

DRAFT Housing Action Plan

ADDRESSING AFFORDABILITY IN MIDDLETON, WISCONSIN (2026-2036)

Prepared by the Community Development Authority and Workforce Housing Committee



Redtail Ridge Subdivision photo via [Encore Homes Inc](#)

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Stagecoach Trail Apartments photo via [JTKlein](#)

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The Planning Process

On April 15, 2025, the Middleton Common Council adopted a resolution to extend the life of Tax Increment District (TID) #3 to use the final year of increment to establish an Affordable Housing Fund. Over the past year, the Community Development Authority and the Workforce Housing Committee have prepared a plan for how the fund can be used to improve housing affordability in Middleton.

The Housing Action Plan sets an ambitious and realistic vision for what can be accomplished. It is rooted in best practices from neighboring communities and is consistent with the Dane County Regional Housing Strategy. This plan sets a roadmap of the short-term actions over the course of the first year, and lays out a vision of what can be accomplished over the next decade. Through responsible fiscal management, the goal for this fund is to serve as an endowment for future affordable housing efforts in Middleton. It is anticipated to grow over time through revolving loans, future TID closures, grants, and private philanthropic donations. Middleton is not alone in these efforts, and the plan emphasizes strategic partnerships to ensure the Affordable Housing Fund leverages other funding sources to the greatest extent possible.

This document provides an overarching strategy for the Affordable Housing Fund and sets priorities for the types of programs that will be established. However, this plan does not set the overall budget for these programs. The annual budget for each program will be recommended by the CDA each year, and the Common Council will approve each annual budget. This approach provides a flexible and durable response to housing needs over time with regular oversight and public input. This positions the City to meet unforeseen changes to the housing market over the next decade with well-planned responses.

Public input and community expertise played a key role in shaping the use of the Affordable Housing Fund. Over the past 12 months, members of the two volunteer-led committees invited local experts to present at committee meetings to share their insights, and committee members attended local seminars/webinars and read countless info papers and to understand the best practices in the region. This plan is shaped by the lessons learned from those committee member's efforts to learn about potential strategies to address the affordable housing crisis and how to best adapt those to address Middleton's needs. Together, these actions position Middleton to make a meaningful, lasting investment in housing affordability and affirms the City's commitment to ensuring that Middleton remains an inclusive, livable community where people of all incomes can find and maintain stable housing.

After sifting and winnowing through the possibilities for this fund, the committees have completed a first draft of the plan and want to hear from you! The public input process will include two open houses, a month-long online survey, and pop-up displays at the Library and Senior Center. The feedback from those session will be incorporated into the final plan presented to the Common Council for approval.

The first open house will take place at the Senior Center (7448 Hubbard Ave) on February 16th from 2pm-3pm. The second open house will take place at City Hall (7426 Hubbard Ave) on February 19th from 6pm-7pm. We hope to see you there to hear more about the plan, provide your feedback, and join us in our effort to address the housing affordability crisis.

Middleton's Housing Crisis

WHAT IS AFFORDABLE HOUSING?

The U.S. Department of Housing and Urban Development (HUD) defines affordable housing as “housing on which the occupant is paying no more than 30% of gross income for housing costs, including utilities.”

Area median income (AMI) is also used to determine who is eligible for affordable housing. Typically, a household earning 60% or less than AMI would be eligible for affordable housing.

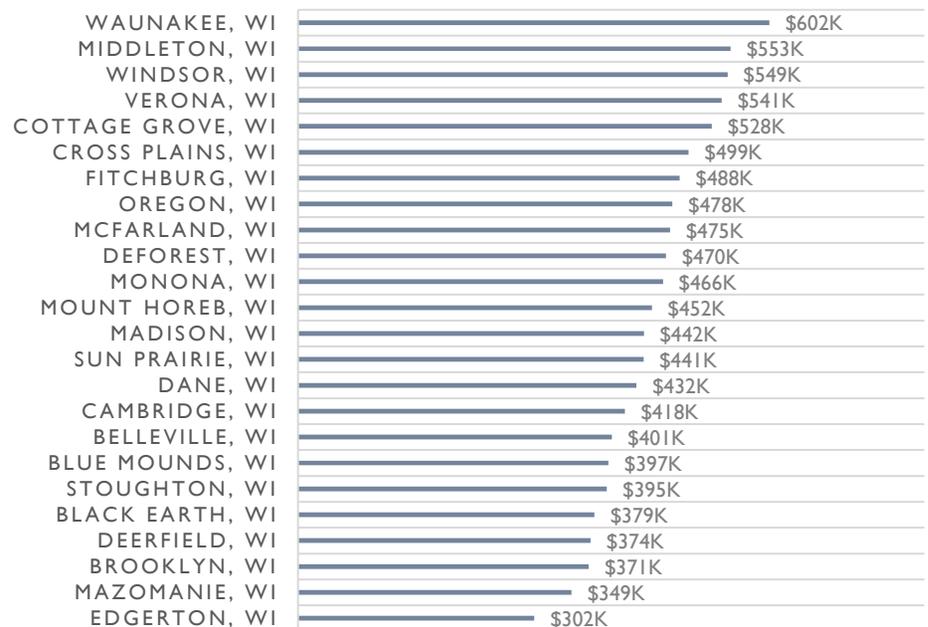
WHY DOES MIDDLETON NEED AFFORDABLE HOUSING?

Household incomes have not kept up with the cost of housing in Middleton. Occupations such as Dental Hygienists and Occupational Therapists make 80-100% of the area median income while counselors and pre-K teachers make about 50-60% of median household income. As seen in Table I to the right, most of the people in these occupations would qualify for affordable housing and likely need to take on one or two extra jobs in order to afford housing.

