CR 90-2

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STATE OF WISCONSIN))) SS. DEPARTMENT OF ADMINISTRATION)

I, James R. Klauser, Secretary of the Department of Administration and custodian of the official records, certify that the annexed rules relating to the Wisconsin Local Housing Organization Grant Program, were duly approved and adopted by this department on $\underline{Apri/}/^{17}$, 1990. I further certify that this copy has been compared by me with the original on file in this department and that it is a true copy of the original, and of the whole of the original.

IN TESTIMONY WHEREOF, I have hereunto set my hand at 101 South Webster Street in the city of Madison, this ///h_ day of Hpril , 1990. James R. Klauser, Secretary

6-1-90

ORDER OF THE DEPARTMENT OF ADMINISTRATION

Order of the Wisconsin Department of Administration creating Chapter Adm 17 of the Wisconsin Administrative Code relating to Local Housing Organization Grant Program awards to communitybased organizations and public housing authorities, pursuant to ss. 16.004(1) and 227.11, Stats., and implementing s. 16.36, Stats.

Analysis Prepared by the Department of Administration

1989 Wisconsin Act 31, which was enacted on August 3, 1989, and published on August 8, 1989, created the Local Housing Organization Grant Program. The purpose of this order is to supplement, implement, and interpret program statutes.

In order to implement the Local Housing Organization Grant Program, there is a need to clarify certain terms stated in the statutes as well as to expound on certain concepts. The first section of the administrative rules defines critical program terms such as "homeless," "low income," and "moderate income." It is imperative to have these and certain other terms defined to undertake this program.

The second important function to be accomplished by these administrative rules is to clarify the parameters of the grant awards. Most notably, the rules require an amount up to \$200,000 of the \$800,000 appropriation to be allocated solely for the purpose of providing housing opportunities for the homeless. This is an area that needs immediate attention.

The final portion of the administrative rules supplements the evaluation criteria for the program. This will allow for a more equitable prioritization of applications for funding.

SECTION 1: CHAPTER Adm 17 is created to read:

CHAPTER Adm 17

WISCONSIN LOCAL HOUSING ORGANIZATION GRANT PROGRAM

Adm 17.01 PURPOSE AND AUTHORITY.

This chapter is promulgated under the authority of ss. 16.004(1) and 227.11, Stats., to implement s. 16.36, Stats.

Adm 17.02 DEFINITIONS.

The following terms are used throughout this chapter and s. 16.36, Stats, and are defined as follows:

- (1) "Department" means the department of administration.
- (2) "Homeless" means an individual or family in need of housing assistance as defined by federal law 42 U.S.C. 3535 (d).

NOTE: The Stewart B. McKinney Homeless Assistance Act.

- (3) "Household" means an individual, persons, or a family currently occupying or planning to occupy a residence.
- (4) "Low income" means gross annual household income at or below 50 percent of county median income adjusted for household size.
- (5) "Moderate income" means gross annual household income of greater than 50 percent but not more than 80 percent of county median income adjusted for household size.
- NOTE: County median income tables are published annually by the U.S. department of housing and urban development for metropolitan statistical areas and nonmetropolitan counties.
- (6) "Organized primarily to provide housing opportunities" means that the organization has as one of its official major goals the improvement of living conditions for low or moderate income households.

Adm 17.03 GRANT AWARDS.

- (1) Grant awards shall be provided to assist organizations in improving their capacity to develop housing opportunities for low or moderate income households, with an emphasis on assisting low-income households.
- (2) Grant awards may not be used to pay for any of the following:
 - (a) Capital improvements to housing units.
 - (b) Costs incurred in the preparation of grant applications for these programs.

- (c) Costs incurred prior to the start date of the contract period.
- (3) An amount not to exceed \$200,000 of the \$800,000 appropriation shall be allocated solely for the purpose of providing housing opportunities for the homeless. The balance may be allocated to all eligible organizations, including those serving the homeless.
- (4) The maximum grant award under the homeless portion of this program shall be \$10,000. The maximum award for the remaining portion of grant funds under this program shall be \$25,000.
- (5) After a grant award is made, a contract agreement shall be executed between the state and the grantee.

Adm 17.04 EVALUATION CRITERIA.

Applications shall be reviewed and rated by the department based on criteria found in s. 16.36(2) Stats. The department shall also use the following criteria to prioritize the applications for funding:

- (1) The percentage of project benefit directed toward low-income households.
- (2) The extent to which existing or potential residents are involved in the planning, development, or management of the housing activity.
- (3) The extent that innovative and cost-effective strategies, financing, or other activities are to be utilized.
- (4) The increased capacity of the organization to undertake additional or more sophisticated housing activity as a result of receiving this grant.
- (5) The extent to which grants can be awarded throughout Wisconsin, taking into account population density and the quality of applications submitted.

This rule shall take effect as provided in s. 227.22(2)(intro.), Stats.

Dated: <u>April 17, 1990</u> Agency: James R. Klauser, Secretary

Tommy G. Thompson Governor

James R. Klauser Secretary



Mailing Address: Post Office Box 7864 Madison, WI 53707-7864

State of Wisconsin Department of Administration

101 South Webster Street . Madison, Wisconsin

April 20, 1990

Gary Poulson Assistant Revisor of Statutes Suite 702 30 West Mifflin Street Madison, WI 53703 Douglas LaFollette Secretary of State 10th Floor 30 West Mifflin St. Madison, WI 53703

Dear Messrs. Poulson and LaFollette:

TRANSMITTAL OF RULE ADOPTION

CLEARINGHOUSE RULE NO.: CR 90-2

RULE NO.: Chapter Adm 17

RELATING TO: Wisconsin Local Housing Organization Grant Program (Block Builder Program)

Pursuant to s. 227.20, Stats., agencies are required to file a certified copy of every rule adopted by the agency with the offices of the Secretary of State and the Revisor of Statutes.

At this time, the following material is being submitted to you:

1. Certification.

2. Order of Adoption.

An uncertified copy is also being submitted to the Revisor of Statutes for printing purposes.

Respectfully submitted,

banes R. Klauser Secretary