



DANE COUNTY
BOARD of
SUPERVISORS

REPORT

Research and Assessment of Supportive Housing and Sustainable Service Financing for Unhoused Residents in Dane County

Tara McKillop • June 4, 2026

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ABSTRACT

This report evaluates the current landscape of supportive housing and services for individuals currently experiencing or at risk of homelessness in Dane County. Permanent supportive housing, particularly when paired with a Housing First approach, has demonstrated effectiveness in reducing chronic and unsheltered homelessness. Their success, however, depends not only on housing availability, but on consistent funding to supportive services provided simultaneously.

The primary gap identified in this report is that more people need supportive long-term housing than the current financing structure can



reliably sustain. This report also explores opportunities to narrow that gap, including maximizing voucher utilization, expanding use of Medicaid 1915(i), and ensuring adequate CoC staffing to improve cross-sector communication and coordination.

Two counties comparable to Dane County—Kent County, Michigan, and Ramsey County, Minnesota— were used to evaluate priority of addressing gaps and feasibility of recommendations. The findings suggest that sustaining permanent housing will require not only continued investment in creating more housing units, but also stronger financial support for the services that help residents retain housing.

NOTE: As terminology can be used interchangeably, all terms used throughout the report are defined in Appendix A. Additional sources for this report can be found in Appendix B.

INTRODUCTION

Population Growth and Housing Pressure

Dane County has experienced steady population growth in the past decade, and it is estimated to continue growing by almost 200,000 people over the course of the next 25 years.¹ In an already tight housing market, it is becoming harder for low-income residents to find realistic

¹Launstein, Esther. “What Madison-Area Population Growth Means for Housing Prices.” *The Cap Times*, 7 Apr. 2025.

and affordable housing^a to live in.² Dane County’s official HUD^m Point-in-Time (PIT)^q on a single night in 2025 identified 790 single adults and households (defined as at least one adult and one child) experiencing homelessness.³ Additionally, Dane County’s Continuum of Care (CoC),^e the Homeless Services Consortium of Dane County (HSCDC), indicates that thousands of clients interact with the homeless services system each year. In January alone, 1,143 individual clients reached out to overnight shelters and street outreach programs (2026).⁴ The total count of clients reached in 2025 hits just above 3,000, a significant increase from the count just below 2,500 in the prior year.⁵

Additionally, housing instability can be viewed through school district enrollment data where students’ registered living situations can be traced. In Dane County, over 2,400 students have been identified as experiencing housing instability, including those living in temporary or “doubled up” housing^f situations.⁶ This was an increase from the year prior (2025) with over 2,200 children reported to have unstable housing.⁷ Fixing rates of homelessness and housing instability amongst families should be Dane County’s main priority as instability in early

²United Way. “Family Homelessness and Affordable Housing Strategies.” *United Way of Dane County*, Nov. 2023.

³“Our Progress.” *Homeless Services Consortium of Dane County*.

⁴*ibid.*

⁵*ibid.*

⁶“2025 Point in Time Results” HSC PIT Committee Slides. Jan. 2025.

⁷*ibid.*



developmental years has been associated with lower achievement scores, psychological issues, and chronic school absenteeism.

With housing instability and homelessness steadily increasing for all demographics, this indicator suggests that homelessness in Dane County is not a short-term issue but part of a broader and growing structural challenge, increasing demand for coordinated entry systems (CES)^d that pair individuals with supportive housing and services.

Housing Stabilization Strategies

Permanent Supportive Housing (PSH)^p, such as individual or shared housing^t under Housing Firstⁿ approaches, are among the most effective strategies for reducing chronic^c and unsheltered homelessness.^w

Compared to emergency shelter and transitional housing, evidence from national and local research shows these models improve housing stability and cut public costs in the long-term.⁸ Figures 1 and 2 display cost burdens, pulled directly from a 2010 HUD Policy Development and Research report, “Costs Associated with First-Time Homelessness for Families and Individuals.” First-time experiences with homelessness can range in cost from \$1,634 to \$2,308 per individual and \$3,184 to \$20,031 per family (weighted averages) when emergency shelters and

⁸Abt Associates, et al. “Costs Associated With First-Time Homelessness For Families and Individuals.” HUD Office of Policy Development and Research, 23 Mar. 2010.

crisis responses are included. Add unseen costs like jail stays (1,271 individuals recorded in 2021 for Dane County) and hospital visits for people without addresses, and the numbers grow even larger.⁹ Transitional housing often costs more than PSH, and, for families, emergency shelters can be equally expensive.

Figure 1: Average Cost Per Household Per Month for Homeless Program Types

Individual Sites	Emergency Shelter	Transitional Housing	Permanent Supportive Housing
Des Moines, Iowa	\$581	\$1,018–\$1,492	\$573
Houston, Texas	\$853–\$1,817	\$1,654	\$664–\$1,757
Jacksonville, Florida	\$408–\$962	\$870	\$882
Family Sites			
Houston, Texas	\$1,391	\$1,940–\$4,482	\$799
Kalamazoo, Michigan	\$1,614	\$813	\$881
Upstate South Carolina	\$2,269	\$1,209	\$661
Washington, D.C.	\$2,496–\$3,698	\$2,146–\$2,188	\$1,251

*All data directly from 2010 HUD PD&R report

⁹Abt Associates, et al. “Costs Associated”.

