

informational
paper #90



state housing programs

legislative fiscal bureau
state of wisconsin
january 2021

State Housing Programs

Prepared by

Angela Miller and Rory Tikalsky

Wisconsin Legislative Fiscal Bureau
One East Main, Suite 301
Madison, WI 53703
<http://legis.wisconsin.gov/lfb>

TABLE OF CONTENTS

Introduction	1
Chapter 1: Housing Programs Administered by the Department of Administration	2
DOA Housing Responsibilities.....	2
Housing Programs Financed With State Funds.....	3
State Funding Overview	3
Housing Grants and Loans	3
Shelter for Homeless and Transitional Housing Grants	5
Homeless Employment Program.....	6
Housing Programs Financed With Federal HOME Funds	7
Federal HOME Program Initiatives	7
Homebuyer and Rehabilitation Program.....	7
Rental Housing Development Program	8
Tenant-Based Rental Assistance Program	8
Program Income.....	8
Housing Programs Financed With Other Federal Funds	9
Emergency Solutions Grant Program.....	9
Community Development Block Grant Program	9
Homeless Case Management Services Program.....	11
Housing Opportunities for Persons with AIDS Program	11
Wisconsin Rental Assistance Program.....	11
Chapter 2: Wisconsin Housing and Economic Development Authority Housing Programs.....	13
Single-Family Housing Programs	13
Mortgage Programs	13
WHEDA Tax Advantage.....	14
Second-Mortgage Programs	15
Inactive Single-Family Programs.....	16
Multifamily Housing Programs	17
Multifamily Loan Fund	17
Low-Income Housing Tax Credit	18
Rent Assistance (Section 8) Programs	20
Housing Trust Fund	21
WHEDA Foundation Grant Program.....	21
Appendices	22

Introduction

This paper describes housing services provided by the Wisconsin Department of Administration (DOA) and the Wisconsin Housing and Economic Development Authority (WHEDA). Both DOA and WHEDA assist individuals and families secure and retain accommodations. While other state programs also provide targeted housing services, this paper focuses primarily on housing programs administered by DOA and WHEDA.

The paper is divided into three sections: (a) housing programs administered by DOA; (b) housing programs administered by WHEDA; and (c) appendices that describe summary information

on DOA housing programs (Appendix I), summary information on WHEDA housing programs (Appendix II), housing services provided by other agencies (Appendix III), DOA housing assistance by income (Appendix IV), DOA housing assistance by region (Appendix V), HUD household income limits (Appendix VI), HUD HOME direct grant recipients (Appendix VII), HUD CDGB entitlement municipalities (Appendix VIII), information on the historical activities of WHEDA single-family programs (Appendix IX), and estimated median family income by county for WHEDA programs (Appendix X).

CHAPTER 1

HOUSING PROGRAMS ADMINISTERED BY THE DEPARTMENT OF ADMINISTRATION

The Division of Energy, Housing and Community Resources (DEHCR) within the Department of Administration (DOA) administers several housing programs. These programs are funded with appropriations from the general fund, program revenues, and federal revenues from the U.S. Department of Housing and Urban Development (HUD). Table 1 shows actual expenditures for DOA housing programs in 2019-20 and appropriated amounts for 2020-21.

gram responsibilities, as shown in Table 1.

The Division administers state- and federally-funded programs that ensure the provision of housing and homelessness services to targeted populations; provides grants to local governments, housing organizations, and housing authorities; and coordinates state housing policies and resources under s. 16.302 of the statutes.

Additionally, DOA's Division of Enterprise Operations oversees the Interagency Council on Homelessness, created under 2017 Act 74 to establish and coordinate the implementation of statewide policies on homelessness. In November, 2018, the Interagency Council published a statewide action plan with recommendations to prevent and end homelessness in Wisconsin.

DOA Housing Responsibilities

In 2020-21, DEHCR is authorized \$2.6 million and 25.2 positions to administer its housing pro-

Table 1: DOA Housing Program Funding

Appropriation	2019-20 Actual	2020-21 Budgeted	2020-21 Positions Authorized
Administration			
General Fund	\$877,500	\$926,000	8.50
Federal Revenues	<u>1,233,200</u>	<u>1,698,700</u>	<u>16.70</u>
Subtotal Administration	\$2,110,700	\$2,624,700	25.20
Housing Programs			
<i>General Purpose Revenue (GPR)</i>			
Housing Grants and Loans	\$4,570,000	\$3,097,800	
Shelter for Homeless and Housing Grants	1,558,400	1,913,600	
Homeless Employment Program	<u>0</u>	<u>75,000</u>	
Subtotal GPR	\$6,128,400	\$5,086,400	
<i>Program Revenues (PR)</i>			
Funding for the Homeless - Interest on Real Estate Trust Accounts (IBRETA)	\$90,500	\$422,400	
Housing Program Services - Payments from Other State Agencies	359,700	922,400	
Housing Program Services - Payments from Non-State Agency Entities	<u>0</u>	<u>168,900</u>	
Subtotal PR	\$450,200	\$1,513,700	
<i>Federal Revenues (FED)</i>			
Housing - Federal Aid, Individuals and Organizations	\$9,951,500	\$22,164,000	
Housing - Federal Aid, Local Assistance	<u>31,518,800</u>	<u>10,000,000</u>	
Subtotal FED	\$41,470,300	\$32,164,000	
Subtotal Housing Assistance Programs	\$48,048,900	\$38,764,100	
Total Housing Administration and Assistance	\$50,159,600	\$41,388,800	

The Council recommended \$3.75 million per year in new state spending to supplement existing programs and create new programs aligned with best practices. To date, one of the Council's recommendations has been implemented: to increase funding and modify eligibility criteria for the state shelter subsidy grant program (as discussed in the subsequent section on housing programs financed with state funds).

Table 2 lists current housing programs and regulatory activities administered by DOA. For each program, the table lists the state or federal legislation that created the program. Each program is described in one of the following two sections, depending on whether the program is financed with state or federal funds. Appendix I includes a summary of the Division's housing programs, funding sources, and expenditures. Appendix IV shows the number of households assisted by income. Appendix V shows the amount of housing awards by region.

Housing Programs Financed with State Funds

State Funding Overview

The Division is appropriated \$6,600,100 in 2020-21 for state-funded housing assistance. Of

this total, \$5,086,400 is from general purpose revenue (GPR). [Note: This excludes \$926,000 for general program operations.]

The Division also receives program revenues from interest on real estate trust accounts and payments from other agencies for housing services.

Housing Grants and Loans

The appropriation for housing grants and loans supports the Housing Cost Reduction Initiative (HCRI) Homebuyer program, the Homeless Prevention program (HPP), and the Critical Assistance program (CA) and is funded a total of \$6,195,600 GPR during the 2019-21 biennium.

HCRI Homebuyer Program. Under current law, DOA makes grants to designated agents who, in turn, make individual grants or loans to low- or moderate-income persons. Grants or loans under the HCRI program are designed to assist home buyers, owners, and renters. The program is operated under a biennial grant funding cycle, timed to coincide with the awarding of federal HOME homebuyer grant funds. Eligible expenditures include: (a) helping homebuyers purchase an affordable home by providing assistance with down payment and closing costs; and (b) preventing foreclosures by assisting households with overdue mortgage payments or property taxes.

The Division awarded \$2,600,000 to 22 grant

Table 2: Housing Programs Administered by DOA

Program/Activity	Enabling Legislation
Housing Grants and Loans Program	1989 Act 31
Shelter for Homeless and Housing Grants	1991 Act 39
Interest-Bearing Real Estate Trust Accounts	1993 Act 33
Homeless Employment Program	2017 Act 59
Homeless Case Management Services Program	2017 Act 59
Federal HOME Programs	P. L. 101-625
Emergency Solutions Grant Program	1991 Act 39
Community Development Block Grant - Housing	1991 Act 39
Reports on Bills Affecting Housing	1995 Act 308
Housing Opportunities for Persons with AIDS	P. L. 102-550
Wisconsin Rental Assistance Program	P. L. 116-136

Table 3: State-Funded HCRI Homebuyer Grants

	2011-13	2013-15	2015-17	2017-19	2019-21
Milwaukee Metro Area	\$866,667	\$866,667	\$866,666	\$866,666	\$866,666
Other Metro Areas	866,667	866,667	866,667	866,667	866,667
Other Areas of State	<u>866,666</u>	<u>866,666</u>	<u>866,667</u>	<u>866,667</u>	<u>866,667</u>
Total Grants	\$2,600,000	\$2,600,000	\$2,600,000	\$2,600,000	\$2,600,000
Grantees	24	24	20	18	22

recipients through a competitive application process for the 2019-21 grant cycle. Table 3 summarizes the number and amount of HCRI Homebuyer program grants from 2011-13 to 2019-21.

Homeless Prevention Program. Under current law, HPP grants \$1,515,000 GPR annually to agencies as a match for federally-funded Emergency Solutions Grants, described in the subsequent section. In 2020-21, the Division awarded \$1,515,000 to 23 agencies. The grants were distributed as follows: (a) \$331,100 to agencies in the Milwaukee metropolitan area; (b) \$626,600 to agencies in other metropolitan areas; and (c) \$557,300 to agencies in other parts of the state.

Under 2019 Act 9, an additional \$800,000 GPR per year was reserved for HPP in the Joint Committee on Finance's supplemental appropriation. If the reserved amounts are not transferred to DOA by June 30, 2021, the money will lapse to the general fund.

Table 4 summarizes the number and amount of Homeless Prevention Program grants from 2011-12 to 2020-21.

Critical Assistance Program (CA). Under current law, the CA program funds homeless prevention activities in parts of the state not served by federal Emergency Solutions Grants or other state programs. Grants under this program are awarded annually to the Foundation for Rural Housing, Inc. Table 5 summarizes the amount of CA grants from 2011-12 to 2019-20.

Funded activities under both HPP and CA include: (a) rental assistance to households in the form of security deposits, short-term rental subsidies, and utility costs; (b) foreclosure prevention, including payment of an overdue mortgage loan, property taxes, and utility costs, if the homeowner shows the ability to make future payments; and (c) administrative funds (up to 15%).