A household at 100% median area income (\$90,900) would be able to comfortably afford a home of about \$335,298 according to [Zillow's Affordability Calculator](#) (assuming a \$50,000 down payment). Unfortunately, Middleton's average home value is approximately \$553,000, as seen in Figure I. This means that the average family in Middleton is priced out of affording a home.

Percentile of Median Income	Income (Annual/Hourly)	Occupations
30%	\$27,270 / \$13.11	Fast Food Crew Member, Event Staff
40%	\$36,360 / \$17.48	Hotel Desk Agent, Retail Associate
50%	\$45,450 / \$21.85	Pre-K Teacher, Healthcare Administrator
60%	\$54,540 / \$26.22	Counselor, Customer Service Manager
80%	\$72,720 / \$34.96	Occupational Therapist, Insurance Account Rep
100%	\$90,900 / \$43.70	Dental Hygienist, Architect

FIGURE I: MEDIAN SINGLE-FAMILY SALE PRICE 2-YEAR AVERAGE (SEPT 2025)



Source: Redfin Data Center.

A “cost-burdened” household spends **more than 30%** of its gross income on housing costs

Housing Cost-Burden in Middleton

35% of Renters (~1,764 households)

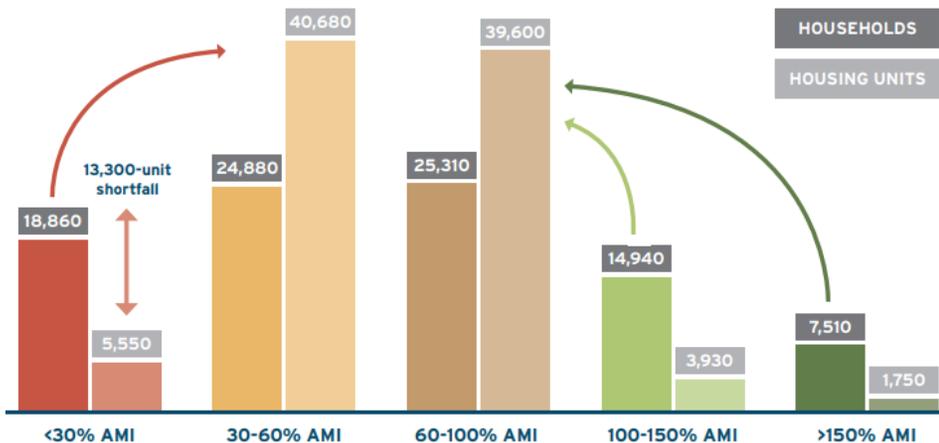
29% of Homeowners (~919 households)

As a result of the high cost of housing in Middleton, 35% of renters and 29% of homeowners (with a mortgage) pay over 30% of their income on housing. (Source: U.S Census, 2023 ACS) This means that more than one in three households in Middleton are considered cost burdened in housing.

The [Dane County Regional Housing Strategy \(RHS\)](#) was developed in response to Dane County’s housing crisis. Over 12 months, an 80-person advisory committee came together for strategic planning. Participants included 17 municipalities; residents; local elected officials including 4 mayors, city council and village board members and Dane County supervisors; state representatives; developers; realtors; local government staff; non-profit housing; social workers, and banks. The result of this effort was an action-oriented data-driven plan for how each stakeholder can contribute to addressing this regional problem.

Figure 2: “The Big Squeeze”

Renter Housing Supply Gap, 2020



Source: HUD (FYs 2016-2020), ACS 5-Year Estimates (2016-2020), SB Friedman

The RHS found that there is a county-wide shortage in both the affordable and high-end portions of the region’s housing market. Dubbed “The Big Squeeze” by housing economists (Figure 2), the shortage of both affordable and higher-end units means that the lowest-income and the highest income households are both competing for units that are affordable to middle-class households.

This competition over a limited number of units drives up housing costs for everyone. Middleton’s Housing Action Plan targets strategies that focus on increasing the number of units attainable to low- and moderate- income households. This strategy not only benefits people living in those units, but also helps reduce competition in the broader housing market to keep housing more affordable than it otherwise would be.

What Have We Done So Far?

REGULATORY

Updated the [Zoning Ordinance](#) to:

- Allow Mixed-Use Districts: Established mixed-use districts along major travel corridors, which allow multi-family development and only require ground floor commercial at intersections.
- Increase Density: Reduced setbacks and lot sizes, permitted accessory dwelling units by right, no limits on density within districts as long as setbacks, height, and impervious standards are met.
- Encourage “Missing Middle” Housing: Created a high-density single-family classification, a zero lot-line multi-family district, and a mixed-use neighborhood district.
- Reduce Parking: Reduced parking minimums and established parking maximums.
- Streamline Process: Reduced reliance on Planned Unit Development zoning (PUD) to reduce timeline from concept to construction.

INCENTIVES

- The City has approved over \$11 million in TIF-assistance to incentivize more than 350 units of affordable and income-restricted housing.
- The City has provided \$3 million in a pass-through grant to incentivize 30 units of affordable housing.
- The City has waived nearly \$250,000 in impact fees to reduce construction costs for affordable housing units.
- The Zoning Ordinance allows a height bonus of one additional story for affordable housing, in commercial districts.