Figure 2: Average Mainstream System Costs per Person Incurred “During” Homelessness

	% of Cohort Involved in this Domain	Average Cost During Homelessness Per Person Involved in this Domain	Average Costs During Homelessness Per Person in Cohort
Medicaid Primary Health	9%	\$2,436	\$219
Mental Health	8%	\$1,318	\$106
Substance Abuse	7%	\$2,265	\$158
Criminal Justice	13%	\$3,057	\$397
Income Supports	22%	\$627	\$138

*All data directly from 2010 HUD PD&R report

Supervisor Wegleitner recommended reviewing these cost differences to help determine which type of investments Dane County should prioritize for sustainability and long-term cost-effectiveness. The research is clear that permanent housing and supportive services represent a cost-effective investment compared to repeated short-term crisis interventions that perpetuate situations of chronic homelessness. It is important to note that Dane County is still in need of increasing emergency shelter capacity as facilities often operate at full capacity, especially in winter months. Matching individuals with the right



permanent housing and supportive services takes time, and thus there will always be a need to ensure shelter availability is maintained.

The Role of Supportive Services in Housing Stability

Permanent housing’s effectiveness depends not only on the availability of housing units, but on sustained funding for supportive services such as case management, behavioral health care, employment support, and landlord engagement to ensure residents are able to remain stably housed. In Dane County, constraints on expanding long-term supportive housing are not solely the development of new housing units, but the availability of reliable, long-term financing of supportive services.¹⁰

Existing programs rely heavily on federal housing vouchers and short-term or competitive funding streams that don’t ensure longevity to allow individuals the stability needed to get back on their feet. For example, approximately 79% of Dane County Housing Authority revenue is derived from HUD funding, including 74.4% specifically from voucher programs.¹¹ While making up a substantial share of housing assistance funding, it doesn’t ensure consistent support and the supportive services necessary for long-term housing stability. As a result, supportive housing

¹⁰United Way. “Family Homelessness and Affordable Housing Strategies.” United Way of Dane County, Nov. 2023.

¹¹Dane County Regional Housing Strategy. “A Road Map to Solving Dane County’s Housing Crisis: Strategic Action Plan 2024-2028” Regional Housing Strategy Metrics Report, Apr. 2024.



expansion is often limited by operational funding capacity, rather than just physical housing availability.

Housing Cost Burden

Dane County’s population and number of households are increasing while the amount of available affordable housing units is not keeping up, causing a shortage in the market. There is a squeeze where low- and higher-income households compete for the same limited housing options, affecting both renters and home purchasers.

According to the Regional Housing Strategy Report, which drafted a Strategic Action Plan for 2024–2028, this issue is especially severe for households below 30% of the Area Median Income (AMI), as they are estimated to spend nearly 94% of their income on housing.¹²

Additionally, the Statewide National Low Income Housing Coalition (NLIHC) shows that Wisconsin has only 35 affordable and available rental homes for every 100 extremely low-income households.¹³

These affordability pressures also present themselves unevenly across racial groups. The rates of cost-burdened households are significantly

¹²Dane County Regional Housing Strategy. “A Road Map to Solving Dane County’s Housing Crisis: Strategic Action Plan 2024-2028” Regional Housing Strategy Metrics Report, Apr. 2024.

¹³National Low-Income Housing Coalition. “National Low Income Housing Coalition 3/2026 2026 Wisconsin Housing Profile.” National Low-Income Housing Coalition, Mar. 2026.



higher for all minority groups, with rates approximately at 49% of Black, 47% Hispanic/Latino, and 33% Asian households, compared to 26% of White households. Data also shows 64% of White households own their homes, compared to just 13% of Black households, meaning the majority of Black households are renters in Dane County.¹⁴ This distinction is important, as homeownership allows households to build equity and accumulate long-term assets, while renters remain more vulnerable to rising housing costs and displacement.

Median home prices are also rising faster here in Dane County compared to greater Wisconsin. Studies find the median home price rose on average by \$95,000-100,000 from January 2020 to July 2022.¹⁵

When surveyed, residents of Dane County agreed that housing is not, but should be, more accessible. Outlined in the Regional Housing Survey, 96% of respondents believe everyone in Dane County should have access to housing, and local municipalities are the ones who should fix it. Goals such as creating 7,000 new housing units by 2040 (in addition to 3,300 new owner units, 3,700 new renter units, 1,765 new affordable renter units, and 300 additional senior units)¹⁶ are ambitious, but without follow-through and support, they won't address the immediate crisis.

¹⁴Dane County Regional Housing Strategy. "A Road Map to Solving Dane County's Housing Crisis: Strategic Action Plan 2024-2028" Regional Housing Strategy Metrics Report, Apr. 2024.