Table 4: Homeless Prevention Grants

Fiscal Year	Grantees	Amount
2011-12	40	\$1,015,000
2012-13	45	1,515,000
2013-14	31	1,527,900
2014-15	44	1,503,700
2015-16	37	1,515,000
2016-17	25	1,515,000
2017-18	24	1,515,000
2018-19	22	1,499,800
2019-20	24	1,515,000
2020-21	23	1,515,000

Table 5: Critical Assistance Grants

Fiscal Year	Amount
2011-12	\$262,000
2012-13	282,000
2013-14	283,600
2014-15	282,800
2015-16	282,800
2016-17	282,800
2017-18	282,800
2018-19	282,800
2019-20	282,800

Shelter for Homeless and Housing Grants

The Shelter for Homeless and Housing Grants appropriation supports the Housing Assistance Program (HAP) and the State Shelter Subsidy Grant (SSSG) Program and is funded a total of \$3,827,200 during the 2019-21 biennium. The statutes do not specify the allocation of funds between the two programs.

Housing Assistance Program. Under current law, HAP provides up to \$300,000 per year in grants to local units of government, nonprofit organizations, for-profit organizations, and other entities for the operation of housing and associated supportive services for the homeless. The purpose of the grants is to facilitate the movement of homeless persons to independent living. Funds are awarded annually as a match for federally-funded Emergency Solutions Grants, described under the subsequent section.

To be eligible for grants under HAP, an organization must meet the following statutory requirements: (a) utilize, as housing sites, only existing buildings; (b) facilitate the utilization by residents of appropriate community social services; (c) provide or facilitate the provision of training in self-sufficiency to residents; and (d) require that residents pay at least 25% of their income as rent.

Under 2017 Act 59, eligibility for HAP was expanded from purely transitional housing to include all housing types. Act 59 also eliminated the requirement that a grant recipient may not permit homeless persons to reside in facilities provided by the recipient for more than 24 months.

In 2020-21, HAP funds totaling \$300,000 were granted to four agencies. Funds were awarded to one agency in Milwaukee County, one agency in Dane County, and two agencies serving 20 other counties (Adams, Barron, Calumet, Chippewa, Columbia, Dodge, Dunn, Jefferson, Juneau, Outagamie, Pepin, Pierce, Polk, Racine, Rock, Sauk,

St. Croix, Walworth, Waukesha, and Winnebago).

It should be noted that, under 2019 Act 9, an additional \$1,200,000 GPR per year was reserved for the HAP program in the Joint Committee on Finance's supplemental appropriation. If the reserved amounts are not transferred to DOA by June 30, 2021, the money will lapse to the general fund.

Table 6 shows the number of grantees and amount of grants from 2011-12 to 2020-21.

Table 6: Housing Assistance Program Grants

Fiscal Year	Grantees	Amount
2011-12	28	\$400,000
2012-13	21	300,000
2013-14	16	307,800
2014-15	14	300,000
2015-16	17	297,500
2016-17	15	300,000
2017-18	12	300,000
2018-19	12	300,000
2019-20	4	300,000
2020-21	4	300,000

State Shelter Subsidy Grant Program. Under current law, the SSSG Program provides grants of up to \$1,613,600 GPR annually to local units of government, nonprofit organizations, for-profit organizations, federally-recognized tribes or bands, and other entities for shelter operations. The program is funded from GPR and program revenue from the Interest-Bearing Real Estate Trust Accounts (IBRETA).

Grants may not exceed 50% of the applicant's operating budget. Under statute, DOA is required to allocate at least \$400,000 in each year to eligible applicants in Milwaukee County, at least \$66,500 in each year to eligible applicants in Dane County, and at least \$100,000 in each year to applicants elsewhere in the state. No more than \$183,500 of the remaining funds may be allocated for grants to eligible applicants without regard to

their location. In awarding grants, DOA must also consider whether the community in which the applicant provides services has a coordinated system of services for homeless individuals and families.

The Interest-Bearing Real Estate Trust Accounts program is funded from earnings on interest-bearing real estate common trust accounts. The IBRETA program requires real estate brokers and salespersons in Wisconsin to deposit down payments, earnest money, and similar types of real estate payments in a pooled interest bearing trust account in a depository institution. Annually, each depository institution must remit the total amount of interest or dividends in excess of \$10, less service charges or fees, earned on these accounts to DOA. These earnings are credited to a program revenue continuing appropriation. From the appropriation, DOA is required to make grants to organizations that provide shelter or services to homeless individuals or families.

Table 7 indicates the net common trust account earnings collected and transferred for provision of shelter or homeless services since 2011. Historically, the Department has used IBRETA funds to enhance the Housing Assistance Program, the State Shelter Subsidy Grant Program, the Homeless Prevention Program, and the Emergency Solutions Grant Program.

It should be noted that, under 2019 Act 9, \$500,000 GPR per year was reserved for the

SSSG program in the Joint Committee on Finance's supplemental appropriation. These reserved funds were transferred to DOA under s. 13.10 of the statutes in February, 2020, and will be included in the program's base budget for the 2021-23 biennium.

Grants under SSSG are supplemented with funds from the IBRETA program. The Division supplemented the program with IBRETA funding of \$76,900 in 2019-20. Table 8 summarizes grant activity under the shelter subsidy program from 2011-12 to 2019-20.

Homeless Employment Program

The Homeless Employment program, created under 2017 Act 59, provides employment grants to municipalities that administer a homeless employment program. Grants are used to connect homeless individuals with permanent employment. Any municipality may apply for a grant of up to \$75,000, and each recipient must contribute at least \$50,000 of its own funds and use both the grant and the contribution to connect homeless individuals with permanent employment.

The program is allocated \$75,000 GPR annually during the 2019-21 biennium. In May, 2018, \$75,000 was awarded to Oconto County. The Department indicates that it did not receive any applications in 2018-19 or 2019-20 because of the

Table 7: Interest-Bearing Real Estate Trust Accounts Earnings

Calendar Year	Interest Earnings
2011	\$18,600
2012	22,300
2013	20,400
2014	17,300
2015	18,500
2016	23,600
2017	26,400
2018	32,000
2019	37,800
2020	42,800

Table 8: State Shelter Subsidy Grant Program, GPR and IBRETA Funds

Fiscal Year	Milwaukee County	Dane County	Other Areas of State	Grantees	Total Grants
2011-12	\$400,000	\$231,900	\$956,800	44	\$1,588,700
2012-13	400,000	170,900	724,400	43	1,295,300
2013-14	400,000	175,500	559,100	38	1,134,600
2014-15	400,000	171,900	561,700	43	1,133,600
2015-16	400,000	170,900	562,700	42	1,133,600
2016-17	400,000	169,000	554,600	42	1,123,600
2017-18	400,000	164,800	564,800	41	1,129,600
2018-19	400,000	145,400	587,200	40	1,132,600
2019-20	475,900	272,300	942,300	37	1,690,500

proportionally high match requirement.

awarded under each of the HOME program components from FFY 2016 to FFY 2019.

**Housing Programs Financed with
Federal HOME Funds**

Federal HOME Program Initiatives

The federal Department of Housing and Urban Development (HUD) provides funding for the HOME Investment Partnership Program (HOME) to support initiatives for greater housing opportunities, including homeownership, owner-occupied housing repairs, owner-occupied accessibility improvements, rental rehabilitation, rental housing development, and rental assistance.

To qualify for owner-occupied assistance, household income must not exceed 80% of the county median income, as determined by HUD. For rental assistance, at least 90% of benefiting families must have incomes at or below 60% of the county median income. The remaining 10% of benefiting families must have incomes at or below 80% of county median income. The income limits for 2020 by county are shown in Appendix VI.

Table 9 summarizes the grant amounts

In addition to federal funding received by the state for the HOME program, some municipalities receive federal funds directly from HUD. These are called HOME participating jurisdictions, and include: (a) the cities of Eau Claire, Green Bay, Kenosha, La Crosse, Madison, Milwaukee, Racine and West Allis; (b) the counties of Milwaukee Dane, and Rock; and (c) a consortium of Jefferson, Ozaukee, Washington, and Waukesha Counties. Nationwide, HUD allocates 40% of HOME program funds to states, which sub-grant funds to local units of government, and 60% directly to participating jurisdictions. These communities are shown in Appendix VII.

A description of each of the initiatives funded under the federal HOME program is provided in the following sections.

Homebuyer and Rehabilitation Program

A total of \$4.3 million in FFY 2018 and \$3.9 million in FFY 2019 was awarded from federal HOME program funds to assist homebuyers and homeowners. State-funded HCRI amounts are combined with federal HOME program funds through a coordinated application process.

Table 9: Federal HOME Programs -- Grant Awards by Program

Program	FFY 2016	FFY 2017	FFY 2018	FFY 2019
Homebuyer and Rehabilitation				
Number of Grantees	19	17	16	16
Amount of Grants	\$3,607,100	\$5,135,400	\$4,278,200	\$3,948,600
Number of Housing Units Assisted	194	279	215	139
Average Per-Unit Grant Amount	\$18,593	\$18,406	\$19,899	\$28,407
Rental Housing Development				
Number of Awards	9	10	5	11
Amount of Grants	\$4,412,800	\$3,729,600	\$1,452,800	\$5,333,800
Number of Housing Units Assisted	82	70	104	100
Average Per-Unit Grant Amount	\$53,815	\$53,280	\$13,969	\$53,338
Tenant-Based Rental Assistance				
Number of Grantees	7	8	8	15
Amount of Grants	\$1,006,400	\$915,300	\$1,885,500	\$5,359,200
Number of Households Assisted	644	265	335	621
Average Per-Household Grant Amount	\$1,563	\$3,454	\$5,628	\$8,630

Grants under the homebuyer component of the HOME program are awarded to local organizations that operate homebuyer programs for qualifying low-income households. Funds are available for housing rehabilitation expenses, acquisition costs (such as down payments and closing costs), or construction expenses for single family, owner-occupied dwellings.

Eligible projects include the construction of a ramp or mechanical lift, doorway widening, changes in bathroom layout or fixtures, energy-related improvements, removal of lead-based paint, and general improvements of a non-luxury nature. Only permanent modifications are eligible for funding, and all completed work must meet HUD's construction quality standards.

Rental Housing Development Program

A total of \$1.5 million in FFY 2018 and \$5.3 million in FFY 2019 was awarded from federal HOME program funds for the development of new or rehabilitated rental units.

