



**WISCONSIN DEPARTMENT OF  
ADMINISTRATION**

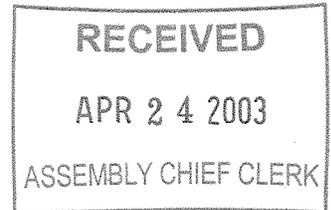
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April 22, 2003

The Honorable Patrick E. Fuller  
Assembly Chief Clerk  
17 West Main, Room 208  
P.O. Box 8952  
Madison, WI 53708-8952



Dear Mr. Fuller:

Please find enclosed a copy of the State of Wisconsin 2003 Consolidated Annual Plan to address housing and community development needs for the state. The plan was developed by the Department of Administration, Division of Housing and Intergovernmental Relations, and the Department of Commerce and is submitted annually to the U.S. Department of Housing and Urban Development (HUD).

Wisconsin State Statute 16.31 (4) requires the Department to submit a copy of the state housing strategy plan to the Governor and the Chief Clerk of each house before October 1 of each year.

If you have any questions regarding the plan, please contact Marty Evanson, Director, Bureau of Housing, at (608) 267-2713.

Sincerely,

Patrick J. Farley, Administrator  
Division of Housing and Intergovernmental Relations  
Department of Administration



**STATE OF WISCONSIN**  
Department of Administration  
Department of Commerce

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**2003 CONSOLIDATED PLAN  
ANNUAL PLAN**

April 1, 2003 - March 31, 2004

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State of Wisconsin ■ Jim Doyle, Governor  
Department of Administration ■ Marc J. Marotta, Secretary  
Department of Commerce ■ Cory L. Nettles, Secretary

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## INTRODUCTION

This *Annual Plan* is the fourth to be submitted to the U.S. Department of Housing and Urban Development under the State of Wisconsin's Consolidated Plan for 2000 - 2005. It covers the program year that begins April 1, 2003, and ends March 31, 2004.

This *Annual Plan* outlines the anticipated HUD Community Planning and Development formula allocation revenues that the Department of Administration's Division of Housing and Intergovernmental Relations (DHIR) and the Department of Commerce (COMMERCE) expect to receive for the program year. It also lists state and private resources that augment the federally-supported housing activities. Finally, the *Plan* describes actions that DHIR and COMMERCE will undertake in carrying out HUD-funded programs, the method of distributing all funds, the geographic distribution of funds (as applicable), and other relevant activities.

The *Annual Plan* follows the format that HUD's Office of Community Planning and Development recommended in its publication, "Draft Guidelines for Preparing A State Consolidated Strategy and Plan Submission For Housing and Community Development Programs," the most recent edition of which was released on September 15, 1995. In addition, this *Plan* incorporates responses to requirements that HUD has promulgated through *Federal Register* notices since the guidelines' release.

Agency contacts for this *Annual Plan* are:

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**The State of Wisconsin  
Division of Housing and Intergovernmental Relations Annual Plan  
April 1, 2003 - March 31, 2004**

**NEW RESOURCES**

**RESOURCES FOR HOUSING**

**HUD COMMUNITY PLANNING AND DEVELOPMENT FORMULA ALLOCATION PROGRAMS**

Program	HUD Authorization	Program Income/ Recaptured Funds	TOTAL FUNDS	Fiscal Year of HUD Authorization
Community Development Block Grant (CDBG)	\$34,021,000	\$350,000	\$34,371,000	FY'03
<i>Housing (to be awarded 3/03)*</i>	<i>10,206,300</i>	<i>350,000</i>	<i>10,556,300</i>	<i>FY'02</i>
Home Investment Partnership Program (HOME)	12,592,000	0	12,592,000	FY'03
Emergency Shelter Grants (ESG)	1,832,000	0	1,832,000	FY'03
Housing Opportunities for Persons with AIDS (HOPWA)	385,000	0	385,000	FY'03
<b>TOTAL REVENUE—HUD CPD PROGRAMS</b>	<b>\$48,830,000</b>	<b>\$350,000</b>	<b>\$49,180,000</b>	

\*The total Federal Fiscal Year 2003 CDBG authorization to the State of Wisconsin is \$34,021,000. Housing allocates its share of CDBG funds one year after the State receives its authorization. Up to \$2,000,000 in CDBG Housing funds have been set aside from the FY'02 authorization for emergency purposes.

**Leveraging of Other Resources with Federal CPD Formula Funds**

These federal programs leverage other resources:

**CDBG Housing:** Units of government that receive CDBG Small Cities Housing funds may use portions of their grants for homeownership assistance. Under current regulations, they may provide (as a loan, usually deferred payment) assistance with closing costs, up to 50% of the down payment, and rehabilitation costs that create equity toward the down payment. This homeownership assistance leverages private mortgage financing. In addition, the use of CDBG funds for owner-occupied and renter-occupied rehabilitation leverage additional rehabilitation funding from nonprofit, private and public sources. Finally, neighborhood improvements may leverage public financial support. The estimated total leverage of the CDBG Housing program in the coming year is \$5.9 million.

**HOME:** Agencies that receive HOME support leverage additional funds through financial contributions, mortgage financing. The estimated total leverage of the HOME program in the coming year is \$25,000,000 (this total includes matching funds, which are discussed below).

**ESG:** Leveraging of other funds is not required under the Emergency Shelter Grant Program.

**HOPWA:** Leveraging of other funds is not required under the Housing Opportunities for Persons with AIDS Program. However, DHIR will require HOPWA grantees in 2003-2004 to document other

resources (donations, volunteer labor, etc.) for HOPWA activities. During the next year of operation, it is estimated that the HOPWA grantees will generate \$215,000 in matching resources.

### **Meeting Matching Requirements of Federal Funds**

**CDBG:** For project funds, including administration at the local level, CDBG does require in certain situations that units of government provide a match. Commerce requires recipients of Public Facilities for Economic Development, Blight Elimination and Brownfield Redevelopment programs to provide a match of at least 25 percent of the total project costs. For its Emergency Grant Program, at least one-third of project costs is required as match, and for the Economic Development and Planning Grant Programs, at least a one-to-one match of the requested CDBG funds is required. For administrative funds at the state level, CDBG regulations necessitate a dollar-for-dollar match except for the first \$100,000 expended. DHIR and COMMERCE meet the matching requirement through state-funded staff whose activities support the purposes of the CDBG program.

**HOME:** The regulations of the HOME program require a 25% match for project funds. Agencies may choose to seek an overall 25% match for all of the projects that they undertake. Examples of matching sources are: foregone taxes and fees (e.g., banks and attorneys may waive all or a portion of their fees, municipalities may reduce taxes), bond financing, reduced or donated site preparation costs (including construction materials and labor), and donated land and/or infrastructure; numerous state programs; the Division of Housing and Intergovernmental Relations' Housing Cost Reduction Initiative, Department of Health and Family Services' Community Options Program and Community Integration Program, the WHEDA Foundation, Public Benefits initiative and local contributions.

**ESG:** Each city, county or nonprofit organization that receives Emergency Shelter Grant funding is required to match its grant dollar-for-dollar. (The State does not need to match administrative funds.) Agencies in the "balance of state" (non-metropolitan counties<sup>1</sup>), as a group, have exempted \$100,000 from their matching requirement, due to the greater difficulty of locating funds in rural areas. The grantees use CDBG funds, private donations, in-kind staffing and volunteer time locally, and DHIR applies funds from the Interest Bearing Real Estate Trust Accounts program to meet the match requirements. In 2003, the State Transitional Housing Program will be a part of a combined ESG/THP application package and THP funds can also be used as match.

**HOPWA:** Matching funds are not required under HOPWA regulations, either for administration or recipients.

**SHP:** The Supportive Housing grant proposal identified \$1,321,806 as match for the supportive services portion of the program.

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<sup>1</sup> These counties are listed in the "Geographic Distribution" section, later in this *Update*.

**RESOURCES FOR HOUSING  
HUD COMPETITIVE PROGRAMS AND OTHER FEDERAL FORMULA PROGRAMS**

Federal Program	Anticipated New Revenue	Comments
Youthbuild	387,009	For three rural WI Fresh Start Projects
Continuum of Care Homelessness Assistance	4,742,563	From FY'02 competition
Americorps	500,000	training & technical assistance for homeless providers
<b>TOTAL NEW FEDERAL RESOURCES</b>	<b>\$5,629,572</b>	

The Division of Housing and Intergovernmental Relations—in collaboration with the Wisconsin Community Action Program Association, 14 Community Action Agencies, the Foundation for Rural Housing, the State of Wisconsin Department of Veterans Affairs, Wisconsin Department of Health & Family Services, Waukesha County Housing Authority, Washington County Homeless Coalition, WHEDA, Kenosha Human Development Services, Salvation Army's of La Crosse and Green Bay, New Horizons and Starting Points—prepared a Continuum of Care application in 2002. HUD notified DHIR of its award in December, and this application addressed the needs of the homeless population in 69 of 72 Wisconsin counties and 13 of the 16 CDBG entitlement communities.

DHIR applied for \$5 million for 17 projects in 2002, 11 renewal projects and six new projects. The Division will work with the successful subgrantees to complete the technical submission portion of the application process with the expectation that funds will be available to the subgrantees in early 2003. The Continuum of Care program will focus on the provision of permanent housing for homeless disabled persons, expansion of the Service Point Client and Community Guide data systems, transitional housing and supportive services to homeless individuals, families and transitional housing for homeless young adults leaving the foster care system.

