordable housing advocates have always focused on finding subsidies to fill the development gap," says Wisconsin Partnership Executive Director William C. Perkins. "This project is exciting because it has the potential to completely transform the way we produce affordable housing, especially in urban areas."

To bring costs down, the home will be small—about 1,200 square feet—and will be built using slab on grade rather than traditional foundations. Stan Wrzeski,

director of the initiative, acknowledges that the home won't be an easy sell. "Wisconsin home buyers usually expect basements and larger spaces," he says. "Our answer? Give them better *value* by creating a home that is more durable, less expensive to operate, and has adaptable spaces that delight the senses."

After three or four years, the Milwaukee Idea Home will use building components reconstituted from materials in the regional waste stream, creating job opportunities for local labor. To specifically address Milwaukee's housing situation, the prototype will blend with older homes in the neighborhood.

The plan for the Milwaukee Idea Home calls for construction of the first prototype on an infill site in 2001. In the fifth year, eight to twelve homes will be constructed incorporating site design strategies that reduce costs and improve performance. The hope is

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Partnership Receives HUD Award

The Wisconsin Partnership is one of 56 organizations nationwide to receive HUD technical assistance funds under the most recent Super NOFA. The award of nearly \$400,000 will allow the Partnership to continue its long-standing program of technical assistance to Wisconsin Community Housing Development Organizations (CHDOs) and Participating Jurisdictions (PJs) under the federal HOME program. One portion of the funding was awarded to the Partnership as one of nine national providers. These funds will allow the Partnership to expand its technical assistance efforts into other states in the upper Midwest.

The Way It Looks to Me...

Where Do We Live?

Just after the New Year, I heard a panel of reporters discussing the news issues that would be "hot" in 2001. Their list started off pretty well, I thought—the change in the Governor's office, the need for a new

milk price compact, and the controversy over the electric transmission line through northern Wisconsin. Then they added naming rights for Lambeau Field and who would shoot the first mourning dove.

Now, these were public radio commentators—in my estimation among the best informed and most serious observers of public life. And they were talking about what they thought would be news, not necessarily what they thought would be important.

But it still made me wonder. Why wasn't the cost of housing and the plight of people who can't afford it somewhere on the list? That issue very directly affects about a third of the people in Wisconsin who have jobs but don't own homes, according to recent studies. But it still doesn't make a list that includes naming rights and shooting mourning doves?

One morning in January I picked up the *Wisconsin State Journal* from my front porch and opened it to the editorial page. "State economy due to be fine-tuned," the headline read. The column noted: "The state cannot simply take for granted that existing businesses, especially corporate headquarters, will stay here. Nor can it assume that new businesses will choose to locate here simply because we believe we have great schools and a high quality of life. Every state in the country is claiming as much these days, so Wisconsin must do something else unique to keep its edge."

Good point. Now, I thought, they'll go on to say that the cost of housing is one issue we need to address. After all, a number of recent news stories have discussed employers' concerns about their workers finding affordable homes to buy and apartments to rent. But instead the editorial discussed the recent Wisconsin Economic Summit at which 900 business leaders talked about how to keep Wisconsin competitive. What made their list? Venture capital, more high-tech jobs, and strengthening the telecommunications, air service and energy

infrastructure. "Modernizing the state's image and visibility as an attractive place for young people to live, work, start businesses and raise families" was on the list. But affordable housing for all these new employees of the companies we want to attract and keep didn't make the list.

I'm not criticizing the public radio commentators, the *State Journal*, or the attendees at the Wisconsin Economic Summit. I'm not pointing a finger at anyone else. I'm pointing it at us. If the cost of housing in Wisconsin—and the problems it creates for people who can't afford \$700 a month for rent or \$175,000 to buy a house—isn't on the minds of people who make the news, that's our fault. We have to make it an issue if we expect public support—from the government, business leaders or the public.

This year, the Wisconsin Partnership is going to take on that challenge through a public information and consciousness-raising campaign called "Where Do We Live?" The goal of the campaign will be to help people understand why affordable housing matters to all of us. We will try to deliver the message we built into the mission statement you'll find on our website:

People who need better housing are people we all know or see every day, people we work and shop and worship with, people who are our friends or family members. They don't live just in one part of the state or in one kind of place. They live everywhere in Wisconsin—in large cities, small towns and rural areas. They live across town, around the corner, down the street and right next door.