Community housing development organizations, public housing authorities, non-profit organizations, and private developers are eligible to apply for rental housing development funds. Restrictions apply as to the maximum income levels of residents, the maximum rent that may be charged, the period of affordability compliance, and the maximum subsidy amount per unit.

The rental rehabilitation component of the program provides grants and loans for up to 75% of the cost of repairs and improvements to rental units leased to low-income persons. Eligible rehabilitation expenses include: correcting substandard housing conditions; repairing major mechanical or other systems that are in danger of failure; increasing handicapped accessibility; supporting associated indirect costs (such as architectural or engineering services); and paying other expenses, such as loan origination and other lender fees; building permits; and credit, title, and legal fees.

Tenant-Based Rental Assistance Program

A total of \$1.9 million in FFY 2018 and \$5.4 million in FFY 2019 was awarded from federal HOME program funds for the tenant-based rental assistance program (TBRA). Under TBRA, qualifying individual households receive direct rent subsidy assistance to support costs such as rent, utility costs, security deposits, and utility deposits.

In FFY 2019, the Division awarded funds to 15 agencies which serve: Adams, Ashland, Barron, Bayfield, Brown, Burnett, Calumet, Chippewa, Clark, Columbia, Crawford, Dodge, Door, Douglas, Dunn, Eau Claire, Florence, Fond du Lac, Forest, Green Lake, Iron, Juneau, Kenosha, Kewaunee, La Crosse, Langlade, Lincoln, Manitowoc, Marathon, Marinette, Menominee, Monroe, Oconto, Oneida, Outagamie, Pepin, Pierce, Polk, Portage, Price, Rusk, Sauk, Shawano, Sheboygan, St. Croix, Sawyer, Taylor, Vernon, Vilas, Washburn, Winnebago, and Wood counties.

Program Income

Loan repayments from clients with loans made in connection with the HOME rental rehabilitation program may be used by HOME grantees in combination with current grant funding. Grantees benefiting from any such repayments must use such funding before using new allocations. Program repayment income received from 2011-12 to 2019-20 are shown in Table 10.

Table 10: HOME Program Repayment Income

State Fiscal Year	Amount
2011-12	\$432,300
2012-13	1,521,300
2013-14	957,400
2014-15	1,483,800
2015-16	953,400
2016-17	1,373,900
2017-18	1,243,100
2018-19	1,897,200
2019-20	1,052,500

**Housing Programs Financed with
Other Federal Funds**

Emergency Solutions Grant Program

The Department of Administration is the HUD-designated state agency responsible for distributing federal funds under the Emergency Solutions Grant (ESG) program. Eligible applicants include cities, counties, and private nonprofit agencies.

Grants may be used for the following: (a) street outreach to unsheltered individuals and families; (b) emergency shelter, including shelter operations and renovations of existing buildings; (c) homelessness prevention, including rental assistance; (d) rapid re-housing, including rental assistance, rental arrears, application fees, security deposits, and utility payments; and (e) database costs, such as for management of the homeless management information system. In addition, up to 7.5% of grants may be used for program administration.

To receive ESG funds, each recipient must match its emergency solutions grant with an equal amount of funds from other sources. The state-funded HPP and HAP programs may be utilized for the match, and applicants may apply for ESG through one consolidated application for all three programs.

In March, 2020, the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act provided an additional \$32.5 million in one-time ESG funds to the state. The state has until September 31, 2022, to spend the supplement. The CARES Act exempted the funding supplement from the program's match requirements.

Table 11 summarizes Emergency Solutions Grant activity from FFY 2011 to FFY 2020.

Table 11: Emergency Solutions Grant Program

FFY	Grantees	Amount of Grants	Average Grant Amount
2011	29	\$3,097,900	\$106,824
2012	28	3,541,100	126,468
2013	27	2,558,500	94,759
2014	25	3,111,600	124,464
2015	32	3,194,900	99,841
2016	25	3,290,900	131,636
2017	24	3,294,900	137,288
2018	22	3,304,000	150,182
2019	24	3,398,500	141,604
2020*	24	12,341,600	514,233

*Includes funding provided under the Coronavirus Aid, Relief, and Economic Security Act.

Community Development Block Grant Program

The Department of Administration is responsible for administering the federal community development block grant (CDBG) program. Under the CDBG program, federal funds are provided to municipalities for activities such as housing rehabilitation, handicapped accessibility improvements, home ownership assistance, public facilities improvements, and economic development. The Department may allocate funds between CDBG activities based on need. Federal guidelines also allow the state to retain \$100,000 and up to 3% of each annual grant award for administrative costs and technical assistance associated with the program.

Eligible applicants for state CDBG funds include most counties, cities, villages, and towns with populations under 50,000. Municipalities with populations of 50,000 or more and Dane, Milwaukee, and Waukesha Counties are deemed "entitlement municipalities" and receive CDBG funds directly from HUD. Consequently, these entitlement municipalities (listed in Appendix VIII) are generally not eligible for state CDBG funds.

In March, 2020, the CARES Act provided an additional \$77.7 million in CDBG - Coronavirus relief funds to communities in Wisconsin. The

federal government provided \$33.7 million directly to entitlement communities, while the state received \$44.0 million for grants to entitlement and non-entitlement communities, and for program administration. The state has until September 31, 2022, to spend the supplement.

Table 12 summarizes the amount of CDBG funding received by the state from FFY 2011 to FFY 2020 and the amounts allocated in each year to the housing rehabilitation component of the program. Funds provided by HUD directly to entitlement communities listed in Appendix VIII are not included in Table 12.

Table 12: CDBG Program -- Total Funding and Allocations for Housing Rehabilitation

FFY	Total Block Grant	Amount Allocated for Housing Rehabilitation
2011	\$25,705,500	\$7,450,300
2012	23,503,300	6,809,400
2013	24,885,100	11,948,600
2014	24,646,700	8,576,500
2015	16,701,000	4,175,300
2016	24,713,100	5,967,900
2017	24,391,600	3,534,000
2018	26,639,900	3,861,100
2019	26,611,600	6,171,200
2020*	71,421,400	7,682,900

*Includes funding provided under the Coronavirus Aid, Relief, and Economic Security Act.

CDBG: Housing Rehabilitation and Revolving Loan Fund. A portion of CDBG funds are used for housing rehabilitation projects. Eligible repairs include plumbing, electrical, roofing, siding, flooring, windows, foundations, furnaces, hot water heaters, and accessibility improvements. Grants for rehabilitation projects are made by DOA to seven housing regions throughout the state, which then provide deferred, no- or low-interest loans to individual applicants. These loans are made to households at or below 80% of the county median income and to landlords who rent units to qualifying households. In 2019-20, the average cost per

housing unit rehabilitated under the program was approximately \$25,600.

Housing rehabilitation loans are due when the title changes, when the home ceases to be the owner’s primary residence, or when the property is sold. Once loans are repaid, they are identified as CDBG housing revolving loan funds. Local governments must expend revolving loan funds before using new grant funds. In 2017-18, revolving loan fund receipts of \$3,561,300 assisted 181 households and in 2018-19, revolving loan fund receipts of \$4,911,800 assisted 224 households.

It should be noted that HUD funding also supports revolving loan funds for economic development through the CDBG program. In June, 2018, DOA began the process of closing the CDBG economic development program due to concerns about monitoring and oversight. However, the closure does not affect the CDBG housing revolving loan fund.

CDBG: Emergency Assistance Program (CDBG-EAP). The Department has the discretion to use CDBG funds for awards to local units of government to repair property damaged by a natural or man-made disaster. Generally, the maximum request is \$500,000. Applications are evaluated based on the nature of the emergency, availability of funds, other mitigating circumstances, and the ability of the applicant to finance the activity on its own or with other sources. Affected communities have 90 days to submit a letter of intent to apply for assistance following a disaster.

To be eligible, property owners may have incomes up to 80% of county median income. The CDBG-EAP funds may be used to address housing damage not covered by insurance. Eligible activities may include: (a) repair of damage to the dwelling unit; (b) acquisition and demolition of dwellings that cannot be repaired; and (c) down payment and closing cost assistance for replacement dwellings. In low- to moderate-income communities, funds may also be used to repair public

facilities and to assist businesses.

In 2018-19, \$630,700 in CDBG-EAP funds were awarded to Vernon County. In 2019-20, \$500,000 in CDBG-EAP funds were awarded to Langlade County.

Homeless Case Management Services Program

Under 2017 Act 59, the Homeless Case Management Services (HCMS) program was created under DEHCR. The program is authorized to support 10 annual grants of \$50,000 to shelter facilities to provide intensive case management services to homeless families. The program was allocated \$500,000 FED annually during the 2019-21 biennium from Temporary Assistance for Needy Families (TANF) block grant funds.

The following are eligible uses of funds: (a) financial management services; (b) employment services, including connecting parents with their local workforce development board and assisting them with using the Department of Workforce Development's website; (c) services intended to ensure continuation of school enrollment for children; and (d) services to enroll unemployed or underemployed parents in the Wisconsin Works program. Allowable uses also include partnerships between local governments, religious organizations, local businesses, and charitable organizations that deliver housing relocation services.

In 2019-20, the Division awarded \$50,000 each to the following grantees: Central Wisconsin Community Action Council, Inc., Community Action Inc. of Rock and Walworth Counties, Community Advocates, Freedom House Ministries, Inc., Homeless Assistance Leadership Organization, Inc., Renewal Unlimited, Inc., The Salvation Army-Grace Place, The Salvation Army-Milwaukee, Shalom Center of Interfaith Network of Kenosha County, Inc., and Southwestern Wisconsin Community Action Program, Inc.

It should be noted that, under 2019 Act 9, an

additional \$500,000 PR per year was reserved for the HCMS program in the Joint Committee on Finance's supplemental appropriation. If funds are not released prior to the end of 2020-21, current law specifies that such unencumbered funds will lapse to accounts specified under s. 49.175(1) of the statutes ("Children and Family Support Services: public assistance and local assistance allocations").

Housing Opportunities for Persons with AIDS Program

The federal Housing Opportunities for Persons with AIDS (HOPWA) program provides resources to meet the housing needs of persons (and the families of persons) living with acquired immunodeficiency syndrome (AIDS) or related diseases. Wisconsin is an eligible applicant because the state has more than 1,500 AIDS cases and has an approved consolidated plan for AIDS services.