¹⁵ibid.

¹⁶ibid.



This affordable housing crisis bleeds directly into helping the homeless and at-risk population. Although Dane County has developed a coordinated homelessness response system, HSCDC, that includes emergency shelter, outreach services, rapid rehousing,^s and PSH programs, several gaps remain between current program capacity and the level of need across the county.

Existing interventions have been providing successful short-term stabilization for many residents experiencing housing insecurity, but long-term housing outcomes are constrained by limited placement capacity, reliance on time-limited federal funding streams, and/or insufficient dedicated funding for supportive services that help individuals maintain stable housing over time. For a long time, Dane County's homelessness response system focused on short-term solutions as a crisis-response network, rather than a long-term housing stabilization system. With goals shifting nationwide to help make homelessness a rare, brief, and non-reoccurring event, increasing funding to permanent housing and supportive services is the right next step Dane County is taking.



METHODOLOGY

1. Stakeholder Interviews

Weekly meetings were held with Lisa MacKinnon and Sarahi Garcia (County Board Office), as well as several scheduled meetings with Casey Becker (DCDHS Housing Access and Affordability Division Administrator), Melissa Mennig (HAA Human Services Manager), Supervisor Heidi Wegleitner, and Torrie Kopp Mueller (CoC Coordinator) to identify service gaps, clarify funding structures, and refine the report's focus on sustainable service financing.

2. Review of Funding Sources and Housing Needs

Dane County housing reports, budget documents, Homeless Services Consortium resources, and supporting county documents were reviewed to identify existing supportive housing programs, funding sources, and service limitations. Focusing on the structure of financing streams, including federal, county, philanthropic, voucher-based, and Medicaid-connected support.



3. Comparative Case Studies

Supportive housing financing strategies from Kent County, MI (PIT 1,089, 2025)¹⁷ and Ramsey County, MN (PIT 1,640, 2024)¹⁸ were examined to explore transferable funding models and voucher utilization practices.

4. Synthesis

Findings were organized assessing Dane County's current strengths, funding gaps, and policy opportunities, with priority given to recommendations feasible within county board policy processes.

THEMES PRESENT

A. Insufficient Long-Term Housing

A recent Daily Cardinal article highlighted Madison's complex network of housing resources, noting that while finding available emergency shelters and short-term services is possible, navigation of long-term housing options remains challenging for those experiencing homelessness.¹⁹ Individuals are often placed on waitlists with no guarantee of when they will be matched with permanent housing.

¹⁷Grand Rapids Area Coalition to End Homelessness, *2025 Point-in-Time Count and Comparisons: MI-506 Grand Rapids/Wyoming/Kent County CoC*, preliminary summary, 2025.

¹⁸Ramsey County, Minnesota, "Annual Point-in-Time Count," *Heading Home Ramsey*.

¹⁹Mancusi, B. (2024, January 25). From streets to shelters: Navigating Madison's web of housing resources. The Daily Cardinal.

The central gap in Dane County's supportive housing system is that more people need long-term housing support than the current service structure can reliably sustain. While the county has built a CES, including emergency shelter, rapid rehousing, and PSH programs, these interventions are constrained by time-limited federal grants, competitive funding streams, and understaffing.

B. Medicaid 1915 (i)

Another opportunity for strengthening long-term supportive service financing exists through Wisconsin's Medicaid 1915(i) Housing Support Services (HSS) benefit. While Medicaid cannot directly fund housing itself, 1915(i) allows eligible providers to bill for housing-related supportive services such as case management, housing consultation, transition, and relocation supports.²⁰

However, as a relatively new financing mechanism in Wisconsin, launched on February 1, 2025, nonprofit organizations may face implementation barriers related to certification as providers, staffing capacity, and administrative knowledge are needed to successfully bill

²⁰Wisconsin Department of Health Services, "Medicaid: Housing Support Services Medicaid Benefit," Revised Feb. 2026.

Medicaid 1915(i).²¹ Early provider participation in Dane County remains limited, highlighting the need for technical assistance and coordination.²² Dane County can support member organizations by ensuring providers have access to the information, training, and implementation support necessary to maximize utilization of Medicaid 1915(i). If supportive services can increasingly be reimbursed through Medicaid, where appropriate, portions of county and nonprofit funding currently used to sustain these services may be redirected toward unmet housing and service needs.

C. Underused Vouchers

This gap shows up most clearly through limited voucher utilization and expiring tax credit properties. Recent HUD legislative changes now make Family Unification Program (FUP)^h and Foster Youth to Independence (FYI)ⁱ vouchers more accessible. Public Housing Authorities (PHAs)^r no longer need to utilize 90% of FUP vouchers before accessing FYI vouchers and can now submit narratives to HUD explaining low utilization while requesting up to 50 vouchers per fiscal year (25 initially, plus 25 more at 90% utilization).²³ Once again, Dane County’s CoC has

²¹Wisconsin Department of Health Services, “New Benefit for Housing Support Services,” ForwardHealth No. 2025-01, January 2025.

