



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-0521/P1

KRP:cjs

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT** *to renumber and amend* 234.662 (1) (c) and 234.662 (1) (f); *to amend*
2 234.662 (1) (d), 234.662 (3) (b) (intro.), 234.662 (3) (b) 3., 234.662 (3) (b) 4.,
3 234.662 (3) (b) 5., 234.662 (3) (c) and 234.662 (5) (b) 4.; *to create* 234.662 (1) (c)
4 1. and 2., 234.662 (1) (em) and 234.662 (1) (f) 2. of the statutes; **relating to:**
5 eligibility for the commercial-to-housing conversion revolving loan fund and
6 loan program.

Analysis by the Legislative Reference Bureau

This bill is explained in the NOTES provided by the Joint Legislative Council in the bill.

Because this bill may increase or decrease, directly or indirectly, the cost of the development, construction, financing, purchasing, sale, ownership, or availability of housing in this state, the Department of Administration, as required by law, will prepare a report to be printed as an appendix to this bill.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

BILL**SECTION 1**

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill was prepared for the Joint Legislative Council's Special Committee on State-Tribal Relations.

SECTION 1. 234.662 (1) (c) of the statutes is renumbered 234.662 (1) (c) (intro.)

and amended to read:

234.662 (1) (c) (intro.) “Developer” means a person ~~other than a city, village, town, or county,~~ that converts a vacant commercial building to residential use: and that is any of the following:

SECTION 2. 234.662 (1) (c) 1. and 2. of the statutes are created to read:

234.662 (1) (c) 1. A person other than a city, village, town, or county.

2. A tribal housing authority created by a tribal council.

****NOTE: Please let me know whether the changes to this definition accomplish your intent to extend the program to “tribal housing authorities.”

SECTION 3. 234.662 (1) (d) of the statutes is amended to read:

234.662 (1) (d) “Eligible ~~political subdivision~~ governmental unit” means the ~~city, village, town, or county~~ governmental unit having jurisdiction over an eligible project, as determined by the authority.

SECTION 4. 234.662 (1) (em) of the statutes is created to read:

234.662 (1) (em) “Governmental unit” means a city, village, town, county, or federally recognized American Indian tribe or band in this state.

SECTION 5. 234.662 (1) (f) of the statutes is renumbered 234.662 (1) (f) (intro.)

and amended to read:

234.662 (1) (f) (intro.) “Residential housing” means single-family or multifamily housing for rent or sale ~~that~~ to which any of the following applies:

1. The housing is subject to taxation under ch. 70.

SECTION 6. 234.662 (1) (f) 2. of the statutes is created to read:

234.662 (1) (f) 2. The housing is not subject to taxation under ch. 70 because

BILL**SECTION 6**

1 it is designated as reservation lands, as defined in s. 165.92 (1) (a), or as trust lands,
2 as defined in s. 165.92 (1) (d).

****NOTE: Please let me know whether the changes to this definition accomplish
your intent to extend the program to “tribal trust or reservation land.”

3 **SECTION 7.** 234.662 (3) (b) (intro.) of the statutes is amended to read:

4 234.662 (3) (b) (intro.) From the commercial-to-housing conversion revolving
5 loan fund, the authority may award loans to developers to cover construction costs
6 for an eligible project, including demolition. Any developer may apply to the
7 authority for a loan in accordance with the application process established by the
8 authority under par. (c), but the authority may not award the loan unless the
9 developer and the eligible ~~political subdivision~~ governmental unit demonstrate to
10 the satisfaction of the authority in one or more forms prescribed by the authority
11 that all of the following apply:

12 **SECTION 8.** 234.662 (3) (b) 3. of the statutes is amended to read:

13 234.662 (3) (b) 3. The eligible ~~political subdivision~~ governmental unit has
14 reduced the cost of residential housing in connection with the eligible project by
15 voluntarily revising zoning ordinances, subdivision regulations, or other land
16 development regulations to increase development density, expedite approvals,
17 reduce impact, water connection, and inspection fees, or reduce parking, building,
18 or other development costs with respect to the development of residential housing
19 supported by the project. For purposes of this subdivision, the ~~political subdivision~~
20 governmental unit in cooperation with the developer shall submit to the authority a
21 cost reduction analysis in a form prescribed by the authority and signed by the
22 developer and the head of the ~~political subdivision's~~ governmental unit's governing
23 body that shows the cost reduction measures, including time saving measures,

BILL**SECTION 8**

1 undertaken by the ~~political subdivision~~ governmental unit on or after January 1,
2 2023, that have reduced the cost of residential housing in connection with the
3 eligible project. The signed analysis shall clearly show for each time saving or cost
4 reduction measure the estimated time or dollar amount saved by the developer and
5 the estimated percentage reduction in housing costs.

6 **SECTION 9.** 234.662 (3) (b) 4. of the statutes is amended to read:

7 234.662 (3) (b) 4. The eligible ~~political subdivision~~ governmental unit is in
8 compliance with the requirements under ss. 66.1001, 66.10013, and 66.10014, to
9 the extent those requirements apply to the ~~political subdivision~~ governmental unit.

10 **SECTION 10.** 234.662 (3) (b) 5. of the statutes is amended to read:

11 234.662 (3) (b) 5. ~~The~~ If applicable, the eligible ~~political subdivision~~
12 governmental unit has updated the housing element of its comprehensive plan
13 under s. 66.1001 (2) (b) within the 5 years immediately preceding the date of the
14 loan application.

15 **SECTION 11.** 234.662 (3) (c) of the statutes is amended to read:

16 234.662 (3) (c) The authority shall establish a semiannual application process
17 for the award of loans under this subsection. If in any application cycle there are
18 insufficient moneys available in the commercial-to-housing conversion revolving
19 loan fund to fund all applications that meet the requirements under par. (b) and are
20 otherwise acceptable to the authority, the authority shall prioritize funding loans
21 for eligible projects in eligible ~~political subdivisions~~ governmental units that have
22 reduced the cost of residential housing as described in par. (b) 3. but with respect to
23 the ~~political subdivision~~ governmental unit as a whole.

24 **SECTION 12.** 234.662 (5) (b) 4. of the statutes is amended to read:

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SECTION 12

234.662 (5) (b) 4. An identification of the eligible ~~political subdivision~~
governmental unit with respect to which the loan was awarded.

3 (END)