Funds may be used to provide resources to prevent homelessness among persons living with AIDS. This assistance may include emergency housing, shared housing arrangements, and permanent housing placement. As part of any HOPWA-assisted housing, appropriate support services must also be provided. Non-housing related support services may include: supportive services, including health care, drug and alcohol abuse treatment, day care services, and assistance in gaining access to governmental benefits. Table 13 summarizes the grant distributions under the HOPWA program from FFY 2011 to FFY 2020.

Further, in March, 2020, the CARES Act provided a one-time increase of \$113,700 to the state for HOPWA. The state has until September 31, 2021, to spend the supplement.

Wisconsin Rental Assistance Program

The CARES Act created a Coronavirus relief fund (CRF) to distribute money directly to state, local, tribal, and territorial governments based on

Table 13: HOPWA Grant Distributions *

FFY	Grant
2011	\$441,600
2012	446,400
2013	449,500
2014	466,600
2015	468,800
2016	461,400
2017	525,800
2018	595,600
2019	672,900
2020**	106,900

*Grants are for Wisconsin counties outside of the Milwaukee metropolitan area, excluding Pierce and St. Croix Counties, which are in the Minneapolis-St. Paul area.

**Includes funding provided under the Coronavirus Aid, Relief, and Economic Security Act.

population. Wisconsin received approximately \$2.0 billion from the CRF in April, 2020. The CARES Act provided requirements for the use of CRF funds, and additional guidance was provided by the U.S. Department of Treasury. For example, funds must be used for expenses incurred in response to the pandemic and may not be used to replace lost revenue.

In May, 2020, DOA announced the creation of a \$25 million Wisconsin rental assistance program (WRAP) to be funded by a portion of the CRF. In October, 2020, DOA announced an additional \$10 million allocation from the CRF for WRAP. Under the program, residents with household income at or below 80% of their county's median income can apply for direct financial assistance with rent or security deposit payments. Eligible residents may receive up to \$3,000 in total, paid directly to

landlords on their behalf. As of December 15, 2020, 14,270 households have received assistance totaling \$35 million.

The Department is partnering with 16 organizations to process applications and provide assistance. The local organizations are: (a) ADVOCAP (Calumet, Fond du Lac, Green Lake, and Winnebago counties); (b) CAP Services, Inc. (Marquette, Outagamie, Portage, Waupaca, and Waushara counties); (c) Central Wisconsin CAC, Inc. (Adams, Columbia, Dodge, Juneau, and Sauk counties); (d) Community Action of Rock and Walworth Counties (Rock and Walworth counties); (e) Community Action for South Central Wisconsin, Inc. (Dane, Jefferson, and Waukesha counties); (f) Indianhead CAA (Burnett, Clark, Rusk, Sawyer, Taylor, and Washburn counties); (g) Lakeshore CAP (Door, Kewaunee, Manitowoc, and Sheboygan counties); (h) NEWCAP, Inc., (Brown, Florence, Forest, Langlade, Marinette, Menominee, Oconto, Oneida, Shawano, and Vilas counties); (i) North Central CAP (Lincoln, Marathon, and Wood counties); (j) Northwest CSA (Ashland, Bayfield, Douglas, Iron, and Price counties); (k) Racine/Kenosha CAA (Racine and Kenosha counties); (l) Social Development Commission (Milwaukee, Ozaukee, and Washington counties); (m) Southwest CAP (Grant, Green, Iowa, Lafayette, and Richland counties); (n) West CAP (Barron, Chippewa, Dunn, Pepin, Pierce, Polk, and St. Croix counties); (o) Western Dairyland EOC (Buffalo, Eau Claire, Jackson, and Trempealeau counties); and (p) Couleecap, Inc. (Crawford, La Crosse, Monroe, and Vernon counties).

*WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT
AUTHORITY HOUSING PROGRAMS*

The Wisconsin Housing and Economic Development Authority (WHEDA's) housing programs include multiple financing products for single-family and multifamily structures. WHEDA offers single-family residential loans using mortgage revenue bonds. Several second-mortgage programs are financed through WHEDA's general reserves or other Authority funds. Multifamily programs are financed by mortgage revenue bonds and WHEDA general reserves. The Authority also administers state and federal tax credits and federal funding for low-income households. These and other programs are described in this chapter. A summary table of WHEDA housing programs is available in Appendix II.

Single-Family Housing Programs

The following section discusses a variety of existing single-family housing programs, including their financing and eligibility requirements. For detailed information about a specific program's eligibility criteria, such as county-specific income limits, please see WHEDA's website. A summary table of WHEDA housing programs is available in Appendix II, Appendix X lists median income by county and federally designated target areas of economic distress, and Appendix IX provides a summary of major single-family housing program activity since 2009.

It should be noted for the following program descriptions that income eligibility for certain

WHEDA loans is based on provisions in the Internal Revenue Code, which generally specifies a limit of 115% of state or area median income. However, other adjustments under federal law may allow for higher income limits than suggested by a strict application of that percentage. County-specific income limits by program are available on WHEDA's website.

Mortgage Programs

WHEDA operates several first-mortgage programs to provide mortgage loans to low- and moderate-income households. WHEDA mortgage loans seek to increase access to the positive economic benefits of homeownership in groups that otherwise would not be able to secure conventional mortgages due to perceived higher risk profiles or lower profit margins that tend to discourage commercial mortgage lenders from extending significant financing to these groups.

WHEDA issues revenue bonds to fund its first-mortgage programs, which it repays with principal and interest repayments from mortgages it issues. Mortgages with preferential rates, discussed later, are financed through tax-exempt bonding under the federal volume cap and thus subject to more stringent income and other eligibility requirements. Mortgage financing is also supported by the Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), and the Government National Mortgage Association (Ginnie Mae), which for certain mortgage programs will facilitate the conversion of pooled WHEDA mortgages to mortgage-backed securities and/or guarantee such

mortgage-backed securities. (While WHEDA has approval for Freddie Mac-supported mortgages, it does not currently issue such mortgages.) WHEDA either holds these mortgage-backed securities, or sells them to private investors. The result of Fannie Mae, Freddie Mac, and Ginnie Mae participation is that WHEDA avoids certain pricing and other market risks associated with holding individual mortgages, and maintains liquidity for issuance of further mortgage loans. Regardless of the final owner of WHEDA mortgage debt, WHEDA maintains servicing responsibilities for its mortgages, and as of June 30, 2020, WHEDA services approximately 20,300 first mortgages with a total portfolio size of \$2.0 billion.

WHEDA mortgages are provided with 30-year terms at a fixed interest rate and no prepayment penalties. Borrowers must: (a) be legal U.S. residents with a Social Security number; (b) occupy the property for the term of the loan; (c) meet a minimum credit score threshold; (d) purchase mortgage insurance for loans below certain loan-to-value ratios; (e) have a loan-to-value ratio that does not exceed 95% to 97%, depending on property type; (f) meet purchase price limits; and (g) meet income limits based on county median household income. Detailed eligibility requirements and program information may be found on WHEDA's website.

In addition to its conventional mortgage programs (WHEDA Advantage and Advantage-FHA), WHEDA offers preferential rate mortgages to first-time homebuyers (FTHB Advantage), veterans (VALOR), and purchasers of property in federally designated target areas of economic distress. While preferential rate programs have more favorable interest rates, these are paired with more stringent income limits, which range from approximately \$80,000 to \$103,000 in 2020 for a household of two, depending on county median income. Conventional mortgage program income limits ranged from approximately \$92,000 to \$119,000 for a household of two during the same

period. Appendix X lists county median income and federally designated target areas of economic distress. WHEDA also offers refinancing (Refi Advantage) for mortgages it has issued, provided borrowers have good credit, sufficient equity in the property, are not delinquent on property taxes, and the loan has not been modified within the last two years.

WHEDA issued 3,156 first mortgages for \$425.9 million in 2019 and 908 for \$123.1 million in 2020 through June 30. Appendix IX provides a summary of single-family program activity since 2009 for each mortgage program.

WHEDA Tax Advantage

WHEDA Tax Advantage provides a non-refundable federal income tax credit for mortgage interest equal to 25% of interest payments for first-time homebuyers and veterans, and 40% of interest payments for those in federally designated areas of economic distress, up to \$2,000 per year. The program converts unused federal volume cap for tax-exempt bonding that would otherwise expire into mortgage credit certificates (MCCs).

Participants are bound by the same income and purchase price limits as those receiving a first-time homebuyer or veteran preferential rate on a WHEDA mortgage. At least 20% of MCCs must be reserved for federal target areas. Borrowers claim the credit annually over the life of their 30-year mortgage, and may carry over unused credits for up to three years. The program acts as a companion to the mortgage interest deduction, which must be reduced by any amount claimed with MCCs. Upon sale of a residence, participants are subject to federal recapture of tax credits, although borrowers under WHEDA mortgages are eligible for WHEDA repayment of the recapture tax. Although WHEDA issues MCCs as the state housing finance agency, MCC recipients are not required to have a WHEDA mortgage. Table 14 provides a summary of MCC issues from 2015 to present.

Table 14: Mortgage Credit Certificates

Year	MCCs Issued	MCC Amount (Life of Loan)
2015	331	\$10,451,807
2016	220	7,605,508
2017	209	7,432,913
2018	146	5,594,984
2019	156	6,217,024
2020*	<u>47</u>	<u>1,847,473</u>
Total	1,109	\$39,149,709

*As of June 30, 2020.

Second-Mortgage Programs

Home Improvement Financing. WHEDA offers the Home Improvement Advantage program to support financing for improvements to existing homes. Eligible improvements include: remodeling, home repair, making a home accessible to persons with disabilities, energy-efficient appliances, and energy efficiency improvements. Loans may be for up to \$15,000 and have a maximum term of 15 years. Eligible recipients must have a minimum credit score, meet certain income limits, have no delinquent mortgage payments, and not have mortgage debt exceeding 110% of home value.

WHEDA is authorized up to \$100 million in outstanding revenue bonds under the program, but none are outstanding. Instead, loans are funded by the home improvement loan fund. As of June 30, 2020, the fund had a balance of \$10.4 million, with assets of \$11.2 million, liabilities of \$0.8 million, and program encumbrances of \$10.4 million. WHEDA is required to transfer annually any unencumbered excess balance to its economic development programs. On the basis of the fund condition as of June 30, 2020, WHEDA determined no transfer to the WDRF was required.