**RESOURCES FOR HOUSING STATE PROGRAMS**

State Program	Anticipated New Revenue
Housing Cost Reduction Initiative (HCRI)	\$2,800,300
Local Housing Organization Grants (LHOG)	500,000
State Shelter Subsidy Grant (SSSG)	1,131,000
Transitional Housing Grant (TH)	375,000
<b>TOTAL NEW STATE RESOURCES</b>	<b>\$4,806,300</b>

**RESOURCES FOR HOUSING PRIVATE RESOURCES**

Program	Anticipated New Revenue	Comments
Homeless Shelter Programs (ESG, TH & SSSG)	\$394,130	Interest Bearing Real Estate Trust Accounts (IBRETA)
Firestone Tire Settlement	450,000	
<b>TOTAL NEW PRIVATE RESOURCES</b>	<b>\$844,130</b>	

## PRIORITIES AND OBJECTIVES FOR 2003-2004

### PRIORITIES

The State of Wisconsin's priorities for housing are similar to the priorities we have established in our new Consolidated Plan for 2000 to 2005. The Division of Housing and Intergovernmental Relations updated its priorities for homeless needs based on a gaps analysis that it completed in 2002.

The following tables summarize these priorities:

PRIORITY HOUSING NEEDS		income by % of median >	Priority Need Level		
			0-30%	31-50%	51-80%
RENTER	Small Related	Cost Burden >30%	Medium	Medium	Medium
		Cost Burden >50%	<b>High</b>	<b>High</b>	Medium
		Substandard	<b>High</b>	<b>High</b>	Medium
		Overcrowded	<b>High</b>	<b>High</b>	Medium
	Large Related	Cost Burden >30%	Medium	Medium	Medium
		Cost Burden >50%	<b>High</b>	<b>High</b>	Medium
		Substandard	<b>High</b>	<b>High</b>	Medium
		Overcrowded	<b>High</b>	<b>High</b>	Medium
	Elderly	Cost Burden >30%	Medium	Medium	Medium
		Cost Burden >50%	<b>High</b>	<b>High</b>	Medium
		Substandard	<b>High</b>	<b>High</b>	Medium
		Overcrowded	<b>High</b>	<b>High</b>	Medium
OWNER	Cost Burden >30%	Medium	Medium	Medium	
	Cost Burden >50%	<b>High</b>	<b>High</b>	Medium	
	Substandard	<b>High</b>	<b>High</b>	Medium	
	Overcrowded	<b>High</b>	<b>High</b>	Medium	

PRIORITY HOMELESS NEEDS	Priority Need Level		
	Families	Individuals	Persons w/ Special Needs
Assessment/Outreach	Medium	<b>High</b>	Medium
Emergency Shelter	Medium	Medium	Medium
Transitional Housing	Medium	Medium	<b>High</b>
Permanent Supportive Housing	<b>High</b>	<b>High</b>	<b>High</b>
Permanent Housing	<b>High</b>	<b>High</b>	<b>High</b>

## HOUSING OBJECTIVES AND ACTIVITIES

The State's general housing objectives for 2003-2004 are below. Each is followed by the estimated number of households that will be aided and a discussion of the programs the state will use to address these objectives.

- **Promote the affordability of housing to all consumers, especially those with severe cost burdens to increase, maintain and preserve affordable housing.**

### *Summary of Households to be Assisted Under This Objective*

Program	Renters	Homebuyers	TOTAL
CDBG	0	130	130
HOME	30	210	240
HCRI	2,000	325	2,325
LHOG	1,200	340	1,540
<b>TOTAL</b>	<b>3,230</b>	<b>1,005</b>	<b>4,235</b>

DHIR seeks to achieve this objective primarily through programs focusing on renter and homebuyer assistance.

#### *Rental Assistance*

**HOME:** Under HOME regulations, the State may disburse HOME funds to public housing authorities or other entities with prior rent assistance experience for tenant-based rent assistance and security deposits. In the coming year HOME estimates it will assist 30 renter households.

**HCRI:** Through a competitive grant process, locally based organizations throughout the state may obtain HCRI funding to assist with entry costs (first and last month's rent, security deposits), rent arrearages, utility deposits and payments, and short term subsidies. In the coming year, HCRI estimates that its grantees will assist approximately 2,000 renter households.

**LHOG:** Local Housing Organization Grants provide support to facilitate the creation of additional affordable housing opportunities and to increase the long-term capacity, self-sufficiency and stability of local housing organizations, through activities such as housing counseling, information and referral, and outreach. LHOG expects its grantees to assist 1,200 rental households in 2003-2004.

**HOPWA:** Grantees may provide project- or tenant-based rental assistance, including assistance for shared housing arrangements. In addition, they may make short-term rent, mortgage and utility payments to prevent the homelessness of the tenant or mortgagor of the dwelling. (All HOPWA clients to be assisted are estimated under the fourth objective, "Housing for Persons with Special Needs.")

**Transitional Housing:** Grantees under the state-funded Transitional Housing program may provide rental assistance to assist their participants in attaining self-sufficiency. (All TH clients to be assisted are estimated under the fourth objective, "Housing for Persons with Special Needs.")

**Emergency Shelter Grant:** Under the Prevention category in ESG, the State may provide funds to grantees so that they may assist individuals and families in retaining their current housing through the payment of back rent, mortgage or back utility payments. In addition, first month's rent and security deposits may be paid to aid individuals and families in their transition from homelessness to permanent housing. (All ESG clients to be assisted are estimated under the fourth objective, "Housing for Persons with Special Needs.")

*Homebuyer Assistance:*

**CDBG:** Units of local government may use CDBG funds for Homestead Opportunity programs. They may provide closing costs, up to 50% of down payment cost assistance and rehabilitation loans that create equity toward down payment. In the coming year, DHIR expects that its CDBG Housing recipients will aid 130 homebuyer projects, of which 5 may address lead based paint.

**HOME:** Homebuyer acquisition assistance may be used to provide closing cost, down payment assistance, and/or new construction and moderate or substantial rehabilitation. DHIR anticipates that its HOME Homebuyer recipients will assist 210 homebuyers.

**HCRI:** Through a competitive grant process, locally based organizations throughout the state may obtain HCRI funding to assist homebuyers with closing costs and other financial assistance (unlike CDBG and HOME, rehabilitation expenses are ineligible). For 2003-2004, DHIR expects its HCRI grantees will assist 225 homebuyer households.

**LHOG:** The LHOG program has been a popular vehicle for local organizations to fund budget counseling, homebuyer counseling, self-help housing activities and Habitat for Humanity assistance. DHIR anticipates that its LHOG grantees will aid 40 households in 2003-2004.

*Homeowner Assistance:*

**HCRI:** Through a competitive grant process, locally based organizations throughout the state may procure HCRI funding to assist homeowners with utility bills, property tax arrears, and temporary mortgage relief. For 2003-2004, DHIR expects that its HCRI grantees will assist 100 owner households.

**LHOG:** Homeowner assistance under the LHOG program primarily on counseling services, however the program expects to assist 300 households in maintain homeownership in 2003-2004.\* DHIR anticipated its LHOG grantees would assist 5,200 households in counseling services. Counseling for LHOG is broken down by tenure on page 10 of the plan.

\*In the Habitat for Humanity and self-help housing activities, assistance is in the form of construction oversight as well as counseling.

- Encourage the production of new units, including the development of large family units and elderly housing with accompanying support services.

*Summary of Households to be Assisted Under This Objective*

Program	Rental Units	Owner Units	TOTAL
CDBG	0	10	10
HOME	110	30	140
<b>TOTAL</b>	<b>110</b>	<b>40</b>	<b>150</b>

DHIR addresses this priority primarily through the HOME Program. The Low Income Housing Tax Credit Program, located at the Wisconsin Housing and Economic Development Authority (WHEDA), also addresses this priority for the state.

**CDBG:** Traditionally, a small amount of new housing production occurs under the CDBG Program, including site acquisition and development. The most recent CDBG recipients will assist in creating ten new units in 2003-2004.

**HOME:** DHIR commits a portion of HOME program funds for new construction of rental properties and homebuyer new construction. Applications from organizations may be reviewed on the basis of program category preferences, project(s), need, feasibility, geographic area, strength of organization development team, project management and compliance with HOME regulations. The likelihood that the project can be completed and sustained through the period of affordability will also be considered. For 2003-2004, DHIR estimates that HOME recipients will build or substantially rehabilitate 110 rental units and 30 ownership units. Of the 110 rental units, approximately 25 will be for households with disabled or frail elderly persons; these households are listed under the "Housing for Persons with Special Needs" objective. Through the Wisconsin Fresh Start Program, eight rental units and eleven owner units will be assisted.

**LHOG:** Organizations may apply for LHOG funds to support pre-development costs and construction oversight. Many of these projects are for disabled or frail elderly persons and large families. This activity is described more extensively under the "Housing for Persons with Special Needs" objective.

**Low Income Housing Tax Credit:** The Wisconsin Housing and Economic Development Authority administers the Affordable Housing Tax Credit Program.

- **Preserve and increase the availability of safe, sanitary housing for low- and moderate-income owners and renters to include lead based paint hazard reduction and enhanced training and resources for these activities.**

*Summary of Households to be Assisted Under This Objective*

<b>Program</b>	<b>Rental Units</b>	<b>Owner Units</b>	<b>TOTAL</b>
CDBG	35	320	355
HOME	138	200	338
Lead Paint	24	51	75
<b>TOTAL</b>	<b>197</b>	<b>571</b>	<b>768</b>

Numerous DOA programs in the Division of Housing and Intergovernmental Relations and the Division of Energy address the rehabilitation of existing units in order to improve energy efficiency in order to bring housing into code compliance and preserve the quantity of low-income housing in the state. These rehabilitation programs include:

**CDBG:** Rehabilitation under the CDBG program focuses on major systems; such as roofs, electrical wiring, heating, plumbing, foundations and structural members, wells and septic systems. In addition, the program repairs or replaces siding, doors and windows to reduce lead-based paint hazards. DHIR expects CDBG rehabilitation activities to upgrade 35 rental units and 320 owner-occupied units in 2003-2004. The CDBG program estimates that of the 35 rental projects, seven will address lead-based paint, and 95 of the 320 owner units will be addressed for lead based paint.

