VILLAGE OF MOUNT HOREB
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**COMMUNITY DEVELOPMENT AUTHORITY AGENDA**
**Wednesday, December 11, 2024 at 6:00 PM**

Municipal Building Board Room
138 E. Main Street
Mount Horeb, WI

1) Call to order
2) Consent Agenda
    a. Consideration of November 13, 2024 Meeting Minutes
    b. Economic Development Director's report
    c. Mount Horeb Area School District report
    d. Mount Horeb Area Chamber of Commerce report
3) Agenda Items
    a. Presentation on Affordable Housing
4) Meeting adjournment.

UPON REASONABLE NOTICE, EFFORTS WILL BE MADE TO ACCOMMODATE THE NEEDS OF DISABLED INDIVIDUALS THROUGH APPROPRIATE AIDS AND SERVICES. FOR INFORMATION OR TO REQUEST THIS SERVICE, CONTACT ALYSSA GAFFNEY, CLERK, AT 138 E MAIN STREET, MOUNT HOREB, WI (608) 437-9404.

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**COMMUNITY DEVELOPMENT AUTHORITY AGENDA**
**Wednesday, November 13, 2024 at 6:00 PM**

**DRAFT MEETING MINUTES**

1) Call to order

Marc Schellpfeffer called the meeting to order at 6:00 PM. Members present were Todd Fritz, Ben Vondra, Ryan Czyzewski, Marc Schellpfeffer, Andy Baber, Barb Case & Heidi Kopras. Also present were Kristin Fish-Peterson, Village Administrator, Nic Owen & Office Assistant/Deputy Clerk, Katie Jelle.

2) Consent Agenda

There were no questions or comments regarding the information provided. Motion by Czyzewski to approve the Minutes & Consent Agenda, second by Fritz. Motion carried.

a. Consideration of October 9, 2024 Meeting Minutes

b. Economic Development Director's report

c. Mount Horeb Area School District report

d. Mount Horeb Area Chamber of Commerce report

3) Agenda Items

a. Recommendation: Residential Improvement Grant Application: 204 N 3rd Street, King

Owen presented the application for a Residential Improvement Grant for 204 N 3rd Street. The applicants would like to use the grant to replace windows in their home. Owen stated that there is only $3750 left in the fund. Czyzewski asked that the license for the contractor be included in the application. Czyzewski motioned to award the remaining funds available to the applicant contingent on receiving the contractors license. Case seconded. Motion carried.

b. Update on Lukken Development RFP

Fish-Peterson presented an update on the Lukken Development RFP (Request for Proposal). The Village Board recommended that they wait to release the RFP until they know if they will get a grant from Dane County

for 5 acres of affordable housing. The Village Board would also like the developer to include a multi-use trail & multiple layouts. Owen mentioned that the Board feels that this will help finalize park planning so they will know what acreage is needed for parks and what will be developed.
The Village will likely lease the land for another growing season as well as lease out the house for revenue.
There was discussion regarding what was considered Affordable Housing. Fish-Peterson will present at a later meeting on Affordable Housing options and criteria.
Vondra asked for clarification on the phasing of the development.

4) Meeting adjournment.
Vondra motioned to adjourn at 6:33 pm. Kopras seconded. All in favor.

REDEVELOPMENT RESOURCES

December 1, 2024

To: Community Development Authority

From: Kristen Fish-Peterson, Economic Development Contracted Staff

Re: Report on work to date

What follows is a list of activities for September:

1. Meetings in person and virtual
    a. Nic Owen individually (in person, virtually, phone, and emails)
    b. Duluth Trading Company
    c. Phone meeting with Joanna Cervantes, Dane County
    d. Meetings with Rachel from Chamber regarding BID
    e. Emails, virtual meetings, and phone calls with prospective new business and new property owners, calls and emails to find suitable locations
    f. Retention call on 2 Mount Horeb (downtown) businesses
    g. Meeting with downtown property owner engaging in renovations
    h. Prospect meeting in person at Village Hall
2. Research
    a. BID project ongoing research
    b. Downtown business prospects property search
    c. Search for land for industrial prospect, emails with property owner

3. Attendance and follow up at November CDA meeting.

December 2024

# Affordable Housing & Workforce Housing

HERITAGE
COMMUNITY
OPPORTUNITY

REDEVELOPMENT
RESOURCES

# Affordable According to HUD

- HUD income guidelines say “affordable” is someone not spending more of 30% of their income on housing. There are limits for different programs based on what percent of the Area Median Income (AMI) they are targeting.
- Adjusted for household size, households who make less than 30 percent of AMI are classified as “extremely low income,” households who make below 50 percent of AMI are classified as “very low income,” and households who make below 80 percent of AMI are classified as “low income.”

