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CITY NEWS

Madison homeless population in limbo amid ongoing policy, funding decisions

As Madison-area homeless encampments shutter, policymakers and organizations work to fill gaps in resources.

By [Vanessa Gavilan](#)

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In the month of September alone, the City has shut down two notable homeless encampments — Dairy Drive and an unsanctioned encampment near Capitol Square — leaving questions about how to protect the rising homeless population in Madison.

Jim O'Keefe, City Of Madison Community Development Director, told The Daily Cardinal the concerns are palpable for the Madison community. "I think anybody that works in this space would recognize that there has been a lot of turmoil in the system that supports people in Madison and Dane County that experience homelessness," he said.

Madison's homeless population is almost 800 people, according to a [count](#) done by the Homeless Services Consortium of Dane County in January. That's a 7% increase from 2024 and a near 20% increase since 2020.

The Madison Police Department (MPD) [began](#) plans to shut down a homeless encampment by the Wisconsin Veterans Museum located on the Capitol Square at the end of August. The encampment had not been sanctioned by the city, and officials [cited](#) a significant increase in the amount of calls for police services in the area since the encampment was established.

"We don't think living outdoors is a sustainable alternative in this climate, we don't think it's safe, we don't think it's healthy... [but] some people choose to try to do that rather than take advantage of shelter facilities," O'Keefe said.

Shortly after, the Sept. 16 Common Council meeting [decided](#) the fate of the Dairy Drive campground. The [campground](#) contained 29 mini-housing structures, with all of those structures in use at the time of the vote.

Dairy Drive [opened](#) in 2021 as a temporary emergency measure at the height of the COVID-19 pandemic. The campground's \$70,000 per month of funding came from federal COVID-19 relief funds.

After hearing from current residents and city officials, the council [deliberated](#) for roughly four hours, ultimately coming one vote short of extending the encampments funding until April and closing the encampment effective Sept. 30, the same day the relief funds expired.

This decision has been met with backlash from community members.

According to a [statement](#) from District 8 Alder MGR Govindarajan, several alders were confronted by protesters urging them to reconsider the vote on Dairy Drive after a Sept. 30 Common Council Meeting.

In a video [posted](#) to Facebook by the protester group Dane County Homeless Justice Initiative, Govindarajan said he would try to have the Dairy Drive matter reconsidered. However, Govindarajan said that statement was "made under coercion, not a change of position."

"No elected official should be put in a position where they feel unable to leave a public building without making promises under pressure," he said. "I will not be reconsidering my vote on Dairy Drive."

New services and funding spark immediate change

Such drastic changes prompted an immediate response from city officials and organizations.

MPD [announced](#) they would be adding two new neighborhood resource officers to their force to help address police interactions with people who are homeless.

These officers will focus their efforts in Northeast and Downtown Madison, hoping to create connections with the homeless population and improve communications between police and homeless services.

Madison Mayor Satya Rhodes-Conway [announced](#) \$1 million in new spending to fund homeless services as part of the 2026 Executive Operating Budget on Sept. 22.

"We need to provide services to vulnerable residents while creating more housing in our community so all our residents can thrive," Rhodes-Conway said during a press conference.

The funding will need to be approved by the Common Council before it can be distributed.

New shelter construction makes for a cautiously optimistic future

Two new shelters being built offer hope for better and more comprehensive support, but limitations persist.

"I think anybody that supports and serves this population would be looking forward to new and better physical spaces," O'Keefe said.

In April 2025, expansion plans [resumed](#) for a women's shelter associated with the Dane County Salvation Army after a nearly six-year delay.

The delay in progress occurred because of the COVID-19 pandemic, and since then, the project has seen a \$16 million price increase.

The shelter would more than double their current capacity for families and would add almost 40 beds for single women.

The Bartillon [men's shelter](#) is set to complete construction in early 2026 and has a maximum capacity of 250 people once it begins operating.

The 42,000 square-foot shelter, which [includes](#) sleeping, cooking, hygiene and outdoor spaces, had a budget of \$27 million at the beginning of construction.

The shelter will be open 24/7 and will provide mental and behavioral health services during the day, according to O'Keefe.

However, these new offerings come at a higher cost than the city can currently afford.

The shelter has an estimated \$4 million annual operating budget to provide these round-the-clock services, according to O'Keefe. "We don't have \$4 million at this point to meet that budget," O'Keefe said.

O'Keefe pointed to other groups whose support is needed to close gaps in funding. "We're going to need Dane County to make a similar commitment, and we're going to need the private sector to play a role in contributing to this facility if it's going to work," he said.

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Vanessa Gavilan is the city news editor for The Daily Cardinal. She has reported on Madison's school district, the Common Council, city elections and referendums. She also has written in-depth on housing affordability.

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