



WISCONSIN POLICY FORUM

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Laying the Foundation: A Look at the City of Milwaukee's Affordable Housing Programs

Report finds potential benefits from greater organization, planning, and private sector collaboration

The city of Milwaukee invests millions of dollars each year on affordable housing programs, which an analysis and comparison with peer cities suggests could benefit from clearer organization and leadership, and enhanced strategic planning and private-sector engagement, according to a new report from the Wisconsin Policy Forum.

The Forum's analysis shows home repair assistance for lower-income homeowners has been the city of Milwaukee's top housing priority in recent years, while support for new affordable housing development has been an emerging area of focus.

Much of the research for this report was completed before the onset of the COVID-19 pandemic. While it is impossible to predict the impact of the pandemic and ensuing economic downturn, it likely will increase need for affordable housing options in Milwaukee and many other communities.

"It is clear that the record-high unemployment brought on by the pandemic will further increase demand for many types of housing assistance at a time when local, state, and federal governments are facing unprecedented financial challenges of their own," the report finds.

The new report was funded by grants from the Greater Milwaukee Foundation, Northwestern Mutual Foundation, and Bader Philanthropies.

The report analyzes and explains how Milwaukee's city government fits into a public sector affordable housing and investment framework that also includes the independent local housing authority (HACM), Milwaukee County, and the state of Wisconsin. It reveals a strong city emphasis on programs designed to maintain and increase the availability of affordable rental and owner-occupied housing, strengthen homeownership, and improve the quality of the city's housing stock. The city also launched an initiative in 2018 that aims to develop or improve 10,000 housing units within 10 years and has made effective use of a recent change in state law to allocate more money from tax increment financing (TIF) districts to support affordable housing development.

The Forum's analysis finds the city invests most heavily in programs that assist homeowners with home maintenance needs than any other area of housing. Between 2014 and 2018, the city spent \$26.4 million on programs that assist homeowners with home repair loans and grants, which comprised 45% of its total spending on housing services.

The analysis finds the sprawling structure of Milwaukee's affordable housing programs differs from peer cities such as Minneapolis, Madison and Detroit, where such efforts are consolidated into a

single city department and, in the cases of Minneapolis and Detroit, are overseen by a single director.

Milwaukee's complex web of programs and agencies may create inefficiencies, the report finds. Crucially, it may also make it difficult for many individuals and families to navigate.

"With more than 20 housing programs divided across three city agencies and no housing director, the city's housing portfolio might benefit from stronger organization and clearer leadership," the report finds.

Peer cities such as Detroit leverage tens of millions of affordable-housing dollars from private and philanthropic institutions, and Milwaukee might consider how to build on its existing efforts to similarly leverage private funds, the report finds. Detroit and Minneapolis also have adopted strategic planning frameworks that could serve as models for improvement there. The new 10,000 Homes Initiative in Milwaukee, which brings together multiple city agencies and HACM to track housing units built or improved with city resources, could be a valuable foundation on which to expand strategic planning in the region.

The Forum hopes this report enhances public understanding of the city's affordable housing efforts and can set the stage for discussions about how the public and private sectors can work more closely together to improve them.

"With greater knowledge of the city's array of programs and services and how it prioritizes its efforts, the stage should now be set for collaborative discussion among leaders of all levels of government and private sector stakeholders about the strategies required to bolster the city's efforts and fill the gaps that exist," the report finds.

[Click here to read "Laying the Foundation: An overview of city of Milwaukee affordable housing programs and priorities."](#)

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