OTHER INITIATIVES

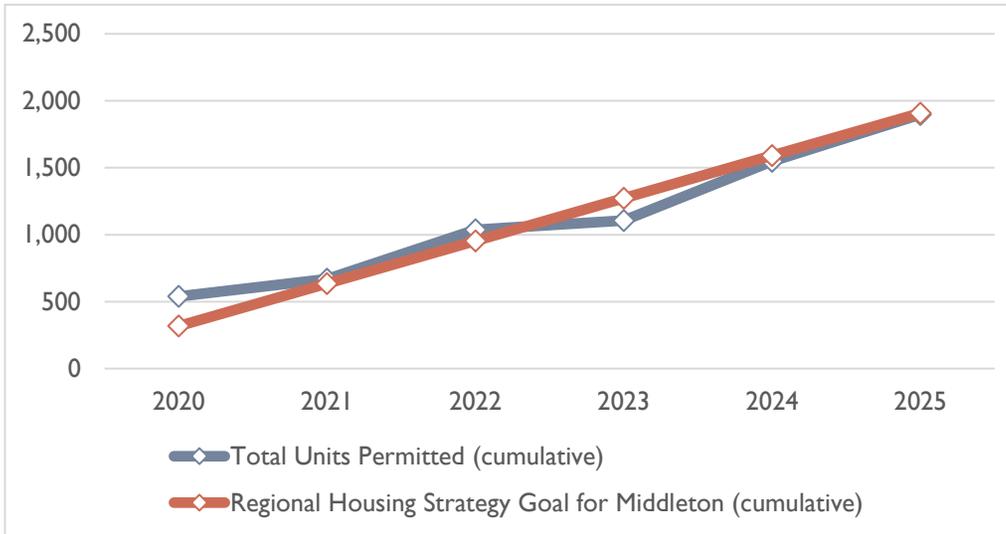
- Acquired land and through a request for proposals process and selected developers to build housing on the properties. Resulted in 15 units of single-family housing (included 1 Habitat for Humanity home) and 128 units of multi-family housing.
- Administered a down payment assistance program that provided loans to 18 households with incomes between 40-80% of Dane County’s median income.
- Shortened timeline for engineering development reviews by utilizing third-party contractors.
- Regular meetings with developers to share City updates, keep open lines of communication, and identify process improvements to facilitate new development.

“Middleton has been an active partner in working to solve Dane County’s housing crisis. They have been a leader in so many ways over the past decade. The use of the Affordable Housing Extension for Tax Increment District #3 is an important next step that will help incentivize a variety of much needed housing in Middleton.”

- Olivia Parry, Dane County Housing Initiative (DCHI)

Progress Towards Regional Housing Strategy Goals

Total Housing Units Permitted in Middleton: 2020-2025

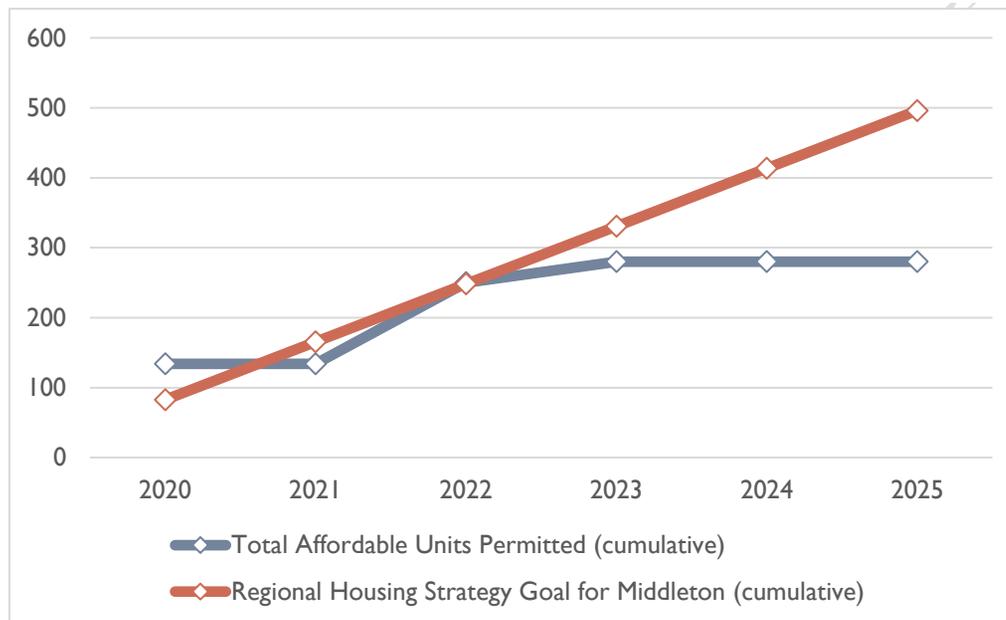


According to the Dane County Regional Housing Strategy (RHS), Middleton needs to add 6,360 total units by 2040 (i.e. 318 units per year, 2020-2040) to meet projected demand and address the current undersupply of housing.

The RHS also advises that 26% of new units should be affordable (Defined as units that have a legal-restriction that sets the maximum rent based on the tenant’s income, up to a maximum of 60% Area Median Income). In Middleton, that would amount to approximately 1,654 total legally-restricted affordable units by 2040 (i.e. 83 new affordable rental units per year, 2020-2040).

Based on recent permitting data, the City of Middleton is on pace to meet its goals for total overall units. However, the City is falling behind on goals for new affordable units permitted.

Total Affordable Housing Units Permitted in Middleton: 2020-2025



State law does not allow cities to directly regulate affordability. However, cities in WI can incentivize developers to include affordable units within the development through voluntary development agreements. Middleton’s Housing Action Plan is centered around strategies that will increase the number of units affordable to individuals making 60% or less of the Area Median Income. It is also centered around strategies that ensure the people in those units are given the support they need to be successful and thrive in Middleton.



