

# Rural Affordable Workforce Housing Initiative Pilot: Community Application Instructions

*Amended Aug. 3, 2020*



## Opportunity Summary

The Wisconsin Housing and Economic Development Authority is committed to seeking innovative ways to address the shortage of affordable workforce housing in rural communities. Achieving change will require unprecedented collaboration.

The rural affordable workforce housing initiative pilot seeks to address housing disparities in rural Wisconsin through a community-based pilot design process that identifies local needs and priorities, builds ideas through cross-sector collaboration and implements solutions. A committee convened by WHEDA will select at least three pilot communities to catalyze local momentum and engage with diverse partners to build solutions for rural communities across the state.

Applications are sought from communities enthusiastic about this novel approach. Each community will define its boundaries, identify a trusted local convener and a pilot design team composed of eight to 10 local leaders. Through a series of pilot design sessions, the pilot design team will frame focus areas, identify priorities, brainstorm ideas and test potential solutions. Local teams will work in partnership with community members, practitioners and other stakeholders at each step; gathering diverse insights, experiences and co-creating ideas. Through the pilot design process, communities and WHEDA will develop locally driven solutions with the potential to serve rural communities across the state.

Serving as a pilot community is a significant responsibility. While the pilot design process will provide local solutions, the effort also will inform strategies that will benefit rural communities throughout the state.

For more information on the full initiative, please reference the Rural Affordable Workforce Housing Initiative Plan published on WHEDA's website ([www.wheda.com/about-wheda/rural-workforce-housing](http://www.wheda.com/about-wheda/rural-workforce-housing)).

## Working Together

The pilot will use human-centered design as a framework, which offers a structured process founded in experimentation and creative problem solving<sup>1</sup>. The work will be iterative, focusing on advancing the goals of each pilot design team and fostering collaboration across stakeholders, participants and the pilot community.

### Principles

Everyone that participates will help envision and translate new ideas into reality. In doing so, the work with the pilot will be guided by the following principles:

- **Flexible:** we make adjustments along the way.
- **Curious:** we seek to understand the experiences, motivations and perspectives of others.
- **Humble:** we recognize the expertise of others as equally valuable as our own.
- **Tangible:** we have a bias toward creation and action.
- **Iterative:** we support quick cycles of creation, feedback and revision.
- **Trusting:** we operate from a place of good faith in each other and in the process.
- **Open:** we rely on many inputs to the process, not just our past experiences.

### Process

WHEDA, in collaboration with local conveners, will host a series of pilot design sessions; guiding the local pilot design team through challenge framing, brainstorming and building testable solutions. The pilot design process will take place over three distinct phases, from (1) exploring the context of the workforce challenge on the ground through research and community engagement, to (2) applying what is learned to help us generate ideas and build working concepts with pilot communities, partners, stakeholders and finally (3) selecting ideas that present the strongest business case and bringing them to implementation. Each pilot phase is estimated to take roughly two months, depending on community timelines, priorities and needs.

To deliver the pilot process effectively, WHEDA will use a staggered approach and will establish a sequence for the group of pilot communities.

Applicants are encouraged to apply with a diverse pilot design team of stakeholders that demonstrate geographic, demographic and political collaboration. Some examples include, but are not limited to, cross-regional, city-county partnerships and public-private partnerships (see further details on [page 5](#) with pilot design team details).

### Outcomes

Throughout the process, WHEDA will track the following outcomes:

- Depth and breadth of engagement with partners;
- Extent of capacity building within the pilot communities;

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1 [greatergoodstudio.com/hcdprocess](http://greatergoodstudio.com/hcdprocess)

- Reporting on applicability of solutions and development of a long-term rural housing strategy informed by the pilot;
- Generation of housing units and dollars invested in each pilot community; and
- Generation of housing units and dollars invested in rural Wisconsin.