**HOME:** DHIR undertakes the rehabilitation of both rental and owner-occupied units with a portion of its HOME funding. Rental property owners may receive a low-interest loan of up to 75% of the cost of repairs. Homeowners may receive funds for making essential improvements in conjunction with weatherization services provided. Improvements must total a minimum of \$1,000 per unit and not exceed the maximum subsidy limit that HUD sets on a county-by-county basis. In the coming year, DHIR anticipates that HOME funds will aid in the rehabilitation of 138 rental units and 200 owner-occupied units (both new homebuyers and existing homeowners). The HOME program estimates that 28 of the rental units to be completed will be for lead based paint and 120 owner units of the total will address lead-based paint.

**Lead Based Paint Abatement:** This program is supported through a HUD Lead-Based Paint Hazard Control Renewal Grant awarded in FY'02 covering two years. The program provides for three levels of service: education, cleaning and lead hazard reduction. Both owner- and renter-occupied housing units are eligible. For the 2003-2004 program year, the Division of Energy estimates that its Lead Hazard Reduction grantees will rehabilitate 24 rental and 51 owner units, excluding the City of Milwaukee who receives funds directly from HUD.

- Provide housing assistance for special needs groups to include homeless prevention activities, expansion of transitional housing programs and increased emergency shelter operating funds.

*Summary of Households to be Assisted Under This Objective*

Program	Homeless	Special Needs	TOTAL
CDBG	0	0	0
HOME	0	62	62
ESG & SSSG	24,500	0	24,500
HOPWA	0	504	504
HCRI	350	300	650
LHOG	770	150	920
TOTAL	25,620	1,016	26,636

DHIR provides many types of resources (both federal and state) for homeless persons and people with special needs. The following programs are used for homeless and special needs citizens:

**CDBG:** Units of local government may use CDBG funds for accessibility improvements in owner-occupied homes. Of the 320 owner-occupied units CDBG will complete under preserving and increasing the availability of safe, sanitary housing objective, 35 of those units will include accessibility improvements in 2003-2004, which are counted in the previously described objectives.

**HOME:** The HOME program allocates funds for moderate rehabilitation and accessibility improvements for low-income persons with disabilities. These funds are distributed through local contractors throughout Wisconsin to identify and work with eligible households. It is anticipated that 62 owner-occupied households will be aided through these contracts in the coming year.

**ESG and SSSG:** The federal Emergency Shelter Grant program is used to improve the quality of emergency shelters, make additional shelters available, meet the costs of shelter operation, and provide prevention programs and essential social services to homeless individuals and families. The state Shelter Subsidy Grant covers up to 50% of the operating costs of local homeless shelter programs. DHIR distributes funds to units of local government and organizations throughout the state on a formula basis. In 2003-2004, DHIR estimates that its ESG and SSSG grantees will provide sheltering and prevention services for 24,500 homeless and at-risk households.

**HOPWA:** The Housing Opportunities for Persons with AIDS Program is designed to provide eligible applicants with resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons with AIDS or related diseases and their families. Recipient organizations may use funds for a wide variety of housing assistance—such as support services, rent and utility assistance, security deposits and housing counseling—aimed at preventing homelessness. An estimated 504 individuals will be aided in 2003-2004.

**HCRI:** Organizations may apply for HCRI funds to assist homeless households with entry costs, such as first month's rent, security and utility deposits, as well as providing short-term rent subsidies. DHIR estimates that its HCRI grantees will aid 350 homeless households in 2003-2004. Organizations may also target HCRI funds to disabled persons for a variety of assistance needs. DHIR grantees will aid 300 households identified as having a physically disabled member, frail elderly member, where at least one minor child but only one parent live together, or having four or more minor children living together with HCRI funds.

**LHOG:** Organizations may apply for LHOG funds to provide counseling to the homeless and other special needs groups. In 2003-2004, DHIR estimates that 770 homeless households will receive these services. Organizations may also use LHOG funds to support pre-development costs and construction oversight. Generally, the developers produce these units for households with special needs or a disabled member. DHIR estimates that LHOG will aid in the development of 150 new rental units for special needs.

**Transitional Housing:** This state grant program provides funds to assist families who are living in and graduating from transitional housing programs to aid them in accessing permanent housing, education, job training and other services. DHIR awards funds on a competitive basis to units of local government, organizations and housing authorities. In 2003-2004, DHIR expects to serve 1,551 households through its Transitional Housing grants. These households are counted under ESG and SSSG.

**HUD Continuum of Care:** In 2003-2004, the Division of Housing & Intergovernmental Relations will work with 23 subgrantee agencies to provide transitional housing and supportive services to homeless households in the non-metropolitan areas of the state. The three Continuum of Care grants will provide funding for three-year periods for 26 existing transitional housing programs for homeless individuals and families; including a Shelter plus Care program for persons who are homeless and are affected by mental illness, two permanent housing projects for persons who are homeless and mentally ill, a permanent housing project for person affected by AIDS/HIV, a state wide client based data management system and a statewide Community Guide.

**LHOG Counseling:** In addition to the households assisted in the previous goals and objectives, the state's Local Housing Organization Grant (LHOG) Program provides considerable assistance in the form of either one to one counseling or group seminar counseling. The following table displays the expected number to be assisted, and is independent of the previous goals and objectives totals.

*Summary of Households to be Counseled*

	One to One	Seminars	TOTAL
Owner	200	0	200
Renter	1,800	0	1,800
Buyer	1,000	1,000	2,000
Homeless	1,000	0	1,000
Special Needs	200	0	200
<b>TOTAL</b>	<b>4,200</b>	<b>1,000</b>	<b>5,200</b>

- **Continue policies and activities that promote fairness and accessibility for all housing consumers, including enforcement and compliance with fair housing laws. Activities under this priority include technical assistance and training for applicants and grantees, increasing counseling and education activities, addressing needs in tribal and minority communities in undeserved areas of the state (such as the northeast and southwest) and assisting in improving access by low-income persons to energy, heating, utility and conservation benefits.**

Fair housing is a common purpose across all of the Division of Housing & Intergovernmental Relations programs. DHIR views its role in achieving this goal as affirmatively creating opportunities for all households to live where they choose. The Division also provides training in fair housing to its grantees, supported in part by HUD Training and Technical Assistance funds, and the Division participates actively in the Wisconsin Fair Housing Network.

All DHIR contracts contain nondiscrimination provisions. Applicants may seek to fund fair housing activities through the LHOG program, and CDBG Housing applicants are awarded up to 2% of the total scoring points available based on fair housing activities conducted in the previous year and those proposed in the future. In addition, CDBG grantees are required to conduct fair housing activities.

The Department of Workforce Development, through its Equal Rights Division, enforces the State's fair housing law, which prohibits discrimination in housing on the basis of sex, race, color, sexual orientation, disability, religion, national origin, marital status, family status, lawful source of income, age or ancestry.

- **Continue efforts to assist with disaster relief.**

**CDBG:** Up to \$2 million housing CDBG set-aside dollars are annually available to assist homeowners with repairs necessitated by disasters.

## METHOD OF DISTRIBUTION

The table that follows covers the methods by which federal and state funds, including program income, will be distributed in 2003-2004 in the State of Wisconsin housing programs.

### FEDERAL RESOURCES—COMMUNITY PLANNING AND DEVELOPMENT PROGRAMS

Program/Subprogram	Method of Distribution
<b>Community Development Block Grant (CDBG)</b>	
<i>Housing</i>	annual request for proposals
<i>Emergency Assistance Program</i>	applications reviewed on continual basis
<b>Home Investment Partnership Program (HOME)*</b>	
<i>Homebuyer Assistance</i>	annual request for proposals
<i>Owner Rehabilitation</i>	annual request for proposals or continuation
<i>Owner Rehabilitation for Accessibility</i>	annual request for proposals or continuation
<i>Rental Rehabilitation</i>	competitive proposals through limited set of municipalities and agencies with previous experience in rehabilitation
<i>Rental Housing Development</i>	request for proposals through WHEDA and DHIR
<b>Wisconsin Fresh Start</b>	annual request for proposal or grants continuation
<b>Emergency Shelter Grants (ESG)</b>	formula funding to three regions of state, then competitive proposals within regions (see text for explanation)
<b>Housing Opportunities for Persons with AIDS (HOPWA)</b>	fund a lead agency with multiple subgrantees for a two year contract

The following is additional information on each of the federal HUD programs.

### Allocation of CDBG Resources—Housing

The Division of Housing and Intergovernmental Relations does not pre-determine statewide amounts to be allocated in each eligible category (e.g., owner-occupied rehabilitation, renter-occupied rehabilitation, homebuyer assistance, etc.). Instead, decisions on apportioning funds are left to the units of local government who apply for CDBG assistance. It is up to the applicants to identify the housing needs within their communities, prioritize their needs and develop balanced and appropriate strategies.

The state's goal is to award the CDBG Housing funds in such a way as to assure that the funds benefit, to the greatest extent possible, low- and moderate -income households throughout the state. To this end, DHIR has adopted Administrative Rules that outline the criteria that are used to evaluate applications for CDBG funds. Although the CDBG-Small Cities Administrative Rules stay relatively constant from year to year, the published application guidelines are modified annually to address the housing needs throughout the state. Approximately three months prior to the application deadline, DHIR conducts several information training sessions around the state to explain all aspects of the application process. The information training session schedule is sent to the clerks of all eligible units of general local government, as well as to an extensive list of interested parties.

Applications are reviewed on a point ranking system. The applicants receiving the highest points receive funding. Points are awarded for the description and documentation of the applicant's needs, and how those needs will be addressed. Scoring emphasis is put on the extent to which low-income households will benefit from the funds and on the housing needs of the applicant as they compare to all other applicants. Points are also awarded for the applicant's past and future commitment to affirmatively further fair housing, as well as the extent to which other funds are committed to the proposed projects.