The predecessor program to the Home Improvement Advantage, suspended in April, 2008, made 15,212 loans totaling \$102.8 million between the program's inception in 1979 and its suspension. In 2009 the program resumed under new

branding and its current name. Since resuming, Home Improvement Advantage has made 100 loans totaling \$1,203,800 through June 30, 2020. As of June 30, 2020, for loans made under the current program and its predecessor combined, there were 80 loans outstanding totaling \$576,400. Appendix IX provides a history of second-mortgage program activity since 2009.

Down Payment and Closing Cost Assistance Programs. WHEDA offers second mortgages under its Easy Close and Capital Access programs to support homebuyer education and closing costs, and provide additional financing for down payments. In instances where WHEDA first-mortgage programs require a minimum percentage of a home purchase to be borrower funds, Easy Close or Capital Access may provide a down payment in lieu of the borrower.

Easy Close loans are generally available to WHEDA first-mortgage program participants and have loan amounts up to 6% of the purchase price. Capital Access loans are targeted towards areas of high housing need, are up to 3.5% of purchase price, and have more restrictive income requirements. Easy Close loans have a 10-year term at a fixed interest rate, and Capital Access loans have a 30-year term with no interest. Homebuyers may only participate in one program. Detailed eligibility requirements and program information may be found on WHEDA's website. The Easy Close program is supported by an encumbrance of approximately \$14.9 million from the Authority's general fund, and the Capital Access program is supported by federal grant awards under the Capital Magnet Fund Program.

WHEDA issued 2,506 down payment and closing cost assistance mortgage loans totaling \$10.9 million in 2019 and 735 loans totaling \$3.3 million in 2020 through June 30. There were 9,172 loans outstanding totaling \$29.2 million as of June 30, 2020. Appendix IX provides a history of second-mortgage program activity since 2009.

Property Tax Deferral Loan Program. Under this program, low-income elderly homeowners, or veterans of any age, can take out loans against the equity of their home to pay property taxes. Loans are repaid upon sale of the property or when the recipient no longer lives in the home. WHEDA supports the program with a portion of WHEDA's unencumbered general reserves. Since its inception in 1986, WHEDA has provided 6,676 loans totaling \$11,277,200. Program participation has declined substantially in recent years, with eight loans totaling \$24,600 in the program year ending June 30, 2020, associated with 2019 property taxes. The program is discussed in greater detail in the Legislative Fiscal Bureau's informational paper entitled "Property Tax Deferral Loan Program."

Bond Claim Program. Created in 2013, the Bond Claim Program provides loans to WHEDA borrowers who have previously defaulted on a loan. Recipients must demonstrate the reason for the default has been overcome and provide financial statements, proof of income, and documentation explaining the reason for default. The borrower's monthly surplus income must be 10% of gross monthly income, or \$150. The loans are available for first mortgages more than three months in default, with loan amounts not to exceed \$25,000. Loans provide a 0% interest rate, and are due on payoff or if the owner ends occupancy of the subject property as a primary residence.

The program has an allocation of \$500,000 from the Home Ownership Development Fund, which is a part of WHEDA's general fund set aside primarily for single-family housing initiatives. The first Bond Claim loans were made on July 1, 2014. As of June 30, 2020, the program has made 34 loans totaling \$203,300 and 28 loans totaling \$173,700 remain outstanding.

Inactive Single-Family Programs

The Authority has suspended a number of single-family housing programs in recent years due

to economic conditions, low demand, or the exhaustion of available funding. These programs are noted in the following section. Outstanding loans and amounts for each of these programs are available in Appendix IX.

Milwaukee Advantage. WHEDA is generally prohibited from issuing loans for refinancing purposes, subject to certain exceptions. 2017 Act 277 created an exception for mortgages made in certain neighborhoods in Milwaukee, as determined by WHEDA, that are used to finance the rehabilitation of a property. Under this authorization, WHEDA created a pilot program known as Milwaukee Advantage, which provided preferred interest rates for: (a) new home mortgages; (b) refinancing of existing mortgages for rehabilitation purposes; or (c) new home construction mortgages for properties located in certain Milwaukee neighborhoods. During its operation, the program issued one loan for \$37,500. As of December, 2020, the program is inactive as WHEDA researches alternative program designs. WHEDA reports it is currently not economically feasible to rehabilitate homes or construct new homes under the program because high construction and rehabilitation costs cause the cost of any improvement in a property to exceed the relative increase in appraised value of the home.

Other Suspended Programs. For discussion of the following historical programs, see previous versions of this informational paper available on the Legislative Fiscal Bureau's website.

- Home Ownership Mortgage (HOME) Loan Program
- Home Improvement Advantage Program
- HOME Plus Program
- Zero-Down Program
- Neighborhood Advantage Program
- Workforce Advantage Program
- Federal Home Loan Bank of Chicago (FHLBC) Advantage Program
- National Foreclosure Mitigation Counseling Program

- Strategic Blight Elimination Grants
- Qualified Subprime Loan Refinancing Program
- Homeowner Eviction and Lien Protection Program

Multifamily Housing Programs

The following section discusses a variety of state and federal multifamily programs currently offered or administered by WHEDA. A summary table of WHEDA housing programs is available in Appendix II.

Multifamily Loan Fund

The Authority provides construction and permanent financing for low- and moderate-income multifamily developments. WHEDA financing occurs through both federally taxable and tax-exempt revenue bonds. State statutes provide that interest on most bond issues for multifamily affordable housing developments or certain housing developments for the elderly or chronically disabled may be exempt from state personal income, corporate and franchise taxes. For bonds to be exempt for federal income tax purposes, they must be issued as part of the state's volume cap and support developments meeting certain income restrictions for residents.

Since 1974 through June 30, 2020, WHEDA has issued \$2.3 billion in general obligation, corporate-purpose revenue bonds for multifamily housing, \$747 million of which remains outstanding. Table 15 provides multifamily loan activity for the past 10 years.

WHEDA uses encumbrances from its general reserves to administer certain programs for the development and preservation of multifamily housing. Table 16 shows the funding allocated from the general reserve fund for multifamily

Table 15: Multifamily Loan Activity

Calendar Year	Number of Loans	Amount of Loans Disbursed	Units Assisted	Average Loan Per Unit
2011	43	\$120,977,800	1,951	\$62,008
2012	24	153,360,900	1,942	78,971
2013	24	49,595,000	707	70,149
2014	16	49,533,600	799	61,995
2015	25	68,879,600	917	78,719
2016	22	102,181,600	768	133,048
2017	53	166,274,000	1,476	111,145
2018	46	110,944,200	1,278	86,811
2019	100	304,089,800	3,105	97,936
2020*	<u>30</u>	<u>112,583,200</u>	<u>993</u>	113,377
Total	383	\$1,238,419,700	13,936	\$88,865

*As of June 30.

Table 16: General Reserve Encumbrances for Multifamily Housing Programs

Program	June 30, 2020 Amount
Preservation and Lending Fund	\$59,492,603
General Revolving Fund	55,627,134
Very Low-Income Housing	7,080,120
Capital Magnet Fund	6,083,139
Interest Subsidy Funds	5,238,060
Federal Home Loan Bank Matching Funds	2,400,000
Multifamily Rural Workforce Initiative	2,250,000
Housing Trust Fund	1,500,000
Multifamily Bond Support	974,838
Fannie Mae Secondary Market Initiative	700,000
HUD Section 8 Program Administration	<u>270,074</u>
Total	\$141,615,968

housing programs. The general reserve fund consists of the following allocations:

- The preservation and lending fund, which provides financing for rehabilitation and preservation of low-income multifamily rental housing.
- The general revolving fund, which supports financing for multifamily projects that serve low-income persons, the elderly, the homeless, or those with disabilities in the form of construction lending, financing prior to issuance of bonds supporting a project, or financing for projects not eligible for bonding.

- Revolving loans for very low-income multifamily housing.

- A federal Capital Magnet Fund grant award, which provides gap financing for multifamily projects, and supports down payment assistance for single-family mortgages.

- Funds to subsidize interest rates on multifamily project loans.

- Matching funds for the Federal Home Loan Bank of Chicago's Community First revolving loan program for affordable housing and economic development.

- Funds to support a pilot program addressing the shortage of affordable workforce housing in rural areas.

- Federal housing trust fund awards used to support financing for very-low income rental units. Amounts are those being held in the fund while loans are finalized.

- Bond support funds to cover costs related to issuing housing revenue bonds.

- Fannie Mae's Secondary Market Initiative, which collateralizes WHEDA's guarantee requirement for the sale of certain tax credit projects in WHEDA's loan portfolio.

- Earnings from administration of U.S. Department of Housing and Urban Development (HUD) Section 8 programs.

Low-Income Housing Tax Credit

Federal Low-Income Housing Tax Credit. WHEDA is responsible for administration of the federal Low-Income Housing Tax Credit (LIHTC) on behalf of the state. The LIHTC apportions credits to states on the basis of population to encourage the development of multifamily properties with below-market rents for low-

income households. States award developers tax credits, which typically are sold to investors in exchange for upfront financing.

Properties receiving the credit must reserve at least 20% of units for households with incomes at or below 50% of the county median income, or at least 40% of units for households with an average income of no more than 60% of county median income. Monthly rent for these units, including utilities, is intended to be no more than 30% of income for tenants. Properties must offer these units to low-income tenants for a period of 30 years.

The federal LIHTC is provided in two forms, a 4% credit and a 9% credit, and the credit may be claimed for each of the 10 years beginning with the year the development is placed into service. Over the 10-year credit period, the 4% credit is adjusted monthly to provide financing equal to 30% of the present value of construction costs of the low-income units in the development, not including land. Similarly, the 9% credit is intended to provide financing equal to 70% of the present value of construction costs. Due to 2015 changes, the 9% credit is no longer adjusted monthly and is fixed at 9%, with a resulting present value that fluctuates but is generally higher than 70% of construction costs.

Tax credits are typically sold at a discount to investors, who provide capital to finance upfront costs of construction, and subsequently claim credits over the 10-year period. A typical LIHTC project may include other financing, such as contributions from the developer, private financing from commercial lenders, and tax-increment financing. For 4% properties, this financing includes tax-exempt bonds issued under the federal volume cap allocated to the state. Properties receiving the 9% credit generally are not eligible for tax-exempt bonding.