### Schedule

- **Pilot kickoff (one day):** This first session will focus on deepening relationships and framing project group topics.
- **Research (six weeks):** With the help of pilot design teams, WHEDA will conduct and synthesize primary and secondary research on how the workforce housing challenge takes shape in each pilot community.
- **Ideation sessions (two days):** Based on research data collected, these sessions will focus on (1) prioritizing specific opportunities for piloting, (2) brainstorming ideas and deciding which to test through prototyping. The pilot design team will continue to engage community members and stakeholders throughout this prioritization process.
- **Prototyping spring (six weeks):** Pilot design team members and WHEDA will iteratively test the most promising ideas with relevant community members and stakeholders, using quick, low-intensity prototyping methods. Project groups will use this series of prototypes to learn from both “end users” and those who may be involved in implementation of ideas.
- **Implementation planning (12 weeks):** Pilot design team members and WHEDA will conduct additional research, engage with other practitioners needed for implementation and document a clear plan for the final pilot solution(s). They will also identify long-term partners and potential funding sources for continuing the work beyond the pilot.
- **Pilot launch, monitoring and evaluation (eight to 12 months):** The pilot design team and WHEDA will launch pilot solution(s) and monitor success, evaluating opportunities for iteration and improvement.

Please note that actual activities may vary depending on community timelines, priorities, resource availability and needs.

### Roles and Responsibilities

While WHEDA will serve as the lead agent for the pilot, partnership with local pilot communities is crucial to success. Being selected as a pilot community is an exciting prospect that also comes with a lot of responsibility.

**Conveners**, sought through this solicitation, will serve as trusted local guides for community-focused projects. Conveners will:

- Foster a thoughtful, inclusive and collaborative environment with pilot design team members;
- Co-facilitate each pilot design session with WHEDA staff; and

- Support and serve as a member of the pilot design team by offering guidance on engaging stakeholders, accessing local resources, navigating relationships and managing priorities.

**Pilot design team members** collaborate as a cross-sector team to create programs, products, policies, etc. that address community challenges around workforce housing. Pilot design team members will:

- Participate in the full pilot design process, including all activities listed in the schedule ([page 2](#)).
- Work with fellow pilot design team members and WHEDA staff to brainstorm ideas, test solutions and develop strategies for implementation.
- Engage professional and personal networks to recruit participants for engagement and feedback on potential solutions.

**WHEDA staff** provide support as collaborators, invested stakeholders and experts in affordable housing. WHEDA is not a state agency and does not grant funds.

## Eligibility Criteria

To be considered rural, a community must be within a county in which more than 25 percent of the county's residents reside in a rural area under standards established by the U.S. Department of Agriculture. ([Appendix A](#))

## Evaluation Criteria

A diverse selection committee of internal and external stakeholders led by WHEDA will review submitted applications and make final selections. Communities selected as finalists will be asked to participate in a virtual interview with representatives from the selection committee.

In addition to alignment with the community evaluation criteria ([Appendix B](#)), applicants must also demonstrate 1) a clearly defined geographic focus area, 2) a trusted convener, and 3) a dedicated and well-positioned pilot design team.

Individual applications will also be evaluated and prioritized within the context of all applications submitted. WHEDA reserves the right to make final selections and develop a pilot community cohort that best reflects the scope of the workforce housing challenge in the state.

## Community: A Clearly Defined Geographic Focus Area

Given the fluid and often regional nature of the workforce housing challenge, applicants will be asked to define the boundaries of their community based on their unique local housing challenges. Pilot community definitions may include a combination of towns, villages, cities and counties, for example.



Applicants must also complete a brief mapping exercise, visually outlining the parameters of their proposed pilot community.

Proposals must demonstrate how the geographic area and/or specific community challenges align with the following community Evaluation Criteria ([Appendix B](#)):

- Demonstrated need for workforce housing, and understanding of the local/regional “housing gap”;
- Existing momentum within the community focusing around the workforce housing issue;
- Commitment from local employers, relevant units of local government and others to ensure close collaboration throughout the pilot design process and implementation support;
- Assessment of needs;
- Checklist of community resources and land use provisions which ensure adequate leverage of WHEDA dollars.