²²Appendix B, Source 2

²³Elliott, John. “Changes to the Federal Foster Youth to Independence (FYI) Voucher Program.” Wisconsin Department of Children and Families, Division of Safety and Permanence , 28 Jan. 2026.

the opportunity to oversee adequate maximalization of vouchers by its registered PHA's.

ANALYSIS OF DANE COUNTY

Dane County's homelessness response system continues to face increasing demand while struggling to expand permanent housing outcomes. In February 2026, a total of 1,088 single adults and heads of families were served through overnight shelter and street outreach programs,²⁴ yet, during that same period, only one individual and three families were placed into PSH.²⁵ The most recent unofficial PIT count conducted for Dane County on April 1, 2026, identified 1,071 single adults and 58 households with children experiencing homelessness on a single night;²⁶ a 43% increase from the official PIT reported to HUD the year prior, this highlights an increasing need for funding housing services and resources.²⁷

The county coordinates multiple supportive housing and service programs through the Division of Housing Access and Affordability (HAA). Community partners range in organizational size and capacity and include long-term housing and supportive service providers such as

²⁴Madison/Dane CoC, *2026 Monthly Coordinated Entry Data – Madison/Dane CoC, Accessed May.*

²⁵ibid.

²⁶“Our Progress.” Homeless Services Consortium of Dane County.

²⁷ibid.



The Road Home Dane County, Housing Initiatives, Porchlight, Tellurian, United Way of Dane County, local shelter providers, and housing authorities.²⁸ Some of these programs include rapid rehousing, prevention and diversion initiatives, case management, and outreach services designed to address immediate housing instability. However, moving individuals into stable, long-term housing remains a continuing challenge.

Financing is similarly complex, with organizations relying on multiple overlapping funding streams. Table 1 illustrates the range of financing sources currently supporting housing and supportive services in Dane County. Funding is drawn from a mix of federal grants, state allocations, county contributions, and philanthropic support. Temporary programs funded through pandemic relief dollars have ended, while affordability restrictions on Low Income Housing Tax Credit (LIHTC)^o properties continue to expire, reducing the supply of affordable homes. HUD's LIHTC database identifies multiple Madison-area projects potentially at risk of expiring, over the 30-year required enforcement period.²⁹ While these units' websites show they are still providing units to low-income residents, it is hard to confirm exactly what is happening. The loss of any

²⁸Appendix B, source 1

²⁹U.S. Department of Housing and Urban Development, Office of Policy Development and Research, "LIHTC Database Access," 2025.

units, however, will dramatically shrink the existing affordable housing stock at a time when demand is at its highest.

Table 1. Dane County Housing and Supportive Service Financing Sources

Source	Description	Stability
HUD Funds	CoC grants, CDBG/HOME, and federal housing vouchers; HCV, FUP, FYI, TBRA ^v	Competitive/ annual, allocation limits, subject to federal appropriations
Medicaid 1915(i)	Medicaid State Plan housing support services for eligible populations. Covers housing-related supportive services (e.g., case management, tenancy supports, behavioral health coordination), not rent or housing itself	Limited to eligible populations, dependent on Medicaid enrollment and state/federal funding
State GPR	HAP, SSSG ^u (via DOA)	Annual budget-dependent
County GPR	County-funded housing and supportive service contracts (e.g., Housing Access & Affordability (HAA) programs)	Recurring but budget-dependent and variable
Tax Credits	LIHTC projects	Expiring affordability commitments (typically 15-30+ years), does not directly fund supportive services



Philanthropic/non-profit	E.g., United Way; local foundations, private donors	Supplemental/unpredictable
Time-Limited	ARPA ^b , Emergency Housing Vouchers (EHVs), temporary COVID-era relief programs	One-time or expiring funds, not sustainable for long-term service delivery

While these funding streams are presented separately, supportive housing and supportive services in Dane County are often financed through a “braided” funding approach, in which providers combine multiple federal, state, county, Medicaid, and philanthropic sources to sustain housing operations and supportive services. For example, housing costs may be supported through HUD-related funding while eligible supportive services are billed through Wisconsin’s Medicaid 1915(i) Housing Support Services benefit. However, navigating these overlapping funding mechanisms can create substantial administrative burdens, including eligibility restrictions, reimbursement requirements, and staffing capacity needed for billing and compliance.³⁰

Additionally, even though these funding streams create opportunities for service financing, providers often face substantial administrative barriers when attempting to maximize available funding, particularly Medicaid

³⁰Wisconsin Department of Health Services, “Medicaid: Housing Support Services Medicaid Benefit.”

reimbursement programs such as 1915(i), which require staffing capacity, documentation, and ongoing compliance.

Local experts Melissa Mennig and Heidi Wegleitner have emphasized the importance of building stronger partnerships to secure more dependable revenue sources, expand in-kind support, and preserve the county’s limited stock of affordable housing. Strengthening coordination and overall system performance may help improve service efficiency, reduce administrative strain, and better maximize limited funding streams across housing and supportive service programs.