Middleton's Housing Strategy- Vision, Mission, Values, and Priorities

VISION

Housing will be available and affordable for people who live in Middleton and want to stay here, for people who work in Middleton, and for the broader Dane County workforce.

MISSION

Middleton's Housing Action Plan will support the development and preservation of a wide range of affordable housing throughout the city, including both rental and owner-occupied units. By "affordable," we mean that housing will require households to spend no more than 30% of their gross income on housing-related costs.

VALUES

In developing this plan, we adopted the values in Dane County's Regional Housing Strategy, or RHS, with additions to reflect our own goals. We intend for these values to be reflected in all actions to implement the plan, as well:

- **Accountability:** All entities — public, private, and nonprofit alike — accept and share responsibility for providing attainable housing. Actions in the plan meet the values and goals of other city plans and policies (Comprehensive Plan, Sustainable City Plan, Complete Streets Policy, Active Transportation Plan, etc.).
- **Affordability:** By focusing on affordable living, not just affordable housing, all people have housing they can afford.
- **Economic Growth:** Housing production keeps pace with employer growth and meets employee needs.
- **Empowerment:** Residents, practitioners, and elected officials have a shared understanding of housing needs and are equipped to leverage housing resources and programs.
- **Equity:** Historically excluded populations and lower-income households have access to quality housing.
- **Sustainable Development:** Housing is located near existing services, infrastructure, transit, amenities, and jobs, reducing environmental impacts and improving quality of life for all residents. Middleton's 100% renewable energy goals are incorporated into all projects funded by the city's Affordable Housing program.

PRIORITIES FOR 2026-2036

Our target population is households earning up to 120% of the area median income, with particular emphasis on those earning 80% or less than the area median income. Consistent with the Dane County Regional Housing Strategy, the recommended priorities for Middleton are as follows:

- Strategy #1: Increase the Number of Housing Units Attainable to Low- And Moderate-Income Households
- Strategy #2: Provide Housing, Resources, and Protections for The Most Vulnerable Populations
- Strategy #3: Rehabilitate and Preserve Affordability of Existing Housing
- Strategy #4: Provide More Pathways to Homeownership

Establishing and Managing Middleton's Affordable Housing Fund

1. Common Council approves Housing Action Plan.
2. Establish the Affordable Housing Fund using 100% of the final increment from Tax Incremental District (TID) #3.
3. Combine the Community Development Authority (CDA) and the Workforce Housing Committee through necessary changes to the Middleton Code of Ordinances and designate the CDA as the entity that oversees housing programs.
4. Hire a full-time dedicated staff person within the Planning & Community Development Department to manage plan implementation. The salary for this position may be supplemented by the Affordable Housing Fund. This position will be responsible for:
 - a. Overseeing the responsible fiscal management of the fund to ensure it remains a long-term source for affordable housing in the City.
 - b. Actively pursuing grant, partnership, and other opportunities to grow and expand the fund.
 - c. Creating programs affordable housing and regularly evaluate the housing market to inform implementation of priority programs.
 - d. Building partnerships with other stakeholders including but not limited to: the Chamber of Commerce, school district, technical colleges, trade unions, employers, and nonprofits.
 - e. Maintaining a list of affordable and income-restricted developments, along with the affordability period expiration dates, and explore options to maintain affordability within these developments when agreements expire.
 - f. Updating the annual housing fee and housing affordability reports.
 - g. Producing an annual "housing snapshot" using census data and other sources to analyze the local housing market and track trends over time on overall affordability and racial disparities in housing. Create additional educational materials based on these reports.
5. CDA recommends an annual budget based on recommendations of the Housing Action Plan. Common Council approves final budget.

Estimates: This plan envisions active implementation, creation, and ongoing administration of new programs. In recognition of constraints on existing staff time and overall available funding for the plan, the Workforce Housing Committee and Community Development Authority asked staff to provide feedback on estimated staff time and estimated costs to implement and administer each new program. Staff reviewed the proposed programs and assigned each one a grade of low, medium, or high. A score of "medium" or "low" means that staff believe the program can be administered with existing staff capacity. A score of "high" means that staff believe additional resources are needed to adequately administer the program. The Planning & Community Development Department estimates that it has the existing capacity to roll out 1-2 of the "medium" programs per year. As program templates are created and processes established, the City can annually review the capacity to add additional programs. This plan includes a "roadmap" of initiatives that can realistically be implemented in the 12 months following adoption.

Staff also researched estimated "per unit" costs based on similar programs throughout the county. These estimates will help inform budget recommendations as new programs are created. Items designated as "varies" do not have clear "per unit" costs, and may be scaled up or down as recommended by the CDA and approved by the Common Council in future annual budgets.