The 9% credit is provided on a competitive

basis with an anticipated allocation in Wisconsin of \$16.4 million in each of 2021 and 2022. Since its inception in 1986, WHEDA has awarded approximately \$425 million in federal 9% credits. Table 17 shows 9% LIHTC awards for the past five years. (The value shown each year is the maximum aggregate single-year amount claimable for projects awarded credits. If credits are claimed in full each year, the value of credits would be 10 times the annual value shown.) The 4% credit is available on an unlimited basis to all eligible properties that have at least 50% of their construction costs financed with tax-exempt bonds. In the event a development is noncompliant, such as providing less than the contracted amount of low-income units, claimants are subject to recapture of tax credits, consisting of a calculation of actual available low-income units relative to the amount of credits already claimed.

Specific requirements for the application process and scoring procedure are laid out in the Authority's Qualified Allocation Plan (QAP). Under the plan, properties receiving either the competitive 9% or non-competitive 4% credit must receive a determination that identifies a need for housing in a given market, as well as the need for LIHTC support to be financially feasible. Further, applicants must undergo a scoring process that determines eligibility, with a minimum score necessary to receive the credit. Scoring gives preference to developments that,

among other factors: (a) serve a variety of income levels; (b) are located in lower-income areas; (c) are energy-efficient and sustainable; (d) have units suitable for larger families; (e) provide supportive services; (f) are accessible to disabled persons; (g) rehabilitate or stabilize a neighborhood; (h) are located in rural areas without recent credit awards; and (i) are ready to proceed with construction.

State Housing Tax Credit. 2017 Wisconsin Act 176 created a state nonrefundable tax credit intended to supplement the 4% federal LIHTC. The credit is claimable against the state individual income tax, the corporate income/franchise tax, and the insurance premiums tax. Under the program, WHEDA may award up to \$7 million in state housing tax credits (HTC) annually, claimable for six years, for a maximum program total of \$42 million annually once the program is fully implemented.

Credits are awarded through a competitive application process, whereby WHEDA assigns scores to the applications based on criteria laid out in the QAP, as discussed previously. Awards are limited to \$1.4 million per project. WHEDA is also required by law to give preference to developments located in cities, towns, or villages with populations fewer than 150,000.

Table 18 provides a listing of credit awards by year under the federal 4% LIHTC and the state HTC programs. WHEDA allocates state credits

Table 17: Federal 9% Low-Income Housing Tax Credit Awards

Calendar Year	Credits Awarded	Projects Funded	Low-Income Units Created/Rehabilitated
2016	\$15,873,653	30	1,253
2017	10,751,265	23	1,035
2018	14,833,291	27	1,378
2019	19,856,399	27	1,429
2020	<u>15,986,087</u>	<u>23</u>	<u>1,030</u>
Total	\$77,300,695	130	6,125

Table 18: State Housing Tax Credit and Federal 4% Low-Income Housing Tax Credit Awards

Calendar Year	Projects	Federal 4% LIHTC	State HTC	Low-Income Units
2016	9	\$3,667,345	*	574
2017	7	2,602,652	*	592
2018	9	6,632,587	\$6,620,994	1,065
2019	11	7,008,948	6,243,491	796
2020	11	<u>7,958,843</u>	<u>7,947,444</u>	<u>1,009</u>
Total	47	\$27,870,375	\$20,811,929	4,036

*State housing tax credits were first allocated in 2018.

approximately equal to the federal 4% LIHTC award received, up to the \$1.4 million cap per project.

Property owners are eligible for the state credit as long as: (a) the project meets low-income requirements necessary to receive the federal LIHTC; (b) the development receives financing with tax-exempt bonding; (c) WHEDA determines the credit is necessary for the financial feasibility of the proposed construction; and (d) the development is compliant with Title VIII of the Civil Rights Act, pertaining to protection from discrimination related to race, color, religion, national origin, sex, familial status, or disability. By statute, property owners are required to maintain compliance with low-income and non-discrimination requirements for at least 15 years, although WHEDA has instituted a 30-year compliance period consistent with the federal LIHTC.

Claimants are subject to recapture of tax credits in the same manner as the federal credit, consisting of a calculation of actual available low-income units relative to the amount of credits already claimed. WHEDA may carry forward any previously unallocated or recaptured credits, in addition to its yearly maximum allocation. Any credit amount claimed but unable to be used by the claimant may be carried forward for the following 15 years.

Tax Credit Administration Fees. WHEDA collects fees for administering the federal LIHTC and state HTC, including those for applications, reservation and allocation of credits, application extensions and reissuance of credits, and compliance monitoring of projects. Monitoring fees are collected from developments as part of annual reviews to determine compliance with required low-income unit set-asides and income-based rent restrictions. Other fees include those for application extensions and reissuance of credits. In 2019-20, fee collections totaled \$5.7 million, consisting of \$2.4 million for the federal LIHTC,

\$1.1 million for the state HTC, \$2.1 million for compliance monitoring of federal and state projects, and \$0.1 million for other fees.

Rent Assistance (Section 8) Programs

HUD's Section 8 housing program provides housing to low-income households through either a project-based or tenant-based method. In both instances, tenants pay 30% of their monthly income towards rent, and the remainder is paid by HUD. Eligibility generally is limited to households at or below 50% of county median family income, although targets may be lower based on availability. Median family income by county is shown in Appendix X.

Project-Based Rental Assistance. Under project-based rental assistance, HUD negotiates contracts with property owners to provide housing to low-income tenants. Contracts are adjusted annually to reflect changes in the rental market and cost of living, and usually last the duration of the mortgage, typically 20 to 40 years, with possibility for renewal thereafter. WHEDA administers these project-based contracts on behalf of HUD throughout Wisconsin, collecting rent claims by property owners and disbursing HUD funds back to them. In 2019-20, WHEDA made payments to property owners totaling \$175.4 million, and received \$6.2 million for administering these contracts. WHEDA reports it administered contracts for project-based Section 8 representing 28,620 units in 2019-20. Amounts reported by WHEDA also include a small amount of funding related to the federal Section 811 program, which provides rental assistance for persons with disabilities and is also administered by WHEDA.

Housing Choice Voucher Program. Under the Housing Choice Voucher (HCV) program, rent subsidies follow the tenant, who has flexibility in selecting a residence. These vouchers are portable, allowing recipients to move once per year anywhere in Wisconsin so long as a voucher program is active in that area. As of October 1, 2020,

WHEDA administers 2,692 vouchers across 48 counties. In 2019-20, WHEDA received \$10.4 million in HCV funds. For administering these HCV, WHEDA received reimbursements of \$1.0 million 2019-20.

It should be noted that WHEDA-administered HCVs represent a small portion of vouchers available statewide. The majority of HCVs are administered by local public housing authorities throughout the state. In federal fiscal year 2019, Wisconsin was allocated \$159.2 million for housing choice vouchers, supporting 31,875 vouchers.

Housing Trust Fund

This federal program provides grants to states to improve the supply of affordable housing for extremely low-income households. WHEDA administers the program on behalf of the state. Since its inception in 2016 through 2020, Wisconsin's allocation has totaled \$19.2 million.

WHEDA allocates funding as low-interest loans to fill funding gaps in rental properties serving tenants with income below 30% of county median income. As of November 1, 2020, WHEDA has closed on loans totaling \$7.4 million supporting seven projects from the housing trust fund.

WHEDA Foundation Housing Grant Program

The WHEDA Foundation is a nonprofit corporation that makes grants to nonprofits and local governments to provide housing to low- and moderate-income persons, including the elderly, person with disabilities, and those in crisis. The WHEDA Board approves grants, as selected by WHEDA staff, and transfers funds to the Foundation to award to recipients. Grants are awarded through an annual statewide competition. Each proposal is evaluated based on project need, implementation, impact, and budget. Since the inception of the grant program in 1985 through 2020, \$26.0 million has been awarded, including \$1 million in each of 2019 and 2020.

APPENDIX I

Summary Information on Department of Administration Housing Programs

Program	Purpose	Funding Source	Program Expenditures
Housing Grants and Loans Programs (HCRI Homebuyer, Homeless Prevention, and Critical Assistance)	Grants through municipalities and nonprofit entities to assist low- or moderate-income households for the purposes of assisting homebuyers and for preventing homelessness.	GPR & program revenue	In 2019-21, \$4.4 million was awarded to 46 agencies (\$2.6 million awarded to 22 agencies for the HCRI homebuyer program, \$3.0 million awarded to 47 agencies for homeless prevention, and \$282,800 awarded to the Foundation for Rural Housing, Inc. for the critical assistance program).
Housing Assistance Program	Grants to local providers for operating costs and supportive services for the homeless.	GPR & program revenue	In 2020-21, \$300,000 was awarded to four agencies.
State Shelter Subsidy Grant Program	Grants to local agencies and organizations to develop or expand shelter facilities and for operating expenses for those facilities.	GPR & program revenue	In 2019-20, \$1.7 million was awarded to 37 agencies.
Interest-Bearing Real Estate Trust Accounts	Homeless assistance grants made from interest earnings on real estate related money deposits.	Program revenue	Approximately \$37,800 in interest earnings were collected in 2019 and \$42,800 were collected in 2020. IBRETA funds currently support the State Shelter Subsidy Grant Program.
Homeless Employment Program	Grants are awarded to municipalities for programs that connect homeless individuals with permanent employment.	GPR	In 2018, \$75,000 was awarded to Oconto County.
HOME Homebuyer and Rehabilitation Program	Grants to designated agents to: (a) provide assistance to homebuyers; and (b) fund housing rehabilitation, acquisition, or construction.	Federal funds (HOME program)	In FFY 2019, \$3.9 million was awarded to 16 grantees to assist 139 households.
HOME Rental Housing Development	Grants or equity investments to finance the development of new or rehabilitated rental housing.	Federal funds (HOME program)	In FFY 2019, \$5.3 million was awarded to 11 grantees for rental development of 100 housing units.
HOME Tenant-Based Rental Assistance	Provide grants to local agencies to provide direct rent subsidy assistance to low-income, homeless, or special needs households.	Federal funds (HOME program)	In FFY 2019, \$5.4 million was awarded to 15 grantees to assist 621 households.
Emergency Solutions Grant Program	Grants for: (a) homeless prevention programs; (b) essential social services, including mental health and substance abuse counseling; (c) renovation, rehabilitation, and conversion of buildings for shelters; (d) shelter maintenance and operating costs; and (e) shelter staff salaries.	Federal funds (Stewart B. McKinney Homeless Assistance Act)	In FFY 2020, \$12.3 million was awarded to 24 shelter providers.