COMPARATIVE CASE STUDIES

A. Built For Zero

Both comparison counties, Kent and Ramsey, utilize the Built for Zero initiative, a national framework developed by Community Solutions that supports communities in shifting from managing homelessness to measurably reducing it at the population level. Rather than focusing only on program outputs such as shelter placements or service enrollments, Built for Zero encourages communities to track real-time data on individuals experiencing homelessness and coordinate interventions across agencies to ensure that reductions are sustained over time.³¹ This

³¹Community Solutions. “The Future We Can Build, Together: 2023 Impact and Learning Report,” *Built for Zero, 2023*.

approach emphasizes accountability, shared data infrastructure, and collaboration among local governments, housing providers, health systems, nonprofit organizations, and philanthropic partners.

Communities participating in built for zero work toward achieving “functional zero,” meaning that homelessness becomes ‘rare’ and ‘brief’ when it occurs, and systems are in place to ensure individuals can be quickly connected to stable housing.³²

Publishing and maintaining shared homelessness response data through the Built for Zero framework, Kent County, MI, has demonstrated measurable population-level reductions in homelessness since beginning participation in the initiative (2021).³³ Nationally, 46 communities participating in Built for Zero have documented sustained reductions in chronic and veteran homelessness using this approach.³⁴ These outcomes illustrate how strengthening coordination between service providers and aligning resources across sectors can improve housing placement efficiency without relying exclusively on expanding new housing supply.

³²Community Solutions. “The Future We Can Build”

³³Community Solutions, “Built for Zero: The Movement,” Kent County Data. Accessed Mar. 2026.

³⁴Community Solutions. “The Future We Can Build”



Ramsey County, MN, also participates in the Built for Zero initiative and is also among the 46 communities nationally that have demonstrated measurable reductions in homelessness through this approach.³⁵ As one of 29 large metropolitan communities working toward achieving functional zero for chronic homelessness, Ramsey County’s participation illustrates how coordinated, data-driven system improvements can be implemented at scale across complex urban service environments.³⁶ In contrast to smaller or mid-sized jurisdictions, large metro-area participation requires alignment across multiple municipal governments, regional service providers, and health systems, strengthening the county’s ability to coordinate placements, monitor inflow into homelessness, and sustain long-term housing stability outcomes across the broader Saint Paul region.

B. Kent County, Michigan

i. Coordination and Partnerships

Kent County, Michigan, with a population of approximately 680,000 residents,³⁷ is served by the Grand Rapids Area Coalition to End Homelessness (GRACE), which acts as the region’s Continuum of Care (CoC) body and coordinates homelessness

³⁵Community Solutions, “Built for Zero: The Movement,” Ramsey County Data. Accessed Mar. 2026.

³⁶ibid.

³⁷<https://worldpopulationreview.com/us-counties/michigan/kent-county>



response efforts across the county. In 2024, Kent County reported a HUD Point-in-Time (PIT) count of 1,089 individuals experiencing homelessness.³⁸ While similarly structured to Dane County in its reliance on cross-sector partnerships, Kent County appears to support CoC operations through multiple dedicated staff and governance structures. The CoC delegates many responsibilities to its Steering Council, similar to a Board of Directors, composed of representatives from across the community to help coordinate priorities and planning efforts.³⁹ This broader coordination structure has also helped facilitate partnerships beyond traditional housing sectors.

In Kent County, Housing Kent partnered with Bank of America to launch an employer-facing housing assistance pilot, connecting workers to rental subsidies as both a stabilization tool and a workforce retention strategy, a model that directly links housing stability to labor market outcomes.⁴⁰ In Dane County, a comparable pilot run by Urban Triage and WayForward Resources served 87 families at risk of homelessness, providing an

³⁸Grand Rapids Area Coalition to End Homelessness, *2025 Point-in-Time Count and Comparisons: MI-506 Grand Rapids/Wyoming/Kent County CoC*, preliminary summary, 2025.

³⁹<https://endhomelessnesskent.org/committees/>

⁴⁰Ranney, K. (2026, February 10). *Kent County, Michigan, engages local business community to support work to end homelessness*. Community Solutions.

average of nearly \$12,000 per household in rental and utility assistance, with officials identifying rent arrears as the single greatest barrier to securing stable housing.⁴¹

By aligning these actors around shared goals and shared data, communities are better positioned to address the structural drivers of homelessness rather than responding only after individuals enter crisis systems. This collaborative infrastructure has strengthened the region’s capacity to coordinate housing placements, target prevention resources more effectively, and sustain long-term stabilization outcomes.⁴²

ii. Lessons for Dane County

For Dane County, the key takeaway from this example is the value of sustaining a similar coordinated, data-driven approach to supportive housing that integrates cross-sector partnerships with real-time system performance tracking. The statewide HMIS database can be used not only for federal reporting, but also as a tool for identifying service gaps, tracking housing placements, and improving coordination across providers. Strengthening

⁴¹Aldana, Renee. “Madison, Dane County Finish Pilot Helping Families at Risk of Homelessness,” WKOW, Mar. 2026.