CDBG Housing grants may be a maximum of \$500,000 for an 18-month contract or \$750,000 for a 30 month contract. No more than 15% of an applicant's grant may be used for administrative costs.

### **Proposed CDBG Program Amendment**

The Department is pursuing an amendment to the state administrative rule that implements the CDBG program. The proposed rule will simplify the application and funding process by awarding funds to the neediest units of local government based on census data and geographic regions. The proposed rule also includes funding for special housing projects; funding that will be available as projects are ready rather than on an annual competitive basis.

Awards will be made from 4 different setasides of funds:

- Emergency Assistance (part of the current rule)
- Special Housing Projects
- Homeownership Assistance
- Housing Rehabilitation and Related Public Facilities

The maximum award for special housing projects will be \$300,000, and \$500,000 for housing rehabilitation funds. Homeownership Assistance funds will be added to applications for housing rehabilitation.

## **Allocation of HOME Resources**

The Division of Housing and Intergovernmental Relations annually reviews the allocation of HOME funds. The Consolidated Plan guides priorities for this allocation. As in past years, the Division seeks to encourage a wide variety of affordable housing activities throughout the nonentitlement areas of the state and achieve rough equivalence between rental and ownership activities.

## **Allocation of ESG Resources**

Continuing in July 2002, the Division of Housing and Intergovernmental Relations will distribute FY'03 Emergency Shelter Grant funds, combined with the State Transitional Housing Grant, on a formula basis among three groupings of counties: Milwaukee Metro counties, "Other Metro" counties, and "balance of state"<sup>2</sup>. DHIR developed this formula using four indicators of the potential risk of homelessness. The indicators draw upon data from the Census estimates of persons in poverty and state-operated programs for each grouping of counties. They include: poverty statistics; the number of female headed households below the poverty level; the number of renter households at 0-30% of median family income with housing costs exceeding 50% of their incomes; and the reported annual incidence of domestic violence by county. The percentages for the three groupings for the distribution of FY'03 funds are:

- 43% Milwaukee Metro counties
- 34% "Other Metro" counties
- 23% balance of state

Within each of these three areas, DHIR will make its ESG allocation available through a competitive request for proposals. Applications for funds are generally due to the Division in March. In 2002, the ESG proposal was combined with \$375,000 in THP funds and 47 applicant representing 72 agencies were funded.

## **Allocation of HOPWA Resources**

For its first two years of operating HOPWA in Wisconsin (using federal FY'95 and FY'96 authorizations), the Division of Housing and Intergovernmental Relations chose to allocate funding through the existing AIDS service organizations. Employing this network ensured full coverage of the state without the potential for duplication. DHIR awarded grants through the same formula that is used for Ryan White Title III funds. For FY'97 funding, DHIR made its HOPWA allocation available through a competitive request for proposals.

Beginning in 1998, DHIR received substantially less HOPWA funding because the Milwaukee-Waukesha Metropolitan Statistical Area became eligible for a direct allocation from HUD. DHIR will distribute its allocation to entities that operate outside this four-county metropolitan area and Pierce and St. Croix counties, which are part of the Minneapolis-St. Paul MSA. DHIR will make its HOPWA allocation available through contract with the Aids Resource Center of Wisconsin (ARC/W). A renewal contract began October 1, 2002. In 2003, the AIDS Resource Center will be required to submit a full application defining the sub-grantees and services available for all areas of WI outside the Milwaukee and Minneapolis/St. Paul SMSAs. DHIR's decisions on funding levels will take into consideration the distribution of individuals who have HIV infections and AIDS, as reported to the Centers for Disease Control. ARC/W subcontract with several agencies to ensure the provision of housing and services on a statewide basis.

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<sup>2</sup> See the introduction to the "Geographic Distribution" section for the counties within each of these groupings.

**FEDERAL RESOURCES— HUD COMPETITIVE AND OTHER PROGRAMS**

<i>Program</i>	<i>Method of Distribution</i>
Continuum of Care Homelessness Assistance	to 17 recipients who were successful applicants for 2002 COC funding
Lead-Based Paint Hazard Control	Five Weatherization program operators have direct subcontracts for their service areas. Other Weatherization program operators may draw upon a pool of funds.
Youthbuild Rural Grant	Four agencies in coordination with WFS
HUD T&TA	Site specific TA statewide

**STATE RESOURCES**

<i>Program</i>	<i>Method of Distribution</i>
Housing Cost Reduction Initiative (HCRI)	annual request for proposals
Local Housing Organization Grants (LHOG)	annual request for proposals
State Shelter Subsidy Grant (SSSG)	annual request for proposals
Transitional Housing Grant (TH)	annual request for proposals in coordination with HUD ESG
Wisconsin Fresh Start	competitive request for proposals or renewals

Wisconsin Fresh Start is a program that is a collaboration among several state agencies. As a Governor's initiative that began in 1998, the Fresh Start program replicates Operation Fresh Start, based in Madison. The purpose of the program is to provide at-risk young people with education, employment skills and career direction leading to economic self-sufficiency. The program is designed to provide on-site housing construction and rehabilitation work experience, off-site academic classes, and supportive services for young people—primarily high school dropouts—ages 16 to 24. DHIR's goal is to fund the establishment of up to ten Fresh Start programs around the state. In 2003, Youthbuild funds will be available for four rural sites and a collaborative effort with the Milwaukee County Private Industry Council will increase the number of sites in Milwaukee to three using REACH and Step Up funding.

## GEOGRAPHIC DISTRIBUTION

This section describes any geographic limitations that apply to particular federal and state programs. In addition, we detail the reasons for restrictions or requirements for the geographic distribution of resources.

Several housing programs apportion funds to “Metro Milwaukee” counties, “Other Metro” counties, and “Balance of State” (non-metropolitan) counties. The counties within each of these groupings are:

Grouping	Counties
Metro Milwaukee	Milwaukee, Ozaukee, Washington, Waukesha
Other Metro	Brown, Calumet, Chippewa, Dane, Douglas, Eau Claire, Kenosha, La Crosse, Marathon, Outagamie, Racine, Rock, St. Croix, Sheboygan, Winnebago
Balance of State	Adams, Ashland, Barron, Bayfield, Buffalo, Burnett, Clark, Columbia, Crawford, Dodge, Door, Dunn, Florence, Fond du Lac, Forest, Grant, Green, Green Lake, Iowa, Iron, Jackson, Jefferson, Juneau, Kewaunee, Lafayette, Langlade, Lincoln, Manitowoc, Marinette, Marquette, Menominee, Monroe, Oconto, Oneida, Pepin, Pierce, Polk, Portage, Price, Richland, Rusk, Sauk, Sawyer, Shawano, Taylor, Trempealeau, Vernon, Vilas, Walworth, Washburn, Waupaca, Waushara, Wood

### FEDERAL RESOURCES—COMMUNITY PLANNING AND DEVELOPMENT FORMULA PROGRAMS

#### Community Development Block Grant (CDBG)

The State does not award CDBG funds in entitlement communities, which receive CDBG funds from HUD directly. The communities that are excluded are: the cities of Appleton, Beloit, Eau Claire, Green Bay, Janesville, Kenosha, La Crosse, Madison, Milwaukee, Neenah, Oshkosh, Racine, Sheboygan, Superior, Waukesha, Wausau, Wauwatosa, West Allis; the counties of Dane, Milwaukee and Waukesha.

The State does not use a geographic distribution plan for CDBG, as both the Division of Housing and Intergovernmental Relations and the Department of Commerce distribute funding through competitive processes.

#### Home Investment Partnership Program (HOME)

The State does not award HOME funds in Participating Jurisdictions, which receive their HOME funds from HUD directly. The communities that are excluded are: the cities of Eau Claire, Green Bay, La Crosse, Kenosha, Madison, Milwaukee, Racine, Rock County and Dane County; and two consortia, one in Milwaukee County and the consortium of the counties of Waukesha, Ozaukee, Jefferson, Washington, Rock and Dane.

Rental rehabilitation funds will be distributed only to selected communities with prior rehabilitation experience. The counties currently serviced are Brown, Calumet, Chippewa, Iowa, Lafayette, Marathon, Outagamie, Richland, Walworth and Winnebago.

Through the HOME owner rehabilitation program and the HOME grantees that operate the accessibility programs, DHIR achieves virtually statewide coverage. Furthermore, while HOME Rental Housing Development and Homebuyer programs are awarded competitively, 66 counties have HOME activity. A portion of HOME funds is set-aside for WHEDA financial and low-income housing tax credit projects.

### **Emergency Shelter Grants (ESG)**

In addition to the allocation that the Division of Housing and Intergovernmental Relations receives, three cities receive ESG funds from HUD directly: Madison, Milwaukee and Racine. As mentioned in the previous section, the Division of Housing and Intergovernmental Relations will distribute its Emergency Shelter Grant funds on a formula basis to the three county groupings. DHIR developed this formula using indicators of the potential risk of homelessness. The percentages for the 2003-2004 program year are as follows: 43% Milwaukee Metro, 34% Other Metro, and 23% Balance of State. It is possible that the percentages may be adjusted in April of 2003 as more census data becomes available.

### **Housing Opportunities for Persons with AIDS (HOPWA)**

The Division of Housing and Intergovernmental Relations will ensure through its contract with ARC/W that full geographic coverage—outside of the Milwaukee-Waukesha metropolitan area and Pierce and St. Croix counties—will occur.

## **FEDERAL RESOURCES—OTHER PROGRAMS**

### **Continuum of Care Homelessness Assistance**

The 17 organizations to which HUD awarded 2002 COC funds plus the agencies funded in previous COC grant rounds serve a broad array of counties. 69 of Wisconsin's 72 counties are covered by this grant.