Strategy #1 Increase the Number of Housing Units Attainable To Low- And Moderate-Income Households

Recommendation	Priority	Staff Time	Cost Estimate
Through an RFP process, work with developers who have a documented record of income-restricted affordable housing development through the LIHTC program.	1	Medium	\$20K - \$40K per unit
Through an RFP process, partner with local non-profits to develop financial incentives to build owner-occupied units.	2	Medium	\$200k per unit
Through an RFQ process, solicit creative ideas and partnerships for all types of housing. This includes, but is not limited to condos, single family homes, missing middle housing, ADU's, and facilitating acquisition-rehab of older units.	3	High	Varies
Acquire land to make available for future development.	Ongoing	High	Varies

Strategy #2: Provide Housing, Resources, And Protections for The Most Vulnerable Populations

Recommendation	Priority	Staff Time	Cost Estimate
Provide funding for supportive services when new affordable housing is built in Middleton to bridge the funding gap between developers and their non-profit partners.	1	Low	Varies
Provide funding to local non-profit organizations to add to their case management capacity and provide direct assistance to Middleton residents to maintain stable housing.	1	Low	Varies
Partner with a local tenant-rights organization to establish a satellite office in Middleton for legal aid to low-income households.	2	Low	Varies

Strategy #3: Rehabilitate and Preserve Affordability of Existing Housing

Recommendation	Priority	Staff Time	Cost Estimate
Provide funding for rehabilitation of older housing stock with energy efficiency modifications.	1	Medium	\$20k per unit
Fix up naturally occurring affordable housing by offering grants and/or loans to low- or moderate-income property owners and/or contracting for services.	2	Medium	Varies
Partner with local nonprofits for rehabilitation of low- or moderate-income owner-occupied housing, including for accessibility improvements.	2	Medium	Varies

Strategy #4: Provide More Pathways to Homeownership

Recommendation	Priority	Staff Time	Cost Estimate
Partner with local non-profits to help people with low-incomes and/or people with disabilities purchase homes in Middleton and provide down-payment assistance to first-time homebuyers.	3	Medium	\$45k – \$80k per unit
Increase funding, education, and support for first-time homebuyer education, credit score coaching, financial literacy classes and post-purchase support, and other similar initiatives.	3	Medium	Varies

ROADMAP FOR YEAR ONE

Initial action steps for year one implementation of the Affordable Housing Action Plan

1) Establish Affordable Housing Fund

Establish the fund using 100% of the final increment from Tax Incremental District #3.



2) Hire Staff

Hire a full-time dedicated staff person within the Planning & Community Development Department to manage the plan implementation.



4) Continue to Maintain an Affordable Housing Database

Maintain a listing of affordable and income-restricted developments, along with the affordability period expiration dates.



3) Begin to Build Relationships for Affordable Homeownership

Begin to build relationships with partner organizations that specialize in affordable homeownership opportunities.



5) Implement Outreach Plan

Begin public outreach guided by the established outreach goals and using the metrics for success to evaluate progress.



6) Request Proposals

Release a request for proposals for developers who have a documented record of income-restricted affordable housing development.



7) Fund Support Services

Provide funding for the support services needed to help people stay in their homes.



8) Fund Housing Rehabilitation

Provide funding for rehabilitation of naturally-occurring affordable housing with energy efficiency modifications.



Strategy #1: Increase the Number of Housing Units Attainable to Low- And Moderate- Income Households



Town Hall Crossing in Sun Prairie photo via [Habitat for Humanity Dane County](#)

Strategy I.A – Revolving Loan Fund for Affordable Housing

Recommendation	Priority	Staff Time	Cost Estimate
Through an RFP process, work with developers who have a documented record of income-restricted affordable housing development through the LIHTC program.	1	Medium	\$20K - \$60K per unit
Through an RFP process, partner with local non-profits to develop financial incentives to build owner-occupied units.	2	Medium	\$200k per unit
Through an RFQ process, solicit creative ideas and partnerships for all types of housing. This includes, but is not limited to, condos, single family homes, missing middle housing, ADU's, and facilitating acquisition-rehab of older units.	3	High	Varies

WHAT IT IS: Low interest loans and/or grants to make affordable housing financially feasible.

WHY IT IS IMPORTANT: Income-restricted affordable housing requires a complex combination of funding sources to make the deal financially viable. This plan envisions setting up a revolving loan fund to assist with filling financial gaps for income-restricted affordable housing developments. These programs will require flexibility to be responsive to prevailing market conditions and maximize use of federal and county funding sources.

HOW TO IMPLEMENT:

The following will need to be addressed in more detail during the creation of these programs and updated over time based on market trends:

- Financing terms (e.g., payback period, interest rates, criteria for loan forgiveness, eligible uses, developer fee requirements).
- Compatibility with other sources of funding and encouraging developers to maximize other sources of funding (e.g., LIHTC, CDBG, HOME)
- Per-unit subsidy, length of affordability period, and target AMI
- On-site management and adequate provision of supportive services
- Groups served (e.g., seniors, veterans, people with disabilities, large families, other)
- Preferred locations (e.g., near transit corridors, public parks, other priority areas)
- Universal design requirements
- Sustainability requirements
 - Require meeting WHEDA sustainability thresholds and/or following RECI guidelines
 - Preference for projects meeting WHEDA “advanced certification” criteria.
 - Green infrastructure to help reduce stormwater runoff
- On-site amenities (e.g., community gardens, community rooms, playrooms, etc.)

Strategy I.B - Land Acquisition

Recommendation	Priority	Staff Time	Cost Estimate
Acquire land to make available for future development.	Ongoing	High	Varies

WHAT IT IS: Purchasing and holding land to facilitate future affordable housing developments.

WHY IT IS IMPORTANT: Affordable housing can often take longer to get from concept to completion than a typical market rate project. This is largely due to the time needed to assemble the complex set of funding sources needed to create a viable project. Landowners in prime locations often want to sell their property faster than it takes to get an affordable housing development off the ground. This plan envisions the City playing a role in purchasing land and holding it. By doing so, Middleton can provide stability during the process and establish long-term partnerships with developers.