⁴² Community Solutions. “The Future We Can Build”

collaboration across agencies and partners in this way could help Dane County improve long-term housing stability outcomes.

C. Ramsey County, Minnesota

i. Coordination and Partnerships

Ramsey County, Minnesota, with a population of approximately 542,000 residents,⁴³ is designated as a largely urban Continuum of Care and reported a 2024 HUD Point-in-Time (PIT) count of 1,640 individuals experiencing homelessness.⁴⁴ The county operates the Heading Home Ramsey CoC, which coordinates planning and resources across the broader Saint Paul Metropolitan Area. While the CoC currently lists one designated “Interim CoC Coordinator,” additional system-level roles, including a Singles Priority List Manager and Families Priority List Manager, help coordinate housing prioritization and service delivery.⁴⁵ This broader staffing and coordination structure supports a more integrated homelessness response system, allowing for cross-sector collaboration, real-time prioritization, and coordinated service delivery across municipalities.

⁴³<https://worldpopulationreview.com/us-counties/minnesota/ramsey-county>

⁴⁴Ramsey County, Minnesota, “Annual Point-in-Time Count,” *Heading Home Ramsey*. 2024.

⁴⁵<https://www.hmismn.org/coc-regions>

ii. Medicaid 1915(i) Implementation

Ramsey County has also benefited from earlier implementation of Medicaid-connected housing stabilization financing. Since July 1, 2020, Minnesota has utilized Medicaid-funded Housing Stabilization Services (HSS), authorized through the 1915(i) State Plan Amendment, allowing eligible providers to bill for housing transition, navigation, and supportive services.⁴⁶ Starting earlier, Ramsey County has several years more than Dane County of experience utilizing Medicaid-connected supportive service financing.⁴⁷ However, implementation must be strategic. In 2024, the county faced criticism after their mobile mental health crisis services were billed to individuals when Medicaid/insurance reimbursement was denied. Although distinct from housing-related 1915(i) services, this controversy highlights the importance of provider training, billing clarity, and administrative safeguards when expanding Medicaid-connected service financing. As Dane County increases utilization of Wisconsin’s 1915(i) Housing Support Services benefit, technical assistance and implementation support for nonprofit providers will be essential to maximizing reimbursement while minimizing administrative barriers.

⁴⁶“Home & Community Based Services 1915(i)”, Medicaid.gov, Accessed May 2026.

⁴⁷Wisconsin Department of Health Services, “New Benefit for Housing Support Services,” Forward Health No. 2025-01, January 2025.

Ramsey County also invests in housing preservation through its Housing and Redevelopment Authority (HRA) levy in combination with state housing aid programs.⁴⁸ In 2023, the county committed approximately \$18.4 million toward affordable housing through a layered financing structure that included \$5.7 million from the HRA levy, \$11.9 million from Local Affordable Housing Aid (LAHA), and \$739,000 from State Affordable Housing Aid (SAHA).⁴⁹ By coordinating these funding sources, Ramsey County supports both the preservation of existing affordable housing and the development of new units across multiple municipalities, strengthening long-term regional housing stability.

iii. Lessons for Dane County

The main lesson for Dane County is that expanding Medicaid-connected service financing can strengthen long-term housing stabilization, but only when paired with strong implementation support. Ramsey County's longer experience with Medicaid-funded housing stabilization services shows the value of billing supportive services through Medicaid, while also highlighting the

⁴⁸"Housing and Redevelopment Authority (HRA) Levy", *Ramsey County*, Accessed Mar. 2026

⁴⁹"Ramsey County approves \$18.4 million for affordable housing projects", *Ramsey County*, Jul. 2025

need for clear billing practices, provider training, and administrative capacity. As Dane County builds out its use of Wisconsin’s Medicaid 1915(i) Housing Support Services benefit, the county should ensure nonprofit providers have the support needed to maximize reimbursement without creating additional barriers for clients or providers.

LIMITATIONS

A. Limitations of Built for Zero

While Built for Zero introduced valuable coordination strategies and emphasized real-time data tracking, Dane County’s previous participation in the initiative from 2015-2021 also revealed implementation challenges. According to local stakeholders, the initiative often introduced new priorities and system changes before communities had sufficient time to fully implement and evaluate previous projects. Sustaining this level of coordination also required substantial staffing capacity, cross-agency communication, and ongoing administrative support.

For Dane County specifically, maintaining long-term engagement with the initiative proved difficult without dedicated full-time staffing focused solely on coordination, relationship management, and system oversight.



As a result, while the framework introduced useful ideas related to data-driven coordination and population-level tracking, future adoption of similar approaches may require stronger local implementation capacity and longer timelines to allow measurable outcomes to develop.