# Section 42 Housing

- Section 42 housing, also known as the Low-Income Housing Tax Credit (LIHTC) program is a federal program that provides tax credits to developers to construct and offer rental housing for low-income families.
- Qualified tenants must have incomes that fall between 30-50% of the AMI and rents must not add up to more than 30% of incomes in that range.
- This is what is referred to as "Affordable Housing" (capital A affordable)

# AMI – Dane County

**2023 INCOME LIMIT GUIDELINES (CDBG and HOME Funded Programs*)**

**MEDIAN INCOME -- BY HOUSEHOLD SIZE**

| SIZE | 100%* INCOME | 90%* INCOME | 80% INCOME (HUD-definition) | 70%* INCOME | 60%* INCOME | 50% INCOME (HUD-definition) | 40%* INCOME | 30% INCOME (HUD-definition) | 20%* INCOME | 10%* INCOME |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | $ 85,500 | $ 76,950 | $ 66,300 | $ 59,850 | $ 51,300 | $ 42,750 | $ 34,200 | $ 25,700 | $ 17,100 | $ 8,550 |
| 2 | $ 97,700 | $ 87,930 | $ 75,750 | $ 68,390 | $ 58,620 | $ 48,850 | $ 39,080 | $ 29,350 | $ 19,540 | $ 9,770 |
| 3 | $ 109,900 | $ 98,910 | $ 85,200 | $ 76,930 | $ 65,940 | $ 54,950 | $ 43,960 | $ 33,000 | $ 21,980 | $ 10,990 |
| 4 | $ 122,100 | $ 109,890 | $ 94,650 | $ 85,470 | $ 73,260 | $ 61,050 | $ 48,840 | $ 36,650 | $ 24,420 | $ 12,210 |
| 5 | $ 131,900 | $ 118,710 | $ 102,250 | $ 92,330 | $ 79,140 | $ 65,950 | $ 52,760 | $ 39,600 | $ 26,380 | $ 13,190 |
| 6 | $ 141,700 | $ 127,530 | $ 109,800 | $ 99,190 | $ 85,020 | $ 70,850 | $ 56,680 | $ 42,550 | $ 28,340 | $ 14,170 |
| 7 | $ 151,500 | $ 136,350 | $ 117,400 | $ 106,050 | $ 90,900 | $ 75,750 | $ 60,600 | $ 45,450 | $ 30,300 | $ 15,150 |
| 8 | $ 161,200 | $ 145,080 | $ 124,950 | $ 112,840 | $ 96,720 | $ 80,600 | $ 64,480 | $ 48,400 | $ 32,240 | $ 16,120 |

* The 30%, 50% and 80% figures are taken from HUD tables. They do not necessarily represent the precise mathematical percentage of the median income base of 100%. The additional % figures are provided for your convenience and are locally derived by formula from the 50% figure. (i.e. 20% of 2x50% median income figure)

# “Affordable” housing

- Mount Horeb has a median household income of approximately $90,000
  - At 100% of MHI, an “affordable” payment would buy a house costing less than $350,000 (with 20% down, $2,500, interest rate at 7%, includes taxes + ins).
  - At 60% of MHI, an “affordable” home under the same circumstances would cost $200,000 (with 20% down, $1,530, interest rate at 7%, incl. taxes + ins).
- These homes are difficult to find in Mount Horeb.

# Workforce Housing

- Workforce housing is a term for affordable housing that's intended to help people with incomes that are too low to afford quality housing near their workplace. It can refer to rental units or ownership of single or multi-family homes.
- Workforce housing is also known as moderate-income or middle-income housing. It's typically targeted at households with incomes between 60% and 120% of the area median income (AMI).

# Missing Middle Housing

Missing middle housing is a range of multiunit or clustered housing types, compatible in scale with single-family homes, that help meet the growing demand for walkable urban living, respond to shifting household demographics and meet the need for more housing choices at different price points.

# Barriers to Missing Middle Housing (MMH)

Planning and Zoning Barriers

- Lack of zoning districts that enable MMH
- The metrics of multifamily or medium density zoning districts hinder MMH
- Ineffective mapping of zones
- Density-based planning and zoning discourage smaller units
- The challenge of parking requirements
- Impact fees make multiple smaller units economically infeasible

# Barriers to Missing Middle Housing

- Community and neighborhood opposition
- MMH is not easily classified by industry standards
- Perceived cost inefficiencies for building small
- Additional risks of small condominium projects
    - Condominium liability and construction defect
    - Difficulty for builders to get financing for condos
    - Difficult for buyers to get a mortgage for a condo
    - Cost and complexity of setting up a condo assn. for small projects

# Types of Missing Middle Housing

- Duplex – side by side
- Duplex – stacked
- Cottage Court
- Fourplex – stacked
- Townhouse
- Triplex – stacked
- Multiplex medium (mansion apartment)
- Courtyard building
- Live-Work (flexhouse)