### **Lead-Based Paint Hazard Control**

In 2001 Wisconsin received a \$4 million award for lead based paint hazard reduction for FY'01 for a three-year period. The Lead-Based Paint Hazard Control contract provided statewide coverage with the exception of the City of Milwaukee, which received its own contract from HUD. On January 1, 2003 a renewal lead grant was awarded to the state for \$2 million covering a time period of two years. The grant is administered in the Division of Energy.

## **STATE RESOURCES**

### **Housing Cost Reduction Initiative (HCRI)**

DHIR apportions HCRI funds approximately in thirds to the four Metro Milwaukee counties, the 15 Other Metro counties, and the 53 counties in the Balance of State. This allocation arrangement is based on state statutes.

### **Local Housing Organization Grants (LHOG)**

DHIR apportions LHOG funds approximately in thirds to the four Metro Milwaukee counties, the 15 Other Metro counties, and the 53 counties in the Balance of State. This allocation arrangement is based on state statutes.

### **State Shelter Subsidy Grant (SSSG)**

DHIR allocates SSSG funds by a formula that is based on actual shelter use and that is adjusted annually. The 2003-2004 formula is: 28% to Milwaukee County, 20% to Dane County and 52% to the remainder of the state.

### **Transitional Housing Grant (TH)**

DHIR will apportion TH funds approximately in thirds to the four Metro Milwaukee counties, the 15 Other Metro counties and the 53 counties in the Balance of State in combination with the HUD Emergency Shelter Grant funds.

### **Wisconsin Fresh Start**

Because numerous state and federal funding sources support this initiative, there are geographic restrictions associated with the distribution of some funding sources under Fresh Start. However, it is the state's intent to support at least 12 project sites in rural and urban locations across the state.

## HOMELESS AND OTHER SPECIAL NEEDS

The State continues to view homelessness as a top housing priority. DHIR will work to maintain and expand the continuum of housing programs for individuals and families, seek additional funding to fill gaps in services, broaden successful and effective prevention and intervention programs, and work with private sector entities to address the root causes of homelessness.

Specifically, the State's strategy will consist of: a core emergency program to meet the immediate shelter needs of persons who are homeless; a broader transitional housing program for families and for persons with special needs; and housing programs that provide rental and homebuyer assistance for more permanent alternatives, with an emphasis on the development of Single Room Occupancy (SRO) alternatives. Expanded participation in the HUD Continuum of Care Supportive Housing Program to address the full range of housing and service needs of homeless individuals and families.

In addition, the State considers homelessness prevention to be critical and will continue to place priority on this goal through its housing programs. Under Emergency Shelter Grant regulations, the Division of Housing and Intergovernmental Relations will fund prevention activities to the maximum extent permitted (that is, up to 30% of the ESG funding). In addition, DHIR will request a waiver to increase the funds available from its FY'03 allocation for essential services (that is, those concerned with employment, physical health, mental health, substance abuse, education or food) to up to 40% of aggregate funding. Priority will also be given to funding those agencies participating in Service Point.

HUD's award to a state-sponsored Continuum of Care consortium indicates that DHIR is pursuing its strategy of increasing resources to address gaps in services and the need for longer-term housing resources and services. In 2003, the DHIR will also apply for funding through the COC to renew the funds required to expand support and maintain the ServicePoint HMIS.

In the coming year, using the HUD ESG, Transitional Housing and State Shelter programs the Division of Housing and Intergovernmental Relations's Homeless Programs staff will undertake a number of initiatives to strengthen the provision of homelessness services:

- require participating organizations to coordinate shelter and voucher programs within their communities;
- provide training and technical assistance to shelter providers that will help them develop continuum of care models in communities with multiple resources;
- encourage resource development and agency coordination in rural areas of Wisconsin that has fewer long-term resources available.
- utilize HUD training and technical assistance funds, if available, to provide direct and specific technical assistance, workshops and conferences to address problems identified by participating agencies.

For persons with special needs who are not homeless, the Division of Housing and Intergovernmental Relations will continue to offer a broad array of resources to assist with their needs:

Homeowner Rehabilitation Accessibility Set-Aside (HRAS): DHIR allocates a portion of HOME Program funds to provide accessibility modifications and other needed repairs for low-income homes with persons with disabilities in owner-occupied dwellings.

Rental Housing Development (RHD): Using this program, which is also funded through HOME, nonprofit organizations (including the network of CHDOs), for-profit organizations (in partnership with nonprofits) and local governments may develop rental units for persons with disabilities.

Community Development Block Grant (CDBG): Units of local government may apply for funds in order to offer loans to low- and moderate-income households with a disabled member to make housing accessibility improvements.

Housing Opportunities for Persons with AIDS (HOPWA): All of the services under this program are oriented toward preventing people with HIV/AIDS and their families from becoming homeless.

Housing Cost Reduction Initiative (HCRI): Some grantees assist households with disabled members with emergency rent assistance or homebuyer down payment and closing cost assistance.

Local Housing Organization Grants (LHOG): Some grantees use these funds toward developing housing for disabled persons and for counseling disabled renters and homeowners.

## OTHER ACTIONS

### Addressing Obstacles to Meeting Underserved Needs

The Division of Housing and Intergovernmental Relations provides general information and professional guidance on housing issues and programs to state officials, as well as to a wide range of individuals and organizations across Wisconsin, including current grantees. The Division conducts extensive outreach efforts, both formal and informal, analyzes current housing trends and programs, and develops housing initiatives to address gaps in Wisconsin's affordable housing stock.

DHIR utilizes CDBG and HOME administrative funds and a supportive housing (SHP) technical assistance grant, in the amount of \$78,000 to support homeless program sponsors. It also utilizes Service Point as the statewide Homeless Information Management System (HMIS), which will soon include a community housing and information guide element

The Division has tentatively planned the following activities during 2003-2004:

<i>Date</i>	<i>Program Area</i>	<i>Focus</i>
January 2003 to August 2004	COC	On-site Technical Assistance
January – March	HOME/CDBG	Lead Training WI Fresh Start Technical Assistance Homeowner Application Preview
January – December	Fresh Start/ HOME/ HCRI	Implementation Training and Technical Assistance
January	ESG	Application Training
January	Supportive	Quarterly Meetings
March	HOME/CDBG	Homebuyer Education Training
March - April	CDBG	Grant Implementation Training
April	HCRI/HOME	Homebuyer Implementation Training
April – June	HOME/CDBG	Specifications Writing HQS Training Homeowner Training WI Fresh Start Technical Assistance
April – October	Supportive	Service Point Training
May	All	UW Real Estate Housing Conference
May	CDBG	Application Training
May	LHOG	Implementation Training & Tech Assistance
June	CDBG	Revolving Loan Fund Training
July	Homeless	Annual Housing Conference
July	CDBG	Revolving Loan Funds
July - Sept.	Supportive	On-site Technical Assistance
September – October	Supportive	Professional Ethics; Confidentiality, Privacy and Information Systems
October	LHOG	Application Training & Tech Assistance
October – December	HOME / HCRI	Homebuyer Application Preview
Ongoing		Subsidized training of contractors/supervisors and inspectors/risk assessors for lead based paint

DHIR conducts many other training sessions, supported through other federal and state programs, and will maintain these activities in 2003-2004. Examples range from grantsmanship to hands-on assistance in a variety of areas, such as lead-based paint abatement and affordable housing and development activities.

As mentioned in the section on homelessness and special needs, the Homeless Programs staff will be undertaking a number of initiatives to strengthen the provision of homelessness services. All of these efforts (coordinating shelter and voucher programs within communities, developing continuum of care models, and encouraging resource development and agency coordination in the rural areas) are focused on increasing efficiency in the use of current resources so that additional households can be served.

The Demographic Services Center, the Bureau of Housing both within the Wisconsin Department of Administration, and the UW-Madison's Applied Population Laboratory are pleased to announce that a new online data retrieval system is being provided to the public free of charge. WisStat can be used to access and display various housing, population and other information. It is hoped that WisStat will facilitate information required for various housing grants and planning activities. The data is based upon 2000 Census data and other sources and will also contain profiles specific to housing needs.

### **Fostering and Maintaining Affordable Housing through the Low Income Housing Tax Credit Program**

The Division of Housing and Intergovernmental Relations works with the Wisconsin Housing and Economic Development Authority (WHEDA), the administrator of the Low Income Housing Tax Credits, to assure coordination in the development of affordable housing. Members of WHEDA's staff are on the review team for DHIR's Rental Housing Development (RHD) program, and RHD will earmark funds to be distributed in conjunction with Tax Credit and bond-financed projects. WHEDA and DHIR are planning to share administrative and monitoring duties on these jointly funded projects.

### **Removing Barriers to Affordable Housing**

The State of Wisconsin began implementing Smart Growth legislation in November of 1999, an effort which includes a framework for planning for local governments, new funding initiatives and encouragement for state agency coordination with local plans. This legislation was developed primarily to address existing barriers to comprehensive land-use planning for local governments. This legislation was initiated to encourage effective planning and implementation activities between local governments, counties, regions and the state. The efforts of local governments to meet the new requirements are anticipated to lead to better coordination of housing, economic growth, land-use and transportation to name a few. Smart Growth requires all aspects of planning, including housing and economic development, be analyzed in accordance with other local level planning. Matching grants to develop comprehensive plans under Smart Growth are awarded annually from the State Office of Land Information Services.

Wisconsin's planning law requires that a local Comprehensive Plan include a housing element. The comprehensive planning process necessitates that local governments analyze the impact of the policies and regulations of the local government on the development of various types of housing. According to Wisconsin State Statute 66.0295(2)(b), the requirements for a housing element are:

A compilation of objectives, policies, goals, maps and programs of the local governmental unit to provide an adequate supply that meets existing and forecasted housing demand in the local governmental unit.