B. Lack of Medicaid Expansion in Wisconsin

Both Kent and Ramsey County benefit from having expanded Medicaid, which provides them with more stable healthcare funding and helps connect supportive housing with behavioral health services. With Medicaid covering things like case management, mental health care, and substance use treatment, local partners can focus on keeping people housed rather than relying only on short-term housing grants. Since Wisconsin has not expanded Medicaid, Dane County does not have access to the same level of flexible reimbursement for housing-related supportive services. As a result, some financing strategies used in comparison counties, particularly those involving Medicaid-funded service coordination, may be more difficult to replicate locally.

C. Feasibility

The recommendations in this report focus on funding methods that fit within Wisconsin's existing structure, building on vouchers, county investments, and partnerships with local healthcare and philanthropic



organizations. By drawing on a mix of funding opportunities and strategies, Dane County can still adapt useful ideas from other places while working within the policy landscape it has.

POLICY RECOMMENDATIONS

1. **Adopt Beneficial Strategies from Built for Zero**

a. Prioritize Cross-sector Relation Building

Rather than fully re-adopting Built for Zero, Dane County could implement key elements of the framework, including continuing to prioritize building strong cross-sector coordination, shared data tracking, and system-wide accountability. Dane County's prior participation (2015-2021) highlighted challenges related to staffing capacity and rapidly shifting priorities, suggesting that future success may depend on a dedicated full-time coordination role and stronger provider relationships. For Dane County, returning to this initiative could support stronger coordination between the Homeless Services Consortium and regional service providers while helping the county make better use of the vouchers and support services it already has in place.



b. Sustain Current Collaboration and Partnerships

Dane County should strengthen cross-sector partnerships through the Homeless Services Consortium, drawing from Kent County’s collaboration between employers, service providers, and philanthropic organizations. By aligning partners around shared goals and regional coordination, Dane County could strengthen communication while expanding resources available to households exiting homelessness.

2. Maximize Voucher Utilization

a. Increase FYI Vouchers for Youth/ Utilize FUP Vouchers for Families

Recent HUD rule changes as of 2023 allow Public Housing Agencies (PHAs) administering FUP vouchers to also manage FYI vouchers without hitting 90% utilization thresholds. The Dane County CoC should submit narratives to HUD requesting full 50-voucher allocations (25 initial + 25 at 90% utilization).⁵⁰ Specifically, the county should prioritize increasing FYI vouchers for youth aging out of foster care (now eligible for up to 180 days post-exit), freeing FUP vouchers exclusively for homeless

⁵⁰ Elliott, John. “Changes to the Federal Foster Youth to Independence (FYI) Voucher Program.” Wisconsin Department of Children and Families, Division of Safety and Permanence , 28 Jan. 2026.

families.⁵¹ The value of this recommendation is that it improves housing access for two high-risk groups without requiring a new local voucher program. This supports a more efficient use of existing federal housing resources, creating a clear service pipeline without additional federal funding.

3. Expand Funding Sources

To improve long-term housing stability, Dane County should strengthen coordination across existing funding streams to bolster supportive services connected to permanent housing. Rather than relying heavily on short-term or competitive grants, the county could prioritize more stable, multi-year partnerships that support services such as case management, behavioral health care, tenancy support, and landlord engagement.

Existing examples, such as the TruStage Foundation’s \$650,000 contribution to United Way of Dane County for housing strategies in 2024 and long-term investments through the Affordable Housing Development Fund (AHDF),⁵² demonstrate that local partners already play a substantial role in supporting housing efforts. Additionally, opioid settlement funds and behavioral health grants, such as those available

⁵¹ *ibid.*

⁵² Manthei, Ashley. “TruStage Foundation Awards United Way of Dane County with \$650,000 to Support Housing Strategies”, United Way Dane County, Jun. 2024.

through SAMHSA, may offer opportunities to support housing-related stabilization services for individuals with behavioral health or substance use needs.

By strengthening coordination across these funding sources and prioritizing longer-term commitments, where possible, Dane County may be better positioned to sustain supportive services, improve tenancy retention, and reduce reliance on costly short-term crisis responses. This recommendation becomes especially important as Dane County faces growing uncertainty around federal housing assistance. With local officials warning of potential HUD funding reductions, increasing nonprofit capacity to bill Medicaid 1915(i) may help free up local funds to support housing stabilization and reduce pressure on already strained shelter systems.⁵³

CONCLUSION

Dane County's homelessness crisis is a complex, multifaceted issue that requires a strategic, long-term solution. While the county has made significant strides in providing emergency shelters and rapid rehousing programs, the gap between current affordable housing supply and

⁵³Herzog, Nicole. "Madison Homeless Shelters Hit Record Numbers as Dane County Faces Federal Housing Cut", Feb. 2026.

demand remains wide. As population growth continues, coupled with rising housing costs and insufficient funding for supportive services, the need for coordinated efforts and sustainable funding strategies is urgent.