HOW TO IMPLEMENT:

Ways to implement this strategy include, but are not limited, to:

- Create and maintain an updated inventory of publicly owned properties that are available or underutilized, with an emphasis on highly accessible, high-value locations with neighborhood amenities and few site limitations for multifamily housing
- Map unoccupied or underutilized commercial and residential buildings near current or possible transit routes
- Identify and acquire tax-foreclosed properties
- Identify opportunities for property assembly through corridor and area plans
- Regularly monitor local real estate listings
- When the City constructs new public facilities (e.g., the Community Campus), identify opportunities to use surplus land for workforce housing.
- Conduct further research into the Sheboygan Falls example for using land value for down-payment to understand how the City's land acquisition strategy can promote homeownership.

Strategy #2: Provide Housing, Resources, And Protections for the Most Vulnerable Populations



Housing Stability Program photo via [WayForward Resources](#)

Strategy 2.A – Fund Support Services to Help People Stay in Their Homes

Recommendation	Priority	Staff Time	Cost Estimate
Provide funding for supportive services when new affordable housing is built in Middleton to bridge the funding gap between developers and their non-profit partners.	I	Low	Varies
Provide funding to non-profit organizations to add to their case management capacity and provide direct assistance to help Middleton residents maintain stable housing.	I	Low	Varies

WHAT IT IS: Grants to non-profits to support affordable housing programs

WHY IT IS IMPORTANT: Non-profit organizations are the first line of defense in preventing housing instability. They provide trusted, community-based support that helps residents navigate crises before they escalate into eviction or homelessness. Ongoing funding ensures these organizations can maintain and expand their case management capacity and offer individualized support such as budgeting help, landlord mediation, or connections to utility and food assistance. Consistent, predictable funding enables these agencies to plan, retain experienced staff, and respond quickly to residents' needs rather than relying on short-term grants or emergency appeals. This is increasingly important due to the instability of federal funding in recent years.

Supportive services such as on-site case management, health navigation, or job readiness programs are critical to helping residents remain stable and engaged in their community. By intentionally allocating funding for these services alongside new housing development, the City can ensure that buildings are not just affordable, but sustainable for the long term. Bridging this gap also strengthens partnerships between developers and local non-profits, creating a more holistic approach to affordable housing that integrates social support with physical infrastructure.

HOW TO IMPLEMENT:

Ways to implement this strategy include, but are not limited, to:

- Building partnerships with trusted local non-profits to understand the evolving needs in our community.
- Facilitating partnerships between local non-profits and affordable housing developers to ensure that non-profits are adequately funded for the services they provide to tenants in new affordable housing developments.
- Issuing an RFP to solicit requests for funding for non-profit programs targeted at helping Middleton residents maintain stable housing and avoid eviction.

Strategy 2.B – Enhance Resources for Tenant Rights

Recommendation	Priority	Staff Time	Cost Estimate
Partner with a local tenant-rights organization to establish a satellite office in Middleton for legal aid to low-income households.	2	Low	Varies

WHAT IT IS: Legal support for Middleton residents facing issues with their landlord.

WHY IT IS IMPORTANT: Access to timely, in-person housing support can make a critical difference for residents facing eviction, discrimination, or confusion about their tenant rights. By establishing a satellite office in Middleton, the City can bring trusted, expert assistance closer to residents who might otherwise struggle to reach regional service centers. A local presence allows for proactive outreach, early intervention in landlord-tenant disputes, and better coordination with local partners. This partnership would help residents navigate complex housing issues before they become crises, support equitable access to information and legal resources, and ultimately reduce evictions and housing instability in the community.

HOW TO IMPLEMENT:

This strategy can be implemented by issuing an RFP to solicit a tenant-rights organization to establish a satellite office in Middleton.

Program Spotlight: Tenant Resource Center



The [Tenant Resource Center](#) not only provides helpful resources to find housing, but also provides counseling, legal assistance, and mediation for both tenants and landlords.

Beginning in 2024, The City of Sun Prairie began a partnership with the Tenant Resource Center to provide drop-in services for Sun Prairie residents on Mondays, Wednesdays, and Thursdays. The City of Sun Prairie dedicates a portion of their affordable housing fund, alongside financial support from Dane County, to make the partnership feasible.

Strategy #3: Rehabilitate and Preserve Affordability of Existing Housing



Solar installation for the Efficiency Navigator Program photo via [Elevate Energy](#)

Strategy 3.A – Energy Efficiency Programs

Recommendation	Priority	Staff Time	Cost Estimate
Provide funding for rehabilitation of older housing stock with energy efficiency modifications.	I	Medium	\$20k per unit

WHAT IT IS: Provide grant funds for non-profit programs that enhance energy efficiency in exchange for meeting affordability requirements.

WHY IT IS IMPORTANT: Energy efficiency investments reduce monthly housing costs while helping fight climate change. Rehabilitating older homes also reduces construction waste and makes better use of existing infrastructure such as streets, utilities, and schools. By integrating rehabilitation and preservation into its affordable housing strategy, the City ensures that its approach protects affordability not just through new development, but through thoughtful stewardship of the homes and neighborhoods that already define Middleton.

An example of this type of program is the Efficiency Navigator Program. Middleton’s Efficiency Navigator Program provided energy efficiency upgrades, beneficial electrification, and/or solar to 32 units of naturally occurring affordable housing in the City of Middleton in 2023 and 2024. In return, the property owners committed to maintaining affordable rents.

There are significant rebates for home energy efficiency work through Focus on Energy and the federal HOMES and HEAR programs. Investing in the Efficiency Navigator program unlocks funding for things like heat pumps, energy audits, electric hot water heaters, electrical panel upgrades and more.

HOW TO IMPLEMENT:

This strategy can be implemented by issuing an RFP to non-profits to administer grant funded programs.