The element shall assess the age, structural, value and occupancy characteristics of the local governmental unit's housing stock. The element shall also identify specific policies and programs that promote the development of housing for residents of the local governmental unit provide a wide range of housing choices that meet the needs of the persons of all income levels and of all age groups and persons with special needs, policies and programs that promote the availability of land for the development or redevelopment of low-income and moderate-income housing, and policies and programs to maintain or rehabilitate the local governmental unit's existing housing stock. The division is coordinating internal work groups for discussing applicable data sets and elements to assist planners, applicants and government offices.

The Smart Growth legislation included provisions for the development of the model Traditional Neighborhood and Conservation Subdivision Ordinances by January 1, 2002 through the University of Wisconsin Extension and has been approved by the state legislature. By January 1, 2003, every city and village with a population of at least 12,500 must have enacted a traditional neighborhood development ordinance; however, it is not required to be mapped. The legislation defines a "conservation subdivision" as: a housing development in rural setting that is characterized by compact lots, common open space and where the natural features of land are maintained to the greatest extent possible. Furthermore, it defines a "traditional neighborhood development" as: a compact, mixed-use neighborhood where residential, commercial and civic buildings are within close proximity to each other. Therefore, the Smart Growth legislation will have an impact on reducing the barriers to affordable housing. These models will assist local governments by providing model implementation goals that could potentially lead to forwarding affordable housing goals of local communities and the State.

The production of affordable housing tends to be restricted by various regulations imposed for fire, health and safety reasons; as well as those imposed to protect the physical environment or to protect the perceived character of a neighborhood, subdivision or entire community. Review of regulatory standards to determine if those standards are having a negative impact on the affordability of housing continues.

One of the barriers identified by the public in preparation of this Consolidated Plan is complicated state and federal regulations surrounding governmental housing programs. Attendees at the roundtable said the regulations are very costly to address, and they affect the availability of locating housing. Division and program staff will continue to assess regulations and policies and work for improvements.

Lead-based paint hazards in pre-1978 housing units continue to limit the availability of safe and affordable housing units. Property managers, lenders, realtors, insurance providers and housing agencies are increasingly leery about lead-based paint tainted housing stock. The 1999 Supreme Court case between Antwon A. vs. Heritage Mutual Insurance Company further fueled concerns over lead-based paint in residential properties. Extensive training and education and useful public and private sector funds are necessary to lessen the risk of child lead-based paint poisoning. Challenges continue over the lack of adequate capacity and sustained funding for addressing lead based paint hazards, which disproportionately affects low and moderate-income households.

The Housing Affordability Impact Note Act created by the legislature requires that housing affordability impacts be objectively estimated and considered when introducing or amending legislation or administrative rules. The Division of Housing and Intergovernmental Relations retains responsibility to produce these impact statements.

### **Evaluating and Reducing Lead-Based Paint Hazards**

The State estimates that approximately 75% of its housing stock was built prior to 1978, nearly 500,000 rental units and 1 million owner-occupied dwelling units. In the federal programs administered by DHIR,

over 600 units annually will require testing and, potentially, hazard reduction. Data from the statewide survey substantially increases the estimated number of units needing lead hazard assistance to be approximately 2,200 annually. The types of lead hazard reduction work to be completed in non-entitlement area homes include paint stabilization, window and door replacement, treatment of impact and friction surfaces and exterior treatments to include siding and porch repair and/or replacement.

The Division of Housing and Intergovernmental Relations, the Department of Housing and Urban Development, the Division of Energy and the Division of Public Health will work together to offer training to interested parties.

DHIR will also use CDBG and HOME funds to train contractors and lead supervisors who will commit to bid on CDBG and HOME projects. Contractor and risk assessor training opportunities will be communicated to interested parties through current state CDBG, Emergency Shelter, Supportive Housing, LHR and HOME grantees as well as through local housing authorities. DHIR will continue to work with accredited trainers to offer risk assessor and contractor supervisor training at reduced rates to contractors willing to commit to bidding on CDBG and HOME rehabilitation projects. DHIR will also work with accredited lead trainers and DHFS to serve as a "clearinghouse" for individuals and firms interested in performing risk assessments and lead hazard reduction on properties throughout Wisconsin. Appendix D illustrates the percentage of homes built prior to 1950 in conjunction with the location of DHFS certified lead paint abatement contractors. The two maps in Appendix E illustrate the location of certified lead based paint contractors as well as which communities are not located in a 20 mile radius of a contractor as of January, 2003.

A renewal lead grant was awarded to the state for \$2 million on January 1, 2003 for a period covering 2 years. The Lead Hazard Reduction Program, currently located in the Division of Energy, has administered three HUD lead paint hazard reduction grants. The Division of Health conducts risk assessments; the Division of Energy subcontractors carry out or oversee the lead hazard reduction activities. The inconsistent funding levels may have had an impact on the varying number of units to be assisted from year to year with the LHR program.

### **Reducing the Number of Poverty Level Families**

Over the past few years, the Division of Housing and Intergovernmental Relations has observed that an increasing number of its grantees are requiring their recipient households, as a condition of assistance, to become as self-sufficient as possible. State staff encourage the development of self-sufficiency components within an applicant's program design. Through these efforts, the Division seeks not only to stabilize households in crisis but also to reduce households' dependence on public assistance and to begin developing pathways out of poverty.

The Division administers the Wisconsin Fresh Start program that helps to lead at-risk young people to self-sufficiency. This program has generated a success rate of over 70%. As mentioned earlier, this highly successful program began as an initiative of the Governor and represents a collaborative effort with other state agencies and federal partners. DHIR also receives Youthbuild grants to assist with the objectives established with the Wisconsin Fresh Start program.

### **Developing Institutional Structure**

The Division of Housing and Intergovernmental Relations has created many of its HOME subprograms to complement existing networks of service providers. For example, by setting aside 15 percent of state HOME funding every year for community housing development organizations (CHDOs), DHIR has

committed itself to the long-term development of stable nonprofit housing developers that cover most of the state. DHIR will maintain these strategies in 2003-2004. The state-funded Local Housing Organization Grants (LHOG) program further supports the ability of non-profit organizations to build capacity and develop long-term housing solutions and produce housing units. Finally, the numerous technical assistance initiatives that are mentioned above will continue to improve the State's system of delivering housing assistance.

DHIR has also worked extensively with the Department of Administration's Division of Energy's Residential Efficiency Bureau, Energy Services Bureau and the Bureau of Energy. The Residential Efficiency Bureau previously administered HOME funds to provide weatherization assistance and accessibility improvements through Department of Energy's Weatherization grantees. Many of these grantees continue to administer the HOME accessibility and rehabilitation program activities under DHIR's Bureau of Housing. Other activities completed by this bureau consist of attic and sidewall insulation, air infiltration reduction, information about maintenance, health and safety inspections and the lead hazard reduction program. The Energy Services Bureau through the Low Income Home Energy Assistance Program assist households with heating assistance, emergency fuel assistance, counseling for energy conservation and energy budgets and energy furnace repair and replacement. The Energy Bureau has worked with DHIR's Rental Program's, the CDBG Emergency Assistance Program and the Wisconsin Fresh Start Program. Coordinated efforts and referrals between the divisions and bureaus has been an effective method in providing services.

The Division of Housing and Intergovernmental Relations is also updating business planning for its three bureaus: Intergovernmental Relations, Housing and the Office of Land Information Services. Through this process, the bureaus analyze the operating environment, priorities and strategies, targets, measuring successes, resources and its ongoing processes.

In addition, the division is in the process of implementing a new data tracking system for both federal and state programs. This will allow for additional policy and reporting tracking in order to assess program and service delivery. The Bureau of Housing, Rental and Special Needs Section, is also utilizing Service Point as their Homeless Information Management System (HMIS). Service Point, with its over 100 users, will also increase the effectiveness of homeless tracking and analysis. For example, Appendix F illustrates that 83% of Wisconsin's population live within a 20-mile radius of Service Point providers for services. Both the HGMS and Service Point have involved extensive coordination internally within the division and externally with the users. In 2003, thru committees consisting of system users and state staff will develop policies to guide the development and use of the ServicePoint and Community Guide systems.

### **Enhancing Coordination Between Public Agencies and the Public and Private Sectors**

The Division of Housing and Intergovernmental Relations and the Department of Commerce will continue its work in 2003-2004 with a wide array of other state agencies. In addition to the connections with WHEDA mentioned earlier, DHIR staff members will work with these other state agencies and councils and other entities:

- Governor's Mental Health Council (interagency forum that includes housing needs of mentally ill persons)
- Department of Natural Resources (water/sewer connection funding in rural areas)
- Council of State Community Development Agencies (COSDA) – Co chair Homeless Sub-Committee

- Department of Health and Family Services (transitional and permanent housing for the physically and mentally disabled and the elderly food security task force, lead-based paint hazard program/training/risk assessment)
- University of Wisconsin-Extension (tenant education curricular and state wide neglect)
- Department of Commerce (building code review, mobile home regulations, home energy ratings, relocation)
- State Historical Society of Wisconsin (federal Section 106 review process)
- Dane County Homeless Task Force
- Milwaukee Emergency Shelter Task Force
- Department of Corrections
- Department of Workforce Development
- Wisconsin Association of Self-Help
- Habitat for Humanity
- Refuge Network
- Inter-Tribal network

DHIR staff members will participate in the following coalitions of public- and private-sector housing industry organizations:

#### Wisconsin Affordable Assisted Living

This advisory committee was formed to provide input to Wisconsin's affordable assisted living initiative, integrate diverse perspectives, contribute to the development of best practice models and tools and to serve as the sounding board for ideas generated through the initiatives. The committee will also look at ways to communicate back to constituencies and support progress toward solving the lack of affordable assisted living.

#### Wisconsin Collaborative for Affordable Housing

This group covers information-sharing and training issues. It includes representatives from Legal Action of Wisconsin, HUD's Wisconsin Field Office, Wisconsin Association of Housing Authorities, Wisconsin Community Action Program Association, Wisconsin Partnership for Housing Development, WHEDA, other housing organizations and local governments.

