CR 89-32

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MAY 26 1989
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CERTIFICATE

STATE OF WISCONSIN)

DEPARTMENT OF DEVELOPMENT)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Bruno J. Mauer, Secretary and custodian of the official records of the Department of Development, do hereby certify that the annexed rules relating to an initial rehabilitation program as part of the Wisconsin Development Fund Community Development Block Grant program were duly approved and adopted by this Department on June 1, 1989.

I further certify that said copy has been compared by me with the original on file in this Department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand as Secretary at 123 West Washington Avenue in the City of Madison this 1st day of June, 1989.

Bruno J. Mauer

ORDER OF THE DEPARTMENT OF DEVELOPMENT

CREATING DOD 6.135

WISCONSIN ADMINISTRATION CODE

The Department of Development adopts an order to create Section DOD 6.135 of the Wisconsin Administrative Code relating to an initial rehabilitation program as part of the Wisconsin Development Fund Community Development Block Grant.

Analysis Prepared by the Department of Development

Authorized by ss. 560.02 (4) and 560.04 (2) (j), Wis Stats.

The Wisconsin Development Fund Community Development Block Grant currently includes an annual competition in which smaller local governments may apply for grant funding of up to \$750,000 to undertake housing rehabilitation and related housing activities. The proposed Initial Rehabilitation Program which will be funded with income generated by the annual housing and public facilities grants and monies recaptured from those grants, is designed to provide an opportunity for those smaller local governments which have not previously received housing funds through the annual competition and which have a high concentration of substandard housing to undertake housing rehabilitation activities.

Initial rehabilitation grants will range from \$50,000 to \$100,000. Local governments which are eligible for the annual housing competition and which have not previously received funding through that competition are eligible for initial rehabilitation grants. Grant determinations will be based on a distress score modified from that used in the annual competition. The distress factors used will be limited to percent in poverty, per capita full value and percent in need of housing assistance but will be measured as they are in the annual competition. A Grant will be offered to the eligible community with the highest modified distress score whenever there is sufficient funding available. Grant recipients will enter into a contract with the department which specifies the terms of the grant.

Text of Rule

SECTION 1. DOD 6.135 Wisconsin Administrative Code is created to read:

DOD 6.135 INITIAL REHABILITATION (1) PURPOSE. The purpose of this section is to encourage participation in the Wisconsin development fund small cities housing program by those local units of government which have a high concentration of substandard housing and which have not received housing funds under this subchapter.

- (2) APPLICABILITY. Except as expressly stated in sub. (3). the other provisions of this subchapter do not apply to this section.
- (3) ELIGIBILITY. Local units of government which are eligible under s. DOD 6.02 and which have not received funding for housing activities under

the Wisconsin Development Fund are eligible for initial rehabilitation funding.

- (4) FUNDING. Funding for the initial rehabilitation program shall consist of program income and recaptured monies returned to the department of development from programs funded under this subchapter.
- (a) Grants shall range from \$50,000 to \$100,000. The amount of each grant will be based on population, capacity to manage a local program of housing rehabilitation, condition of housing and need for housing rehabilitation assistance.
- (b) Grant funding shall be offered only when the department has at least \$50,000 of funding available.
- (5) SELECTION OF LOCAL GOVERNMENT GRANT RECIPIENTS. Each eligible applicant under sub. (3) shall be assigned a score of up to 100 based upon the following measures:
- (a) 40 for those with the highest percentage of persons in poverty to zero for those with lowest percentage of persons in poverty.
- (b) 20 for those with the lowest full value per capita to zero for those with the highest full value per capita.
- (c) 40 for those with the highest percentage of households in need of housing assistance to zero for those with the lowest percentage of households in need of housing assistance.
- (6) GRANT AGREEMENTS. (a) Grant offers shall be made to eligible applicants in rank order of score whenever sufficient funding is available as provided in sub (4).
- (b) The department shall negotiate a contract with each grant recipient that contains a budget, work program and timetable.
- (c) The contract shall provide funds for deferred payment loans to rehabilitate low and moderate income owner occupied housing, loans to rehabilitate low and moderate income renter occupied housing when demand for such loans and capacity to service such loans is shown and, administrative costs of up to 15 percent of the rehabilitation portion of the contract budget.

EFFECTIVE DATE. The regulations set forth in this order shall be effective on the first day of the month following publication in the Wisconsin Administrative Register, as provided in s. 227.22 (2) (intro), Stats.

Dated: / Jul 89

Agency:

Bruno J. Mauer

Secretary

DF:yca 2136f



123 West Washington Avenue P.O. Box 7970 Madison, Wisconsin 53707 (608) 266-1018

Tommy G. Thompson, Governor Bruno J. Mauer, Secretary

June 1, 1989

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MAY 26 1989

Mr. Orlan L. Prestegard

Revisor of Statutes
30 West Mifflin Street, #906

Madison, WI 53702

Revisor of Statutes

Bureau

Dear Mr. Prestegard:

Enclosed you will find a copy of the Department of Development's certified order creating rules relating to an initial rehabilitation program as part of the Wisconsin Development Fund Community Development Block Grant program.

If you have any questions, please call Dennis Fay at 608/266-6747.

Sincerely,

Bruno J. Mauer

SECRETARY

BJM: k1h 2072d

Enclosure