### **Convener: A Trusted and Committed Partner**

To ensure collaboration and authentic connection at the local level, WHEDA seeks conveners who are excited to coordinate and co-facilitate the pilot design process. A convener can be an individual, or a representative from a convening organization. In either case, conveners should have the credibility and connections to mobilize this work, and must be aligned with the pilot principles and processes. Most importantly, they must be able to work locally while maintaining a broader perspective, remain unbiased toward specific partners or strategies, and have the necessary organizational capacity. ~~Additionally, conveners will support modest administrative and reporting requirements from WHEDA and will serve as the lead applicant on behalf of the defined pilot community and pilot design team.~~

#### ***Convener characteristics include:***

- Commitment to partnering with the purpose of addressing complex social challenges through diverse stakeholders; leveraging their shared vision and values.
- Commitment to engaging all voices.
- Trusted among diverse community stakeholders, including individuals and organizations that support those who are underrepresented.
- Strong existing partnerships with diverse organizations and leaders both within and outside of the proposed pilot community area, ie. government agencies, anchor institutions, philanthropy, and community-based organizations.
- Experience facilitating functional and effective cross-sector collaborations to tackle challenging community issues.
- Openness to learning, innovation and embracing of the pilot design process.
- Organizational capacity to dedicate time and resources to this project.
- A vested interest in continuing efforts beyond the pilot.

## Pilot Design Team: Dedicated and Well-Positioned Leaders

Pilot design team members are leaders with a combination of decision-making power and capacity to work collaboratively on hands-on projects. At relevant points throughout the pilot design process, pilot design team members may be asked to leverage their professional expertise and networks. They may also provide unique perspectives based on their organizational and professional backgrounds, as well as opportunities to further leverage WHEDA resources. Pilot design team members should also expect that participation in the pilot will require a time commitment beyond traditional office hours.

### *Pilot design team characteristics include:*

- Have a professional and/or personal relationship with the proposed pilot community.
- Hold (or have close access to) decision-making power within their industry or community with the potential to advance projects.
- Openness to learning, innovation and embracing of the pilot design process.
- A vested interest in continuing efforts beyond the pilot.
- Personal and professional passion for working for positive change.
- Commitment to cross-sector collaboration.
- Ability and interest in balancing strategic thinking with active doing.
- Be excited to engage directly in active idea testing.
- Be in a position to access and leverage other resources, commitments and energy to advance the solutions which come out of the pilot.

### *Pilot design team mix*

In building a well-balanced pilot design team, communities should take into account two key measures: 1) professional and community perspectives represented; and 2) capacity, role, and/or influence within the community needed to advance projects and any solutions that come out of the pilot design process.

## How to Apply

The application has been published on WHEDA's website and can be found here ([www.wheda.com/about-wheda/rural-workforce-housing](http://www.wheda.com/about-wheda/rural-workforce-housing)). In addition, WHEDA will host informational webinars to provide detailed information on the application process, background on the workforce housing issue and the intent of the pilot design process. These links will be published on the above page, as well.

### *Phase 1: Submission of Application*

The application will go into more depth about the local framing of the workforce housing challenge, the community's current climate for collaboration, the convener's experience and strengths and the pilot design team makeup.

Given that the ultimate success of the pilot will depend on the applicants' ability to work together and collaborate among the convener, pilot design team, community members, WHEDA staff and other stakeholders, teams should draft the application materials together.

The application components will include:

- 1. Questions about the community:** Applicants must define the parameters and boundaries of the “community” and complete a mapping exercise, per their unique experience with the workforce housing challenge. Applicants must also develop answers to a series of narrative questions related to the community’s challenges, assets and potential benefits they would gain from participating in the pilot.
- 2. Questions about the convener:** Proposed conveners will answer questions specific to their capacity and alignment with the above convener selection criteria ([page 5](#)).
- 3. Questions about the pilot design team members:** Each pilot design team member will be required to answer a few questions about their background, interest in, and commitment to participation in the Rural Workforce Housing Initiative Pilot ([page 5](#)).
4. Questions regarding experience with the workforce housing challenge.
5. Questions regarding local momentum and needs.
6. Questions regarding the presence of local resources with potential to aid in the successful launch of pilot solutions.

