

STATE OF WISCONSIN )  
 )SS.  
DEPARTMENT OF ADMINISTRATION)

I, P. Nicholas Hurtgen, Deputy Secretary of the Department of Administration and custodian of the official records, certify that the annexed rules, relating to the Wisconsin Housing Cost Grants and Loans Program, were duly approved and adopted by this department on April 7, 1992, 1992.

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 7th day of April, 1992.

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*P. Nicholas Hurtgen*

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P. Nicholas Hurtgen  
Deputy Secretary

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**ORDER OF THE DEPARTMENT OF ADMINISTRATION**

The Wisconsin Department of Administration proposes an order to amend Chapter 18 (Title); repeal Adm 18.04(5) and (6), (9)(a), (b), (c), (d) and (e); to renumber and amend Adm 18.03(1), (2) and Adm 18.04(4); to renumber and amend Adm 18.04 (7), (8), (9), (10) and (11); and to amend Adm 18.05(1), (2), (3)(intro.) and (g), (4) and (5).

**Analysis prepared by the Department of Administration:**

**Statutory authority:** 16.004(1), Stats.

**Statutes interpreted:** 16.33 and 16.34, Stats.

Wisconsin's housing problems need immediate attention. The proposed changes to the Housing Cost Grants program clarify that the Division of Housing may lend funds as well as grant them under this program. Uncertainties surrounding the new federal HOME program require the Division to be able to respond flexibly with a variety of funding mechanisms. The rules allow funds to be used for housing-related counseling and existing rules suggesting that counseling be funded from non-departmental sources has been deleted. The department is increasing the percentage of funds that may be used for administrative costs from not more than 10% to not more than 15%, and the rules clarify that counseling may be funded from that increase.

The rule amendments clarify that needs identified in the State Housing Strategy Plan will be considered when rating applications. Funds may be used to pay for housing costs that are in arrears, even if the arrearage was developed prior to signing the contract agreement between the state and the local sponsor. The rules also make minor language changes for clarity.

The amendments delete references to target areas. The department will no longer use this as an evaluation criteria. The rule amendments also delete a listing of target households and inserts language stating that households identified in the State Housing Strategy Plan should be targeted for assistance under this program.

Text of Rule:

SECTION 1. Chapter Adm 18 (title) is amended to read:

Chapter Adm 18 (Title)

HOUSING COST GRANTS AND LOANS

SECTION 2. Adm 18.03(1), (2) and Adm 18.04(4) are amended to read:

Adm 18.03 (1) ~~Grant-awards~~ Awards shall be made to eligible applicants to defray housing costs as defined in s. 16.30(3), Stats., of low- and moderate-income households.

Adm 18.03(2) ~~Grant-awards~~ Award amounts shall be evenly distributed among 3 categories:

Adm 18.04(4) The amount of other funds, resources or in-kind contributions that will be made available to the proposed housing program.

SECTION 3. Adm 18.04(5), (6) and (9)(a), (b), (c), (d) and (e) are repealed.

SECTION 4. Adm 18.04(7), (8), (9), (10) and (11) are renumbered (5), (6), (7), (8) and (9) and as renumbered, are amended to read:

Adm 18.04(5) The reasonableness of administrative ~~cost~~ and housing-related counseling costs requested from the department.

Adm 18.04(6) The extent to which the programs are proposed to be continued or the ~~tenants~~ residents initially benefitted are proposed to be assisted after department funds have been expended.

Adm 18.04(7) The extent to which benefits would be provided to the types of households identified in s. 16.33(2), Stats., or in the state housing strategy plan required by s. 16.31, Stats. in addition-to+

Adm 18.04(8) The experience, track record, and quality of management of the applicant in the area of housing or community development.

Adm 18.04(9) The extent to which the proposal involves partnerships and establishes formal and informal linkages with other related programs.

SECTION 5. Adm 18.05(1), (2), (3), (intro.) and (g), (4) and (5) are amended to read:

Adm 18.05 (title) AWARDS. (1) The maximum ~~grant~~ award that any one eligible applicant may receive is \$1 million in a particular competition. ~~The actual amount that an eligible applicant may request is determined by multiplying the number of households to be directly served by the grant award times the average cost of the housing benefit provided, plus the cost of administering the program.~~

Adm 18.05(2) After ~~a grant~~ an award is made, a contract agreement shall be executed between the state and the grantee and shall include information required by s. 6.33(1)(b), (c) and (2)(a), Stats.

Adm 18.05(3) ~~Grant-awards~~ Awards may not be used:

Adm 18.05(3)(g) To assist individuals who, after receiving benefits under this program, would continue living in nursing homes, medical, psychiatric, or penal institutions;

Adm 18.05(4) Except for good cause shown, not more than ~~10%~~ 15% of ~~a grant~~ an award may be used by the grantee for administrative and housing-related counseling costs.

Adm 18.05(5) ~~Grant-funds~~ Awards shall not be used for costs incurred prior to the start date of a ~~grant~~ contract period, except for making payments to or on behalf of eligible households for housing costs that are in arrears.

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

Dated: April 7, 1992

Agency:

*P. Nicholas Hurtgen*

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P. Nicholas Hurtgen  
Deputy Secretary

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