Department of Administration - Housing Programs (continued)

Program	Purpose	Funding Source	Program Expenditures
CDBG Housing Rehabilitation	Grants to Wisconsin municipalities for housing rehabilitation and other purposes.	Federal HUD funding	In FFY 2020, \$7.7 million in CDBG funds were allocated for housing purposes.
CDBG Emergency Assistance Program	Grants to Wisconsin municipalities to address natural or man-made emergency housing disasters.	Federal HUD funding	In 2018-19, \$630,700 was awarded to Vernon County. In 2019-20, \$500,000 was awarded to Langlade County.
Homeless Case Management Services Program	Grants to shelter facilities to provide intensive case management services to homeless families.	Federal TANF funding	In 2020, \$50,000 each was awarded to the following grantees: Central Wisconsin Community Action Council, Inc., Community Action Inc. of Rock and Walworth Counties, Community Advocates, Freedom House Ministries, Inc., Homeless Assistance Leadership Organization, Inc. (HALO), Renewal Unlimited, Inc., The Salvation Army-Grace Place, The Salvation Army-Milwaukee, Shalom Center of Interfaith Network of Kenosha County, Inc., and Southwestern Wisconsin Community Action Program, Inc.
Housing Opportunities for Persons with AIDS	Grants to AIDS service organizations to provide support for housing assistance and supportive services to low-income persons with HIV/AIDS and their families.	Federal funding (HOPWA program)	In FFY 2020, \$106,900 in HOPWA funds were awarded to AIDS service organizations outside of the Milwaukee metropolitan area.
Wisconsin Rental Assistance Program	Direct financial assistance with rent or security deposit payments for residents with household income at or below 80% of their county's median income.	Federal funding (CARES Act)	Between April 1 and December 15, 2020, 14,270 households received assistance totaling \$35 million.

APPENDIX II

Summary Information on Major WHEDA Housing Programs

Program	Purpose	Primary Funding
WHEDA Advantage, Advantage-FHA, First-Time Home Buyer Advantage, VALOR	Mortgage loans for the purchase of homes by low- and moderate-income households.	Mortgage revenue bonds; secondary market sales of loans; federal volume cap tax-exempt bonding
WHEDA Tax Advantage	Federal income tax credits for mortgage interest paid.	Federal tax-exempt volume cap conversions
Home Improvement Advantage	Housing rehabilitation loans to low- and moderate-income households.	Home Improvement Loan Fund; bonding available but not currently used
Easy Close Advantage and Capital Access Advantage	Loans for down payment or home mortgage closing costs.	WHEDA general reserves; federal Capital Magnet Fund
Property Tax Deferral Loan Program	Loans to low-income elderly homeowners for payment of property taxes.	WHEDA general reserves
Bond Claim Program	Loans to assist homeowners who have previously defaulted.	WHEDA general reserves
Multifamily Loan Program	Financing to developers of multifamily projects for low- and moderate-income households.	Revenue bond proceeds; WHEDA general reserves
Low-Income Housing Tax Credit Program	Federal and state tax credits to developers of low-income rental housing.	Federal and state tax credits
Section 8 Project-Based Rental Assistance	Housing payments directly to property owners to subsidize rental housing for persons of low income.	Federal funds provided by HUD
Section 8 Housing Choice Voucher Program	Federal housing vouchers to low-income households.	Federal funds provided by HUD
Housing Trust Fund	Federal grants for affordable housing for very-low income households.	Federal funds provided by HUD
WHEDA Foundation Grant Program	Grants to nonprofit organizations for housing-related purposes.	WHEDA surplus reserves

APPENDIX III

Summary of State Agency Housing Programs

A number of state agencies perform functions that may be viewed as housing services. The following lists these agencies and describes each agency's housing-related activities.

Department of Children and Families. The Department of Children and Families (DCF) administers many programs to ensure the safety, well-being, and stability of children and their families. This includes several programs aimed in part towards alleviating and reducing homelessness.

Emergency Assistance. The emergency assistance program provides assistance to needy persons with children in cases of fire, flood, natural disaster, energy crisis, homelessness, or impending homelessness. Emergency assistance may be provided once in a 12-month period. Wisconsin Works agencies administer the emergency assistance program at the local level via contract with DCF.

Benefits are in the form of cash, voucher, or vendor payment and are funded under the federal TANF block grant. Emergency assistance payments totaled approximately \$4.7 million in 2019-20 and are budgeted at \$6.0 million in 2020-21. For additional information, see the Legislative Fiscal Bureau's informational paper entitled, "Wisconsin Works (W-2), Child Care, and Other Economic Support Programs."

Runaway and Homeless Youth Services. Eight programs across the state provide residential, counseling, and other services designed to protect and reunite runaway and homeless youth with their families, such as the basic center and street outreach programs. These services are federally funded with \$687,600 annually under the Social Security Act, Title IV-B, Subpart 1. Most of these programs are also supported through other grants and funding

sources, such as federal Family and Youth Services Bureau Runaway and Homeless Youth grants.

Independent Living Services. In 2019-20, DCF received \$2,401,340 in federal funding under the federal Chafee Foster Care Independence Program to assist eligible youth and young adults who age out of the out-of-home care system to transition to self-sufficiency. The Department allocated \$2,038,083 of these funds to counties and tribes, most of which is used for direct services for youth (including \$400,000 allocated to Milwaukee). No more than 25% may be used for room and board expenses.

Department of Corrections - Housing and Homelessness Programs. The Department of Corrections, Division of Community Corrections (DCC), administers the Purchase of Offender Services (POS) funds, which are used to buy products or services for the benefit of offenders in the community. Appropriated POS funding is allocated to eight Division of Community Corrections regions. Subsequent to regional allocation, program funding is provided on a needs-based prioritization. In 2019-20, DCC expended a total of \$30,062,400 GPR for offender services and is budgeted \$31,190,000 for this purpose in 2020-21. Included in POS-funded items are the following programs that relate to housing and homelessness:

Emergency and Supplemental Housing. The Department provides state funds for offenders to stay 30 days in a hotel, motel, or boarding house on a temporary basis in cases of emergency (with an option to apply for 30-day extensions). Emergency housing assistance is provided when an offender under community supervision does not have an appropriate residence and may be waiting for a residential program opening. Supplemental

housing consists of temporary support (60-90 days) of offender-leased housing for which DCC pays part or all of the rent. Payment is made directly to the landlord on behalf of the offender. In 2019-20, the emergency and supplemental housing programs expended approximately \$462,300 in POS funds and have a budget of approximately \$678,200 in POS funds for 2020-21. According to the Department, the emergency housing budget and expenditures have decreased in recent years as: (a) offenders often need longer-term options than the 30-day limit provided under emergency housing; and (b) funds were reallocated to programs providing more direct support to reduce offender risk of reoffending.

Transitional Housing Program. Transitional housing provides offenders with one to two bedroom apartments, or facilities with multiple single- or double-occupancy bedrooms, with access to congregate living areas and a shared kitchen. The housing program contractor supplies all bedding, household supplies (items such as dishes, cooking utensils, and alarm clocks), a food supply for one week, and staff supervision via random on-site inspections.

While in the transitional housing program, offenders attend on-site programming and are allowed to work, if they have outside employment. The program is used to transition offenders from prison to the community when other housing options are unavailable. Housing may be provided for 90-120 days based on availability. In 2019-20, the transitional housing program expended \$4.8 million in POS funds and has a budget of \$6.3 million in POS funds for 2020-21.

It should be noted that for the Corrections programs described above, the agency expends the funds to perform its statutory duties to place offenders in the community in a manner that protects public safety and provides for secure supervision of individual offenders.

Department of Health Services

PATH Program. The Department of Health Services administers funds the state receives from the U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration under the federal projects for assistance in transition from homeless (PATH) program. DHS provides these federal funds, together with state (GPR) funds, to local agencies that provide services to people who have serious mental illness and are experiencing homelessness or at imminent risk of homelessness. The agencies use these funds to support activities such as outreach, screening and diagnostic treatment, community mental health services, case management, substance abuse treatment, rehabilitation and support services, and referrals to other health and social services. The state funding is provided to partially fund a 33% match requirement that grantees must meet as a condition of receiving the grant funding.

The Department of Health Services allocates PATH program funds to agencies that have a large number of homeless individuals with serious mental illness. In 2019-20, DHS awarded eight grants totaling \$824,500 (\$782,600 FED and \$41,900 GPR).

SOAR Program. The SI/SSDI outreach, access and recovery (SOAR) program assists individuals who are homeless, or at risk of becoming homeless, and who have mental health or co-occurring substance abuse disorders, in applying for federal supplemental security income (SSI) and social security disability insurance (SSDI) benefits.

The Department of Health Services provides \$50,000 grants, funded from the federal community mental health services block grant, to five agencies that assist individuals in La Crosse, Outagamie, Racine, Waukesha and Milwaukee Counties

Department of Public Instruction. Education and Homeless Children and Youth grants provide

federal funding to support access to a free and appropriate education for homeless pupils, as required under federal law. The grant program is administered by the Department of Public Instruction. Funds are used by states to develop and implement a plan to address problems associated with the enrollment, attendance, and success of homeless pupils, such as lack of transportation, activities fees, or academic or medical records, as well as to award three-year subgrants to local education agencies to address these issues.

In 2019-20, Wisconsin received approximately \$1.3 million in federal funds through the grant. Recipients of the most recent subgrant awards, which will provide grants in the 2020-21, 2021-22, and 2022-23 school years, included 17 school districts.

Department of Veterans Affairs

Veterans Housing and Recovery Program. The Department of Veterans Affairs (DVA) administers the veteran housing and recovery program (also known as the veterans assistance program) to provide transitional housing and support services to homeless veterans and veterans who are at risk of becoming homeless. By rule, a veteran is eligible for the program if the veteran's need for services is based on any of the following circumstances: (a) homelessness or conditions that indicate that the veteran is at risk of becoming homeless; (b) incarceration; (c) unemployment or underemployment that significantly limits the veteran's ability to be self-supporting; (d) an affliction with acute or chronic physical or mental health problems that significantly limits the veteran's ability to be self-supporting; and (e) insufficient monthly income and resources to pay for the cost of care provided at an assisted living facility operated at a state veterans home. DVA funds residential services on the campuses of the three state veterans homes.