This report emphasizes that while housing development is critical, it must be paired with reliable and long-term financing for supportive services. Expanding the use of existing voucher programs, creating dedicated service funding, and establishing strong cross-sector partnerships, such as by immediately hiring an additional staff member to handle relation retention and development, are key steps to ensuring that residents remain housed and supported over time. Dane County can learn valuable lessons from Kent and Ramsey Counties, re-implementing aspects from Built for Zero that worked. The recommendations in this report provide actionable steps toward a more equitable and accessible housing system.



APPENDIX A

Glossary of Terms

a. Affordable Housing

Housing where the occupant(s) pays no more than 30 percent of their income for housing costs, including utilities.

b. American Rescue Plan Act (ARPA)

Federal COVID-19 relief funding that temporarily expanded housing services through 2024, including Emergency Housing Vouchers (EHVs).

c. Chronic Homelessness

The state of people who have experienced homelessness for at least a year—or repeatedly—while struggling with a disabling condition such as a serious mental illness, substance use disorder, or physical disability.

d. Coordinated Entry System (CES)

A process that ensures that all people experiencing a housing crisis in a defined geographic area have fair and equal access, and are quickly identified, assessed for, referred, and connected to housing and homeless assistance based on their needs and strengths, no matter where or when they first present for services.



e. Continuum of Care (CoC)

A network of stakeholders that coordinate efforts to end homelessness locally and apply for HUD CoC funding through a consolidated application.

f. Doubled-Up Housing

A term used to describe individuals and families who are temporarily and unstably sharing the housing of other persons due to loss of housing or economic hardship. This includes those who are self-paying in hotels/motels or other daily rate housing without a lease.

g. Emergency Housing Vouchers (EHV)

Time-limited vouchers created under ARPA for individuals and families experiencing homelessness (now expired).

h. Family Unification Program (FUP)

A HUD voucher program that provides housing assistance to families, or youth aging out of foster care, for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child or children in out-of-home care or foster care.

i. Foster Youth to Independence (FYI) Initiative

A HUD voucher program providing housing assistance to youth ages 18-24 who are aging out of foster care or have aged out within the last 180 days.



j. General Purpose Revenue (GPR)

State funding allocated through Wisconsin's biennial budget process for county human services programs, primarily supporting housing assistance and shelter programs.

k. Housing Assistance Payment (HAP)

Ongoing rental subsidy payments made by Public Housing Agencies (PHAs) to landlords on behalf of voucher holders and funded through an annual contributions contract with HUD.

l. Housing Choice Vouchers (HCV)

Commonly known as Section 8 vouchers, these are federally funded rental assistance vouchers administered by HUD and local Public Housing Agencies (PHAs).

m. U.S. Department of Housing and Urban Development (HUD)

A federal agency responsible for national policy on housing needs, fair housing, and community development.

n. Housing First Model

A well-accepted, national, evidence-based best practice that eliminates barriers to housing, ensuring individuals and families can exit homelessness as quickly as possible. Housing First quickly connects households to permanent housing without preconditions such as sobriety, treatment, or service participation requirements.



o. Low-Income Housing Tax Credit (LIHTC)

A federal program providing tax credits to developers in exchange for creating affordable rental housing with income and rent restrictions for 15 or 30 years.

p. Permanent Supportive Housing (PSH)

Programs providing permanent housing with supportive services (e.g., case management, health services, financial services), usually for chronically homeless people.

q. Point-in-Time (PIT) Estimate

Annual sheltered and unsheltered count in January of all persons experiencing homelessness in the area. It does not include households experiencing doubled-up homelessness.

r. Public Housing Agencies (PHAs)

Local, state, or county governmental bodies authorized to develop, operate, and manage affordable housing.

s. Rapid Rehousing (RRH)

Provides rental housing subsidies and tailored supportive services for up to 24 months, with the goal of helping people transition to more permanent housing.

t. Shared Housing

A living arrangement where two or more unrelated people share a house or apartment, ranging from homeowners renting out rooms



(home sharing) to renters sharing private rooms and common areas in single-family or multifamily buildings (co-living).

u. Supportive Services Supportive Grants (SSSG)

State funding supporting wraparound services (case management, behavioral health, employment services) for residents in permanent supportive housing.

v. Tenant-Based Rental Assistance (TBRA)

A HUD rent assistance program funded through HOME Investment Partnerships Program, providing vouchers that stay with the tenant (rather than the unit) and can be used at any qualifying rental property.

w. Unsheltered Homelessness

The state of people who spend most nights in places not meant to be used as a regular sleeping place for human beings, such as the streets, makeshift shelters (tents, boxes), or vehicles.



APPENDIX B

Additional Resource Materials

HSC Membership Directory

https://docs.google.com/spreadsheets/d/1g_V36R2suhJ1sNppZQFz79Kt1g_gn_MWAujl6Vj_4c/edit?gid=719038117#gid=719038117

Medicaid 1915(i) Registered Providers

<https://docs.google.com/spreadsheets/d/16Zh0BGsWMJIQAULSLD7JoW7NZxSSpNJS0C7dpLsX-P4/edit?gid=0#gid=0>

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