
Wisconsin Legislative Council

AMENDMENT MEMO



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2023 Senate Bill 293

**Senate
Amendment 1**

2023 SENATE BILL 293

2023 Senate Bill 293 creates a residential housing infrastructure revolving loan fund program. Under the program, a developer may apply to the Wisconsin Housing and Economic Development Authority (WHEDA) for a loan to cover the costs of installing, replacing, upgrading, or improving infrastructure related to workforce housing¹ or senior housing.²

The housing associated with an infrastructure loan must be new single-family or multi-family housing for rent or for sale.

In order for a developer to be eligible for an infrastructure loan, the relevant local government must approve the developer's application for the loan.

The housing constructed in connection with an infrastructure loan must remain workforce housing or senior housing for 10 years following initial occupancy. In the case of rental housing, the owner must submit to WHEDA a certified rent roll showing relevant costs and rent paid during that 10-year period. In the case of housing occupied by the owner, the housing may not be sold for a price that exceeds the price charged by the developer to the initial owner, except for an annual adjustment based on an increase in the sale price of all housing in the relevant county.

If WHEDA awards an infrastructure loan to a developer, WHEDA may also award a loan to the local government that approved the developer's loan. The local government may use this loan to cover infrastructure costs incurred by the local government in connection with the developer's project. A loan to a local government may not exceed 10 percent of the amount of the developer's loan.

WHEDA may not invest money held in the loan fund.

WHEDA may not charge interest on any loan made from the loan fund.

SENATE AMENDMENT 1

Senate Amendment 1 modifies the bill as follows:

- The housing associated with a loan must not have been the subject of a claim for a state or federal historic rehabilitation tax credit.

¹ "Workforce housing" is housing that costs a household no more than 30 percent of 140 percent of area median income (or 100 percent of area median income in the case of rental housing) and is for occupancy by individuals whose household median income does not exceed 140 percent of area median income (or 100 percent of area median income in the case of rental housing).

² "Senior housing" is workforce housing that is intended and operated primarily for occupancy by at least one person 55 years of age or older per dwelling unit.

- The housing associated with a loan must not have received financial assistance from tax increments generated by an active tax increment district.
- A local government's approval of the developer's application for a loan is not subject to provisions of current law prohibiting municipal rent control and inclusionary zoning.
- During the 10-year period in which the sale price of owner-occupied housing is limited, WHEDA must publish on its website the acceptable sale price range for the property.
- The amount of the loan to the local government may not exceed 10 percent of the total cost of the residential housing development supported by the infrastructure loan (instead of 10 percent of the amount of the developer's loan).
- WHEDA may invest money held in the loan fund in certain investments.
- WHEDA may charge interest at or below market rates on any loan made from the loan fund, or WHEDA may charge no interest.
- WHEDA must establish policies and procedures to administer the loan program. The policies and procedures must, to the extent practicable, address credit underwriting guidelines, loan security, and loan repayment requirements.

BILL HISTORY

Senator Quinn offered Senate Amendment 1 on June 7, 2023. On June 9, 2023, the Senate Committee on Housing, Rural Issues and Forestry recommended adoption of the amendment and passage of the bill, as amended, on votes of Ayes, 5; Noes, 0.

For a full history of the bill, visit the Legislature's [bill history page](#).

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