We also hope to make a convincing case that affordable housing must be a key part of Wisconsin's economic development strategy, and an essential part of making "Wisconsin Works" really work. We believe that Wisconsin employers should be part of the solution. We believe they will be, if they understand how the availability of affordable housing affects their employees and their businesses, and if they understand how they can help.

We need allies to carry out that kind of campaign, and we hope to build a broad-based coalition to sponsor it. One ally, the Wisconsin Council on Children and Families, has already come forward. We're proud to be shoulder to shoulder with them, but there's plenty of room at the table. Give me a call if you want a chair.



William C. Perkins
Executive Director

Idea Home *continued from page 1*

that this kind of block-scale development can yield compelling communities, while becoming a cost-saving alternative to suburban sprawl.

For more information on the Milwaukee Idea Home, contact Stan Wrzeski at UWM: 414/229-6878; wrz@uwm.edu.

NHS-Green Bay Meets the Challenge of Rapid Growth



Volunteers from the Fox 11 news team pitch in during an NHS neighborhood fix-up effort.

How to “make the numbers work” in development budgets is always a challenge in the affordable housing arena. For Neighborhood Housing Services (NHS) of Green Bay, that ongoing concern has taken a back seat to some other numbers, the numbers of rapid organizational growth.

“The value of assets we own or manage has quintupled in the last five years,” says Executive Director Noel Halvorsen. “We’ve gone from \$1.5 million to nearly \$8 million since 1995.” Halvorsen adds that the growth in assets has come largely from two scattered-site tax credit projects completed in recent years, including a \$2 million project placed in service in 2000.

Last year NHS of Green Bay racked up impressive numbers in other areas as well: \$450,000 in grant awards; \$100,000 in individual and corporate donations; and \$380,000 in down payment and closing cost assistance to 175 new home owners. Home ownership counseling, purchase and rehabilitation of rental housing, home improvement loans and tool lending are also part of NHS’s overall push for healthy neighborhoods.

Founded in 1982, NHS of Green Bay serves the city’s “Original Neighborhoods” (about 15,000 dwelling units; about 37,000 people). NHS programs are locally chartered arms of the Neighborhood Reinvestment Corporation (NRC).

Halvorsen, a long-time Green Bay resident and former NHS board member, became the executive director last October. He emphasizes that leverage is a major factor in the NHS success story. He estimates that every dollar contributed to the organization yields \$26 in community reinvestment in the form of increased property values, donated materials and volunteer labor.

Although undaunted by rapid growth, NHS of Green Bay is well aware that change of this magnitude involves risk. According to Halvorsen, plans are in place to redesign and improve management systems, including monitoring of the rental housing

portfolio. Improved communication strategies are also in the works, along with efforts to strengthen connections with community volunteers, who respond best to hands-on labor opportunities.

And plans to provide a broader range of neighborhood services are already being implemented. A staffing grant from NRC supports an employer/assisted housing program through which American Foods Group—one of the largest local employers—provides \$3,000 five-year forgivable loans to workers who buy homes in the NHS lending area.

Another ambitious undertaking is the \$4.5 million Chicago & Jackson Armory project. Funding is being sought for the five-building, mixed-use development featuring apartments, condominiums, retail space and offices.

With a staff of five and a modest budget, NHS of Green Bay attributes much of its success to strong support from local officials and a board of directors that pitches in on everything from grant writing to neighborhood clean-up. NHS is a member of the Mayor’s Neighborhood Resource Board and the city’s “Urban Partnership,” a consortium of government, business, education, religious institutions and nonprofit agencies working for healthy neighborhoods. “Our participation in the Urban Partnership is showing us the needs of the community from a broad perspective,” Halvorsen says. “And our increased cooperation with others seeking positive changes in the city’s near-downtown neighborhoods helps us achieve our goals in home ownership and property rehabilitation.”



Downpayment Plus® Goes Online

Downpayment Plus®, the home buyer assistance program funded by the Federal Home Loan Bank of Chicago and operated by the Partnership, can now be accessed online at www.wphd.org. General program information and all documents can be read or printed, and participating lenders can apply for funding reservations online. Beginning in March, additional information for housing consumers will also be available.

For more information on Downpayment Plus®, contact Diane Schobert at 608/258-5560 x24 or dianeschobert@wphd.org.

The Wisconsin Partnership for Housing Development, Inc.



Expanding access to affordable housing opportunities through innovation in technical assistance, housing development, housing finance and creation of local housing partnerships.

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