#### Wisconsin Fair Housing Network

This coalition focuses on fair housing education and promotion. Its membership includes representatives from the Wisconsin Equal Rights Division, Department of Regulation and Licensing, HUD's Wisconsin Field Office, WHEDA, Wisconsin Realtors Association, local boards of Realtors, equal opportunity commissions, fair housing councils, community housing resources boards and landlord and apartment associations.

#### Wisconsin Fresh Start Program

DHIR in cooperation with several other state agencies, is spearheading an effort to make grant awards available in an initiative to expand use of the Operation Fresh Start (OFS) Program Model. The purpose of the program is to provide at-risk young people with education, employment skills and career direction leading to economic self-sufficiency. This is accomplished through opportunities for meaningful service in their communities by helping to meet the housing needs of low-income individuals and families. Funds thus far confirmed for use with the Fresh Start Program are being provided from DHIR's federal Home Investment Partnership program (HOME) fund, National Community Services Americorp funds, HUD Youthbuild funds, the Wisconsin Housing and Economic Development Authority (WHEDA) and from several other state agencies, including the Department of Administration's Division of Energy (DOE), the Department of Corrections' Division of Community Corrections (DCC) and the Milwaukee

county Private Industry Council. Contacts with other state agencies are under way to maintain a goal of funding up to 12 local Fresh Start programs.

#### Housing Opportunities for Southeast Wisconsin Task Forces (HOPS)

DHIR staff participated with public and private representatives in the HOPS initiative to promote fair and equitable treatment in the home purchase/home ownership and residential mortgage credit process. The co-sponsors along with the Federal Reserve Bank of Chicago included the Greater Milwaukee Committee, the Local Initiatives Support Corporation (LISC), Wisconsin Housing and Economic Development Authority (WHEDA) University of Wisconsin – Milwaukee, Southeastern Municipal Executives (SEME) and the Fannie Mae Wisconsin Partnership. The two task forces DHIR staff has participated in include the Regional Policy Agenda for Sustainable Communities and the Sustainable Communities and Fair Housing. The HOPS final report was delivered in 2002 and implementation discussions are in progress.

#### **Historic Preservation**

Federally funded housing programs—including CDBG, HOME, Emergency Shelter Grant, Lead Hazard Reduction and Continuum of Care—are subject to 24 CFR Part 58.5. This part calls for responsible entities (such as the State of Wisconsin) to comply with the environmental and historical review requirements that would apply to HUD directly under all pertinent laws and authorities and to consider the criteria, standards, policies and regulation of these laws and authorities. These authorities include Historic Preservation.

In order to meet its responsibilities, the Division of Housing and Intergovernmental Relations has signed a Memorandum of Understanding with the State Historical Society of Wisconsin (the State Historic Preservation Officer, or SHPO) to establish procedures under which properties that are potentially eligible for inclusion in the National Register of Historic Places will be reviewed. The Memorandum requires the Division to provide the SHPO with an annual report summarizing the activities that are carried out pursuant to this agreement.

## MONITORING

### **Division of Housing and Intergovernmental Relations**

The Division of Housing and Intergovernmental Relations follows these policies and guidelines in monitoring grantees, whether the contracts are federal or state. In addition, please see Appendix C, Risk Evaluation for Grantee Monitoring Reviews.

- A. Monitoring and evaluation of recipients of our funds is a requirement of our funding sources. It also is one of the best ways to ensure effective program administration to maximize the benefit to persons in need of housing assistance.
- B. Monitoring of local programs is the responsibility of all staff members, and monitoring is an ongoing activity.
- C. Monitoring can be carried out in a variety of formal and informal ways and methods. These include on-site reviews; desk reviews of routine or special performance reports; rental compliance; financial audits; other verbal and written exchanges with the Grantee; conversations with Grantee, clients, and fellow funders or partners of the Grantee; etc. At least one of these methods will be conducted at least once during the contract per applicable federal or state regulations. A risk assessment tool has been developed for use with the homeless, HOME, CDBG, LHOG and HCRI programs.
- D. On-site field monitoring visits should be conducted per established monitoring formats. Certain considerations (such as Grantee performance, reporting and audit deficiencies, personnel turnover, etc.) may require more frequent on-site inspections. Risk-based monitoring assessment policies facilitate the frequency and timing of on-site visits.
- E. Every attempt will be made to provide notice (preferably written) at least 14 days in advance of the scheduled visit.
- F. On-site monitoring visits should be coordinated, where possible, for Grantees administering more than one DHIR program. The scope of the on-site monitoring review should be as comprehensive as possible, taking into consideration all applicable contractual, program, and state and federal requirements.
- G. Every attempt should be made to complete and mail out a follow-up monitoring letter no later than 40 days from the date of the visit. It is very important to inform Grantees of the result of the monitoring as soon as possible. A copy of this letter should be sent to the BOH Director, who will be responsible for alerting other applicable program staff of potential problems.
- H. If concerns, deficiencies, or findings are identified, the Grantee should be asked to take steps to resolve these and respond by letter within 45-60 days. For HQS [Housing Quality Standards] project deficiencies identified, a rework letter should be issued as soon as possible (even prior to the formal monitoring letter) to inform grantees of the project items that need to be corrected. Timely issuance of this letter to stimulate correction of health or safety hazards and to take advantage of the six-month project funding window is important. Appropriate follow up as well as an acknowledgment letter should be provided on a timely basis. This correspondence should be noted as outlined in G. and I. of this part.
- I. All monitoring materials, correspondence, etc. should be included in the Grantee's official file located at DHIR.

# SPECIFIC SUBMISSION REQUIREMENTS FOR CDBG AND HOME

## **CDBG PROGRAM**

### **Section 108 Loan Guarantee Program**

Under the guidelines for the CDBG program, states have the option of aiding non-entitlement units of local government in applying for guaranteed loan funds. The State of Wisconsin, in both its administration of Community Development and Housing programs, has chosen to not use the Section 108 Loan Guarantee Program.

### **Procurement Standards**

The State of Wisconsin's procurement standards meet or exceed the common rule. With regard to the CDBG program, local units of government are expected to follow formal procurement procedures as established by their governing bodies.

### **Community Revitalization Strategy**

On October 22, 1996, HUD published an interim rule in the *Federal Register* concerning the CDBG Program for States. Among the many changes in this rule is an amendment that permits states to implement Community Revitalization Strategies. This regulation allows states to focus CDBG resources in communities or regions that have high poverty rates, high percentages of low- and moderate-income residents or have been designated as Empowerment Zones or Enterprise Communities by HUD. In return, the state (and, in turn, the local community) may carry out activities that have a beneficial effect for the entire strategy area and do not require the usual focus on specific low/moderate-income household benefit.

The State of Wisconsin has chosen to not exercise the option to establish Community Revitalization Strategies for 2003-2004. The Department of Commerce and Division of Housing and Intergovernmental Relations will continue to discuss the possibility of creating these strategies during the coming year.

### **Definitions of Housing in "Standard Condition" and "Substandard Condition Suitable for Rehabilitation"**

HUD published a final rule in the *Federal Register* concerning displacement of occupants, relocation assistance and real property acquisition for HUD and HUD-assisted programs. In the rule, HUD required recipients of CDBG to define "standard condition" and "substandard condition suitable for rehabilitation."

Wisconsin's CDBG Small Cities Housing program uses HUD's Housing Quality Standards (HQS) as its definition of "standard condition." The State's expectation is that, when local governments approve a loan for the rehabilitation of an LMI unit, the repairs will bring the unit up to HQS whenever practicable.

Under CDBG housing guidelines, a unit in "substandard condition" is one that needs major repairs and/or replacement for three or more major structural components (roof, electrical, heating, plumbing, foundation/structure, siding, doors/windows, well/septic). In making the distinction of whether a substandard unit is "suitable for rehabilitation" or not, local governments are required to assess two principal concerns: (1) Would the unit, even with repairs, present major continuing health and safety problems for the occupants? and (2) Would the after-rehabilitation equity in the property be grossly inadequate to cover the loan amount? If local authorities' assessment found either of these two situations to be true, the property would be deemed unsuitable for rehabilitation.

## **HOME PROGRAM**

### **Resale Provisions**

The state's guidelines concerning resale of the homebuyer property shall be as allowed by HOME program rules and regulations (CFR 92.254(5)). If, within the HUD restricted affordability period, a homebuyer property is either sold, transferred or ceases to be the owner's principal place of residence, the state HOME program will require that the funds be repaid. In the instance of a sale of the property, the homebuyer subsidy will be recaptured—subordinate to a first mortgage—on a pro-rated basis from any proceeds of the sale. If the net proceeds of the sale were not sufficient to recapture 100% of the HOME assistance, there will be a recapture of any proceeds available. If there were no proceeds from the sale to recapture, the HOME subsidy will be forgiven.

In instances where only a development subsidy was provided, rather than direct financial assistance to the homebuyer, resale provisions of CFR 92.254(5) shall apply. The property must remain affordable over the entire affordability period. The new purchaser must be low-income, and the sale price must be affordable to the new purchaser.

### **Other Forms of Investment**

All forms of investment that the Division of Housing and Intergovernmental Relations may use in providing HOME assistance are included under HOME regulations. These forms of investment are:

Equity Investments	Interest Bearing Loans or Advances
Non-Interest Bearing Loans or Advances	Interest Subsidies
Deferred Payment Loans	Conditional Grants
Interest Rate Buy Down	Diminishing Subsidy Loans
Grant	Loan Guarantees
Refinancing (when HOME funds are also used for rehabilitation)	

## **Definitions of Housing in “Standard Condition” and “Substandard Condition Suitable for Rehabilitation”**

HUD published a final rule in the *Federal Register* concerning displacement of occupants, relocation assistance and real property acquisition for HUD and HUD-assisted programs. In the rule, HUD required recipients of HOME funds to define “standard condition” and “substandard condition suitable for rehabilitation.”