Upon submission, the selection committee will evaluate the extent to which applicants:

- Meet basic eligibility requirements.
- Meet and address the community evaluation criteria.
- Clearly define the target community area and articulate challenges and assets.
- Clearly articulate why this is the right time for the community to engage in the pilot design process and how it will catalyze ongoing efforts.
- Propose a convener with the credibility, connections and capacity to mobilize this work.
- Propose diverse and well-positioned pilot design team members.
- Provide evidence of a collaborative approach.

### ***Step 2: Finalists’ Virtual Interview***

Selected applicants will be invited to participate in a virtual interview with members of the selection committee. The virtual interview will be an opportunity for the selection committee members to meet the convener and pilot design team members and to learn more about the proposed pilot community.

### ***Submission Instructions***

All applications must be submitted to [ruralaffordablehousing@wheda.com](mailto:ruralaffordablehousing@wheda.com) by the Aug. 31, 2020 deadline. All applicants should familiarize themselves with the application requirements and instructions well before the submission deadline. Staff may not be able to assist all applicants in the final 24 hours before the submission deadline. In fairness to all applicants, late submissions will not be accepted. Please direct questions to [ruralaffordablehousing@wheda.com](mailto:ruralaffordablehousing@wheda.com).

## Key dates and deadlines

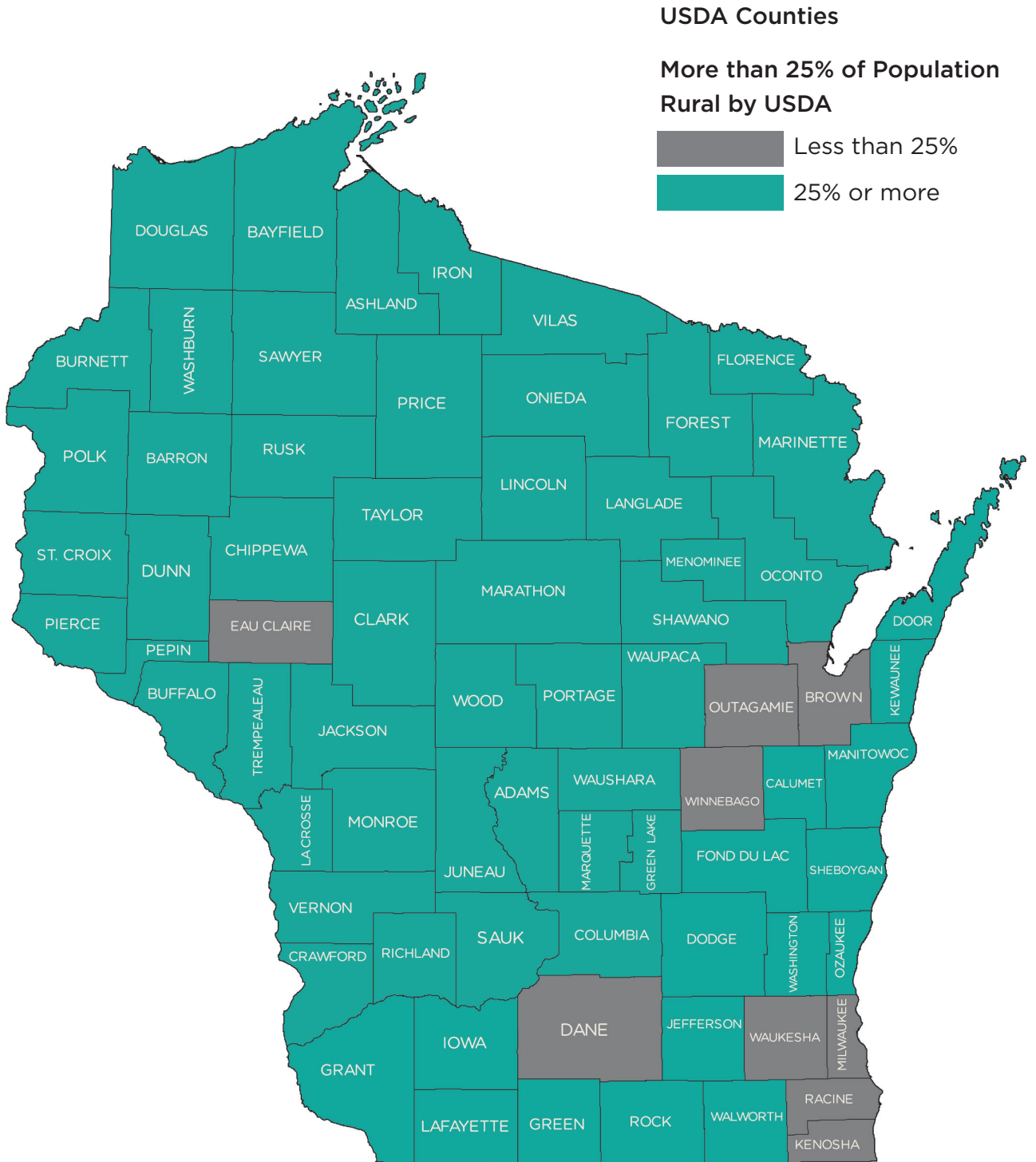
- **July 6, 2020** - Statewide announcement of pilot plan and feedback opportunities on application process.
- **July 13, 2020** - WHEDA Webinar to introduce pilot concepts, gain feedback on the application process and discuss supplemental financing tools. See registration details at [www.wheda.com/about-wheda/rural-workforce-housing](http://www.wheda.com/about-wheda/rural-workforce-housing).
- **July 22, 2020** - Full application released.
- **July 24, 2020** - WHEDA Webinar on the application process.
- **August 31, 2020** - Full applications due.
- **September 2020** - Selected communities invited to participate in virtual interviews.
- **October 2020** - Pilot communities announced / pilot design process begins.