Program Spotlight:



Efficiency Navigator

Making multi-family housing affordable and resilient

A partnership with Sustain Dane and Elevate

The Efficiency Navigator Program is run by [Sustain Dane](#) and [Elevate Energy](#) in Madison, Middleton, and Fitchburg to help renters in older multi-family apartment units save on utility bills by providing energy efficiency upgrades to lower energy use and cost.

The program covers the cost of building assessments, technical support, and building upgrades for the property owner while also providing additional benefits such as rectifying building code violations and improving indoor air quality. Middleton’s program used ARPA funding the City received during the pandemic until 2025.

Impacts:

\$8,476 annual total project savings

30,004 kg of yearly CO2 emission savings

32 families helped

Strategy 3.B – Home Rehabilitation

Recommendation	Priority	Staff Time	Cost Estimate
Fix up naturally occurring affordable housing by offering grants and/or loans to low- or moderate-income property owners and/or contracting for services.	2	Medium	Varies
Partner with nonprofits for rehabilitation of low- or moderate-income owner-occupied housing, including for accessibility improvements.	2	Medium	Varies

WHAT IT IS: Providing funds to assist with home rehabilitation projects for low to moderate income homeowners.

WHY IT IS IMPORTANT: Rehabilitation programs help extend the life of the City’s housing supply, keep neighborhoods stable, and ensure that modest homes remain available to families and individuals of varying income levels. Without reinvestment, some of these homes risk falling into disrepair.

Supporting rehabilitation also promotes aging in place, allowing older adults to remain safely in their homes and connected to their communities. Simple improvements such as accessibility modifications, roof or furnace replacement, or plumbing repairs can make a major difference in quality of life and prevent costly moves or institutional care. Preserving affordability through repair grants, low-interest loans, or partnerships with non-profits ensures that seniors, low-income homeowners, and small landlords can maintain their properties without being priced out or forced to sell.

HOW TO IMPLEMENT:

This strategy can be implemented by issuing an RFP to non-profits to administer home rehabilitation programs.

Program Spotlight:



[Movin' Out](#) works with individuals and families to achieve long-term housing success. In addition to assisting low-income families and people with disabilities to purchase homes, Movin' Out also develops affordable housing and provides assistance for home repairs to help people with disabilities stay in their homes.

Movin' Out operates throughout Wisconsin and funds their services through donations, grants, and sponsors. They have received Community Development Block Grant (CDBG) funding from Dane County for their home repair programs.

Strategy #4 Provide More Pathways to Homeownership



Redtail Ridge Subdivision photo via [Encore Homes Inc](#)

Strategy 4.A - Down-Payment Assistance Program

Recommendation	Priority	Staff Time	Cost Estimate
Partner with local non-profits to help people with low-incomes and/or people with disabilities purchase homes in Middleton and provide down-payment assistance to first-time homebuyers.	3	Medium	\$45k - \$80k per unit

WHAT IT IS: Assisting first-time homebuyers with a down-payment.

WHY IT IS IMPORTANT: Down-payment assistance programs are essential for expanding access to homeownership, particularly for first-time buyers and moderate-income households who can afford monthly mortgage payments but struggle to save for the upfront costs. These programs help bridge the gap between rising home prices and stagnant wages by reducing or eliminating the barrier of a large initial payment. By lowering entry costs, they make homeownership more attainable, build generational wealth, and strengthen community stability. In addition, down-payment assistance can reduce reliance on high-interest loans or private mortgage insurance, improving long-term financial security for new homeowners.

HOW TO IMPLEMENT:

This strategy can be implemented by building relationships with single-family affordable housing partners to identify best funding structure to work with existing programs. Down-payment assistance programs can be incorporated into owner-occupied housing developments funded through the City's affordable housing fund. (See Strategy 1.A).

Strategy 4.B – Homebuyer Education

Recommendation	Priority	Staff Time	Cost Estimate
Increase funding, education, and support for first-time homebuyer education, credit score coaching, financial literacy classes and post-purchase support, and other similar initiatives.	3	Medium	Varies

WHAT IT IS: Providing educational opportunities to help people understand the steps they need to take to become a homeowner.

WHY IT IS IMPORTANT: Many prospective home buyers face challenges such as limited savings, low credit scores, or lack of familiarity with mortgage processes. These are issues that can be mitigated through targeted education and personalized financial guidance. These programs not only prepare residents to qualify for mortgages but also help them make informed decisions about affordability, maintenance, and long-term financial planning. By coupling pre-purchase education with ongoing post-purchase support, communities can reduce foreclosure risk, promote neighborhood stability, and foster intergenerational wealth-building opportunities.

HOW TO IMPLEMENT:

Ways to implement this strategy include, but are not limited, to:

- City of Middleton becoming a member of the Home Buyers Round Table.
- Financial literacy and homebuyer education classes are a common requirement for most down-payment assistance programs. These services aim to prepare residents for homeownership, focusing on mortgage readiness and addressing systemic barriers to homeownership. The City will develop informational materials summarizing homebuyer education resources available to Dane County residents, require recipients of Middleton Affordable Housing Fund homeownership programs to take these classes, and provide financial assistance for course registration on an as-needed basis.

Outreach Plan

The Workforce Housing Committee aims to build community support, educate stakeholders, and amplify resident voices around workforce and affordable housing solutions. Through intentional engagement, the City will foster a broad, inclusive coalition and drive meaningful progress on housing equity and access in our community.

GOALS

1. Educate key constituencies on the need, benefits, and urgency of workforce housing.
2. Activate community leaders, workers, and residents as informed advocates.
3. Engage decision-makers and institutions to align policy and funding with housing goals.
4. Elevate stories and data that humanize and contextualize the issue.