The State of Wisconsin’s HOME program uses HUD’s Housing Quality Standards (HQS) as its benchmark for “standard condition.” Prior to assistance with HOME funds, a Housing Quality Standards (HQS) inspection form must be completed to determine if the unit passes HQS, in which each item that fails the HQS inspection must be brought up to local building code. In areas where there is no local building code, the failed HQS item must be brought up to the standards set forth by DHIR. At this time a matrix is under development which includes the state’s uniform dwelling code (UDC) for one and two family dwellings.

### **Affirmative Marketing**

Wisconsin has established the following affirmative marketing policies and procedures that HOME grantees must adopt. These policies and procedures are based upon the Code of Federal Regulations (CFR), specifically 24 CFR 92.351.

#### **A. *Affirmative Marketing Policy***

1. Good faith and documented efforts shall be made to inform and otherwise attract persons from all racial, ethnic, religious, disability and gender groups and families in the housing market area to the available housing;
2. Special outreach efforts may be needed to solicit participation from persons in the housing market area who are not likely to apply for HOME assisted housing.

#### **B. *Affirmative Marketing Procedures***

In accordance with HOME regulations at 24 CFR 92.351(a) and in furtherance of Wisconsin's commitment to nondiscrimination and equal opportunity in housing, the State has established procedures to affirmatively market units assisted under HOME. These procedures are intended to further the objectives of Title VIII of the Civil Rights Act of 1968, the Fair Housing Amendments of 1988, Executive Order 11063, and Wisconsin's Fair Housing Law contained in Wisconsin Statutes 106.04.

Grantees are required to adopt the following affirmative marketing procedures:

#### **1. Affirmative Marketing Actions**

Grantees must ensure that the public, operators of HOME-assisted units and likely residents of such units are informed that the grantee is operating under an established affirmative marketing policy, applicable Federal fair housing laws and other applicable federal, state and local housing laws. This policy must be stated in agreements with operators, be promoted in the community through media and other outlets and be communicated to tenants in buildings that will be or have been assisted with HOME funds.

Operators of HOME-assisted units shall affirmatively market their units by advertising vacant units in local newspapers and using other appropriate methods. Owners of these properties must provide appropriate notification when any units become vacant. All forms of program marketing should depict the Equal Housing Opportunity logotype or slogan.

As part of their efforts to ensure that available units are affirmatively marketed to persons not likely to apply for such housing, grantees are encouraged to make HOME information available in non-English languages spoken by minority groups residing in or near the community. Furthermore, grantees are encouraged to distribute marketing materials to area social service agencies that work with minorities, disabled individuals or other protected class groups.

2. *Affirmative Marketing Record Keeping*

Affirmative marketing record keeping activities must include documentation of all good faith efforts to inform minorities, handicapped individuals or other protected groups of vacant units assisted with HOME funds and inform owners of HOME-assisted units, social service agencies and the general public how these units can be occupied. Record keeping should include the number of persons that respond directly to any program marketing efforts. Lastly, the number of persons residing in or planning to reside in HOME-assisted units that became aware of the units through local affirmative marketing efforts should be documented.

3. *Affirmative Marketing Reporting*

Summaries of affirmative marketing efforts should be available for public review. These "reports" should detail affirmative marketing activities and identify actions to undertake or correct any noncompliance with Affirmative Marketing Policies or to mitigate any nonperformance problems in implementing plans. If corrective measures have been identified, actions taken on such measures must be reported. The State may review reports at any time to determine grantees' compliance with affirmative marketing regulations.

C. *Local Sponsor Assessment of Grantee Performance*

Assessment of compliance with affirmative marketing procedures will be accomplished by reviewing reports and conducting on-site monitoring visits. Evidence of newspaper notices, posters, brochures and general knowledge of the program by local officials, lenders and others will be reviewed and monitored by DHIR.

Complaints of unfair marketing of units will also be reviewed by the State and resolved in joint consultation with the grantee. Each grantee signs an agreement to affirmatively market their units, to provide proper notification of such vacancies and to comply with other applicable federal, state and local housing laws for applicable periods.

The State may require grantees to take corrective actions if operators fail to carry out required procedures. If, after discussing with an operator methods of improving compliance, the grantee discovers that the owner repeatedly fails to meet affirmative marketing requirements, the grantee may disqualify the owner from future participation in HOME or take other appropriate actions.

## **Minority and Women Business Outreach**

The Division of Housing and Intergovernmental Relations has established the following policies and procedures to meet the requirements for minority (MBE) and women's (WBE) business enterprise participation in the HOME program as found in Section 281 of the National Affordable Housing Act and in 24 CFR 85.36 (e) and 92.351(b).

A. *MBE/WBE Outreach Policy*

1. It is the ongoing policy of the State of Wisconsin to make positive efforts to use MBE/WBE sources of supplies and services and to assure that these businesses will have the maximum

feasible opportunity to compete for contracts or subcontracts supported by federal (including HOME) and/or state funds.

2. This policy is carried out under the guidance of the Minority Business Program Office situated in the Wisconsin Department of Administration and various initiatives under the economic development division in the Wisconsin Department of Commerce.

**B. *State MBE/WBE Outreach Activities***

1. The State offers a range of activities and assistance for WBEs and MBEs and for potential users of the services these businesses provide. The State promotes WBEs and MBEs through training and technical assistance; directories, handbooks, brochures, financial and management assistance programs and certification and marketplace programs. Through such efforts, WBEs and MBEs are strengthened and are better able to compete for state- and federally-funded projects and contracting opportunities. In some instances, additional incentives are given to those who use the services of these businesses (e.g., an applicant for state or federal funding may earn additional points on an application if it demonstrates prior usage of WBE or MBE services).
2. The State also requires that recipients of its state or federal pass-through funds take affirmative steps to promote WBE and MBE utilization. This policy is evidenced by specific language in the contracts with its local sponsors. Each local sponsor through reports and monitoring must demonstrate its compliance with this contract provision.

**C. *Local MBE/WBE Outreach Activities***

1. Each local sponsor must maintain the appropriate records to document the numbers and types of contracts and subcontracts it awards (whether for construction, supplies or services), the dollar value of each award, and the gender and ethnic/racial status of the management/ ownership of the business.
2. Specific actions a local sponsor may take to promote the use of MBEs and WBEs include:
  - a. Develop and maintain a reference file of MBEs and WBEs, including the type of work performed, that are routinely sent invitations to bid or requests for proposals.
  - b. Develop a strategy to promote the use of MBEs and WBEs in its programs. Include ways to encourage such use by contractors.
  - c. Develop a procurement policy which provides that, where possible, contracts for work or supplies be obtained from MBEs or WBEs.
  - d. Maintain a log of follow-up phone contacts and personal visits to MBEs and WBEs.

**D. *State Assessment of Local Outreach Efforts***

1. Assessment of local compliance with MBE/WBE outreach procedures will be accomplished by reviewing their MBE/WBE activity reports and conducting on-site monitoring visits. Evidence of notices, mailings, local procurement policies and local contracts are reviewed during monitoring visits by DHIR.
2. The State requires local sponsors of funds to complete periodic written reports on their MBE/WBE outreach results in time to include the data in its reports to HUD.

## CITIZEN PARTICIPATION

As required by the State of Wisconsin's Citizen Participation Plan, the Division of Housing and Intergovernmental Relations and Department of Commerce made the *Annual Update* available for public review and comment for thirty days prior to its submission to HUD.

We advertised its availability in a legal notice in the State's newspaper of record, the Wisconsin State Journal on January 6, 2003 and January 8, 2003. In addition, a public hearing was held on January 8, 2003. No comments were received.

**TABLE 1: WISCONSIN DIVISION OF HOUSING AND  
INTERGOVERNMENTAL RELATIONS 2003-2004 GOALS**

**Households & Persons to be Assisted With Housing**

**AGGREGATE GOALS—HUD AND STATE HOUSING PROGRAMS**

Assistance Provided by Income Group	Renters	Owners			Homeless		Non-homeless Special Needs (G)	TOTAL (A+D+E+F+G)
	Total Renters (A)	Existing Homeowners (B)	Home Buyers (C)	Total Homeowners (D) = (B)+(C)	Individuals (E)	Families (F)		
Extremely Low Income (0-30% of MFI)	2,459	125	45	170	12,471	5,435	796	21,331
Low Income (31-50% of MFI)	830	234	270	504	3,791	2,267	153	7,545
Moderate Income (51-80% of MFI)	246	341	441	782	849	410	67	2,354
Middle Income (81-95% of MFI)	2	51	109	160	169	228	0	559
<b>TOTAL</b>	<b>3,537</b>	<b>751</b>	<b>865</b>	<b>1,616</b>	<b>17,280</b>	<b>8,340</b>	<b>1,016</b>	<b>31,789</b>

**AGGREGATE GOALS—HUD's COMMUNITY PLANNING AND DEVELOPMENT  
FORMULA ALLOCATION PROGRAMS  
(CDBG HOUSING, HOME, ESG, HOPWA)**

Assistance Provided by Income Group	Renters	Owners			Homeless		Non-homeless Special Needs (G)	TOTAL (A+D+E+F+G)
	Total Renters (A)	Existing Homeowners (B)	Home Buyers (C)	Total Homeowners (D)	Individuals (E)	Families (F)		
Extremely Low Income (0-30% of MFI)	76	97	4	101	12,172	4,937	516	17,802
Low Income (31-50% of MFI)	171	163	98	261	3,719	2,050	13	6,214
Moderate Income (51-80% of MFI)	34	249	129	378	845	380	37	1,674
Middle Income (81-95% of MFI)	2	51	109	160	169	228	0	559
<b>TOTAL</b>	<b>283</b>	<b>560</b>	<b>340</b>	<b>900</b>	<b>16,905</b>	<b>7,595</b>	<b>566</b>	<b>26,249</b>