To deliver the pilot process effectively, WHEDA will use a staggered approach and will establish a sequence for the group of pilot communities.



# APPENDIX A:

## Rural Counties in Wisconsin



## APPENDIX B:

### Wisconsin Rural Workforce Housing Community Criteria

GOALS	EXAMPLES	WEIGHT
<p><b>Demonstrated need for workforce housing, and understanding of the local/ regional “housing gap”</b></p>	<ul style="list-style-type: none"> <li>• A recently completed housing study demonstrating workforce housing needs</li> <li>• Needs assessment</li> <li>• Other recent planning initiatives, community engagement workshops, listening sessions, etc.</li> </ul>	<p><b>40%</b></p>
<p><b>Existing momentum within the community focusing around the workforce housing issue</b></p>	<ul style="list-style-type: none"> <li>• Regional affordable housing consortium, work group, committee, task force, etc.</li> <li>• Letters of Intent (LOI) from local, regional, and/or national developers</li> <li>• Creating innovative approaches to build solutions around localized workforce housing challenges</li> </ul>	<p><b>15%</b></p>
<p><b>Commitment from local employers, relevant units of local government, and others to ensure close collaboration throughout the pilot process and implementation support</b></p>	<ul style="list-style-type: none"> <li>• Resolution supporting cross-county, -municipal, etc. partnerships in the shared effort to produce workforce housing</li> <li>• Letters of Intent (LOI) from local employers outlining level of support, in terms of financial resources or otherwise, to the pilot and long term solutions</li> </ul>	<p><b>10%</b></p>
<p><b>Assessment of needs</b></p>	<ul style="list-style-type: none"> <li>• Preference given to CDFI high housing needs census tracts</li> <li>• HUD designated qualified census tracts (see appendix)</li> <li>• Federal designations, i.e.. New Market Tax Credits, Opportunity Zones</li> </ul>	<p><b>15%</b></p>
<p><b>Checklist of community resources and land use provisions which ensure adequate leverage of WHEDA dollars.</b></p>	<ul style="list-style-type: none"> <li>• Tax Increment Financing (TIF)</li> <li>• Reduced cost public land</li> <li>• Patient capital loan funds</li> <li>• Credit enhancements and guarantees</li> <li>• Impact Fee Waivers</li> <li>• Access to Board of Commissioners of Public Lands capital</li> <li>• Planned application for other state or federal monies</li> <li>• City Procurement</li> <li>• Updated zoning which encourages the production of workforce housing</li> <li>• Other resources</li> </ul>	<p><b>20%</b></p>
		<p><b>100%</b></p>