METRICS FOR SUCCESS

- Number of events hosted and attendees reached.
- Stories collected and shared (e.g., video, print, social).
- Community organizations and businesses engaged.
- Media mentions and letters to the editor.
- Direct communications to elected officials.
- Volunteer and constituent feedback.

VALUES AND APPROACH

- People First: Listen to those most affected and center lived experience.
- Collaborative: Partner across sectors—business, faith, civic, and beyond.
- Data + Story: Use facts and feelings to move hearts and minds.
- Equity-Oriented: Work to reduce housing disparities and promote dignity.

Outreach Plan Target Audiences

General Public Raise awareness, foster support, and dispel myths around housing

- Host 2–4 community info sessions or town halls
- Create and distribute a “Workforce Housing 101” flyer and a myth-busting FAQ
- Canvassing effort in key neighborhoods
- Write 3–5 letters to the editor in local newspapers from diverse residents
- Host a booth at 2–3 local events with a short survey to gather community sentiment
- **Stretch Goal:** Create a 3-minute local video documentary featuring voices from the community

Business Community Promote employer engagement and support for funding and housing

- Develop a “Workforce Impact Brief” for employers showing data on employee commute, turnover, and housing
- Secure letters of support or endorsements from 5–10 local employers
- Encourage 3+ employers to contribute to a local housing fund or sponsor units
- Build a recognition program for supportive businesses
- Present at 2–3 Chamber of Commerce events
- **Stretch Goal:** Encourage one employer to sponsor or co-develop a pilot housing initiative

Partners / Developers Provide community support and strengthen partnerships

- Schedule joint public briefings with partners to show unified messaging
- Provide community endorsements or volunteer support for public hearings or grant proposals
- Write and publish 3 partner spotlight articles or blog posts
- **Stretch Goal:** Help secure 1 new grant or funding opportunity through a community co-sign letter

Renters Empower renters with resources, elevate renter voices

- Host 2 renter resource nights in partnership with tenant organizations
- Create a renter toolkit
- Collect 10–15 renter stories/testimonials for inclusion in broader outreach efforts
- Establish a renter advisory group to meet quarterly
- Support a renter voter registration drive
- **Stretch Goal:** Help advocate for a local renter protection policy

City Alders and Elected Officials Make educated decisions on housing initiatives, new developments, and budgeting

- Deliver a custom policy primer: workforce housing impacts and successful examples from other cities
- Recruit 5+ constituents per district to email or meet with their Alder
- Create a “Housing Wins in Action” packet with one-pagers and talking points
- **Stretch Goal:** Secure public statements or sponsorship of housing-forward resolutions from 2–3 Alders

Educators and Youth Support students and families facing housing instability

- Distribute a teacher-specific briefing on housing insecurity and student outcomes
- Collect 5+ teacher testimonials on how housing impacts students
- Host a panel event with educators, parents, and housing experts
- Partner with high school or college classes on civic engagement projects around housing
- **Stretch Goal:** Work with schools to pilot a “housing-informed schools” initiative

Appendix A: Glossary of Terms

Area Median Income (AMI): The midpoint household income for a specific geographic area, as calculated annually by the U.S. Department of Housing and Urban Development (HUD). Half of households earn more than 100% AMI and half earn less. AMI is commonly used to set income eligibility and rent limits for affordable housing programs (e.g., 60% AMI, 80% AMI).

Income-Restricted Affordable Housing Development: A residential development in which some or all units are reserved for households earning below a specified percentage of AMI. Rents (or sales prices) are capped to ensure affordability, and restrictions are enforced through legal agreements, often in exchange for public funding or tax credits.

Low-Income Housing Tax Credit (LIHTC): A federal tax incentive program that encourages private investment in affordable rental housing. Developers receive tax credits in exchange for committing to rent and income restrictions, typically for at least 30 years. LIHTC is the primary financing tool for income-restricted affordable housing in the United States.

Missing Middle Housing: A range of housing types between single-family homes and large apartment buildings, such as duplexes, triplexes, fourplexes, townhomes, and small apartment buildings. Missing Middle housing typically provides more attainable options for moderate-income households and supports walkable, neighborhood-scale development.

Request for Proposals (RFP): A formal solicitation issued by a public agency seeking detailed proposals from developers or firms outlining how they would deliver a specific project or service. An RFP typically evaluates respondents based on both qualifications and proposed approach, cost, timeline, and project outcomes. This plan proposes using an RFP to enter into agreements with established and predictable programs, such as non-profit services or gap financing for LIHTC projects.

Request for Qualifications (RFQ): A formal solicitation used to evaluate the experience, capacity, and expertise of developers or firms without requiring a full project proposal. An RFQ is often used to shortlist qualified respondents before issuing an RFP or entering into negotiations. This plan proposes using an RFQ to solicit creative ideas for developing all types of housing. This includes, but is not limited to condos, single family homes, missing middle housing, and facilitating acquisition-rehab of older units.

Tax Increment Financing (TIF) / Tax Increment District (TID): TIF is a public financing tool used to support development or redevelopment. A TID is a designated geographic area where future increases in property tax revenue (the “tax increment”) are set aside to pay for eligible project costs such as infrastructure, site preparation, or public improvements. TIF is intended to encourage development that would not occur without public assistance. State law allows TIDs to be extended for one year, and the funds from that extension must be used to benefit affordable housing. The City of Middleton approved a one-year extension to TID #3 in April 2025, those funds will be used to create the City’s Affordable Housing Fund in April 2026.