Services provided under the program include: (a) transitional housing; (b) referrals to service providers; (c) financial assistance to veterans who are

eligible for residency at a veterans home but lack financial resources; (d) assistance in seeking vocational opportunities; and (e) single occupancy rooms at reduced rent for working veterans.

The veteran housing and recovery program is funded from a combination of federal per diem payments, an appropriation from the state veterans trust fund, and payments by program participants. Veterans who receive transitional housing or single-occupancy housing assistance may be charged a program fee, which is generally capped at 30% of monthly income. In 2019-20, expenditures totaled \$2,196,200, including federal per diem payments (\$1,396,100), an appropriation from the veterans trust fund (\$593,600), and revenue contributed by veterans who received services (\$206,500).

Veterans Outreach and Recovery Program. The veterans outreach and recovery program (VORP) provides outreach, treatment, and support to veterans (and individuals who are serving in the National Guard or a reserve component of the U.S. Armed Forces) who have a mental health condition, with a particular focus on veterans who are homeless or at risk of becoming homeless. The program employs 11 outreach and recovery coordinators, who make contact with program participants to provide direct assistance as well referral to other existing social services. Referral services include mental health and substance abuse treatment, housing and utility assistance, employment and education, and transportation assistance.

The program is supported with a combination of a dedicated appropriation from the veterans trust fund for the program, as well as resources (funding and positions) from the Department's general administration appropriation. In 2019-20, the VORP appropriation was funded at \$723,500, with 8.0 positions.

In 2019-20, VORP provided direct or referral services to 1,766 individuals.

APPENDIX IV

**DOA Division of Housing Assistance by Income
2019-20**

**Households Assisted through DOA Housing Programs
2019-20 (All Federal and State Programs)***

	Percent of Median Income				Total
	0% to 30%	31% to 50%	51% to 80%	81%+	
Renters	12,584	1,650	287	16	14,537
Existing Owners	444	384	858	0	1,686
Home Buyers	13	72	147	0	231
Homeless**	<u>38,369</u>	<u>1,671</u>	<u>185</u>	<u>49</u>	<u>40,274</u>
All	51,410	3,777	1,477	64	56,729

**Households Assisted through the DOA Division of Housing
2019-20 (Federal Formula Allocation Programs --
CDBG Housing, HOME, ESG and HOPWA)***

	Percent of Median Income				Total
	0% to 30%	31% to 50%	51% to 80%	81%+	
Renters	9,463	1,531	207	13	11,214
Existing Owners	261	377	868	0	1,506
Home Buyers	5	36	72	0	113
Homeless**	<u>17,642</u>	<u>725</u>	<u>152</u>	<u>13</u>	<u>18,532</u>
All	27,370	2,669	1,299	26	31,365

* Data, except for ESG, based on program year (April 1, 2019, to March 31, 2020)

** Homeless data, which includes ESG, based on state fiscal year 2019-20 (July 1, 2019, to June 30, 2020)

APPENDIX V

DOA Housing Funding Awards by Region 2019-20 ⁽¹⁾

Program	State Total	Milwaukee Metro	Other Metro	Non- Metro
State-Funded Programs				
HCRI Homebuyer Program (two-year cycle for 2019-20 and 2020-21)	\$2,600,000	\$866,666	\$866,667	\$866,667
Homeless Prevention Program	1,515,100	363,600	609,000	542,500
Critical Assistance Grant Program ⁽³⁾	282,800	0	0	282,800
Housing Assistance Program	300,000	50,000	75,000	175,000
State Shelter Subsidy Grant Program	1,690,500	475,900	272,300	942,300
Homeless Employment Program	0	0	0	0
Federally-Funded Programs				
HOME - Homebuyer and Rehabilitation ^{(2) (3)}	\$3,948,600	0	0	\$3,948,600
HOME - Rental Housing Development ^{(2) (3)}	5,333,800	0	0	5,333,800
HOME - Tenant-Based Rental Assistance ⁽²⁾	5,359,200	0	1,318,600	4,040,600
Emergency Solutions Grants	3,398,500	692,400	1,376,000	1,330,100
CDBG - Housing Rehabilitation ^{(2) (3) (4)}	6,171,200	0	0	6,171,200
Homeless Case Management Services	500,000	100,000	200,000	200,000
Housing Opportunities for Persons with AIDS ⁽³⁾	672,900	0	0	672,900
Wisconsin Rental Assistance Program	24,925,100	7,161,000	6,216,300	11,547,800

⁽¹⁾ For state-funded programs, 2019-20 includes awards from July 1, 2019 to June 30, 2020. For federally-funded HOME programs, funding awards for FFY 2019 are listed; amounts shown for other federally-funded programs are for FFY 2020.

⁽²⁾ Milwaukee metro counties receive a direct federal allocation.

⁽³⁾ Grantees serve both other metro and non-metro areas of the state.

⁽⁴⁾ Wisconsin's federal allocation.

APPENDIX VI

2020 HUD Household Income Limits Applicable to Certain Housing Programs Administered by DOA (Four-Person Household)

County	Adjusted Percent of County Median Income			
	30%	50%	60%	80%
Adams	\$21,250	\$35,400	\$42,480	\$56,650
Ashland	21,250	35,400	42,480	56,650
Barron	21,250	35,400	42,480	56,650
Bayfield	21,250	35,400	42,480	56,650
Brown	24,700	41,150	49,380	65,850
Buffalo	21,250	35,400	42,480	56,650
Burnett	21,250	35,400	42,480	56,650
Calumet	25,900	43,200	51,840	69,100
Chippewa	23,000	38,350	46,020	61,350
Clark	21,250	35,400	42,480	56,650
Columbia	24,550	40,900	49,080	65,450
Crawford	21,250	35,400	42,480	56,650
Dane	30,050	50,050	60,060	78,500
Dodge	23,250	38,750	46,500	62,000
Door	22,350	37,250	44,700	59,600
Douglas	23,050	38,400	46,080	61,450
Dunn	21,450	35,750	42,900	57,200
Eau Claire	23,000	38,350	46,020	61,350
Florence	21,250	35,400	42,480	56,650
Fond du Lac	23,750	39,600	47,520	63,350
Forest	21,250	35,400	42,480	56,650
Grant	21,250	35,400	42,480	56,650
Green	23,700	39,500	47,400	63,200
Green Lake	21,250	35,400	42,480	56,650
Iowa	23,550	39,250	47,100	62,800
Iron	21,250	35,400	42,480	56,650
Jackson	21,250	35,400	42,480	56,650
Jefferson	23,000	38,300	45,960	61,300
Juneau	21,250	35,400	42,480	56,650
Kenosha	23,300	38,850	46,620	62,150
Kewaunee	24,700	41,150	49,380	65,850
La Crosse	23,050	38,400	46,080	61,450
Lafayette	21,250	35,400	42,480	56,650
Langlade	21,250	35,400	42,480	56,650
Lincoln	21,500	35,850	43,020	57,350
Manitowoc	22,300	37,150	44,580	59,450
Marathon	23,700	39,500	47,400	63,200
Marinette	21,250	35,400	42,480	56,650
Marquette	21,250	35,400	42,480	56,650
Menominee	21,250	35,400	42,480	56,650

APPENDIX VI (continued)

**2020 HUD Household Income Limits
Applicable to Certain Housing Programs Administered by DOA
(Four-Person Household)**

County	Adjusted Percent of County Median Income			
	30%	50%	60%	80%
Milwaukee	\$25,150	\$41,900	\$50,280	\$67,050
Monroe	21,650	36,050	43,260	57,700
Oconto	21,250	35,400	42,480	56,650
Oneida	21,250	35,400	42,480	56,650
Outagamie	25,900	43,200	51,840	69,100
Ozaukee	25,150	41,900	50,280	67,050
Pepin	21,250	35,400	42,480	56,650
Pierce	31,000	51,700	62,040	78,500
Polk	21,250	35,400	42,480	56,650
Portage	23,550	39,250	47,100	62,800
Price	21,250	35,400	42,480	56,650
Racine	23,050	38,450	46,140	61,500
Richland	21,250	35,400	42,480	56,650
Rock	21,250	35,400	42,480	56,650
Rusk	21,250	35,400	42,480	56,650
St. Croix	31,000	51,700	62,040	78,500
Sauk	21,750	36,250	43,500	58,000
Sawyer	21,250	35,400	42,480	56,650
Shawano	21,250	35,400	42,480	56,650
Sheboygan	22,000	36,700	44,040	58,700
Taylor	21,250	35,400	42,480	56,650
Trempealeau	21,550	35,950	43,140	57,500
Vernon	21,250	35,400	42,480	56,650
Vilas	21,250	35,400	42,480	56,650
Walworth	23,700	39,500	47,400	63,200
Washburn	21,250	35,400	42,480	56,650
Washington	25,150	41,900	50,280	67,050
Waukesha	25,150	41,900	50,280	67,050
Waupaca	21,550	35,900	43,080	57,450
Waushara	21,250	35,400	42,480	56,650
Winnebago	24,250	40,400	48,480	64,650
Wood	22,100	36,800	44,160	58,900

Note: The Department of Administration housing programs funded with federal HOME funds use these income limit categories for client eligibility and reporting purposes. Programs funded with federal CDBG funds use the 30%, 50% and 80% income limits.

APPENDIX VII

U.S. HUD HOME Direct Grant Recipients

These municipalities receive grants directly from HUD rather than through the Wisconsin Department of Administration.

Cities

Eau Claire
Green Bay
Janesville
Kenosha
La Crosse
Madison
Milwaukee
Racine

Counties

Dane County
Milwaukee County

A Consortium of:

Jefferson, Ozaukee, Washington, and Waukesha Counties
(excluding the Village of Sullivan)

APPENDIX VIII

U.S. HUD CDBG Entitlement Municipalities

These municipalities receive grants directly from HUD rather than through the Wisconsin Department of Administration.

Appleton
Beloit
Eau Claire
Fond du Lac
Green Bay
Janesville
Kenosha
La Crosse
Madison
Milwaukee
Neenah
Oshkosh
Racine
Sheboygan
Superior
Wausau
Wauwatosa
West Allis

Dane County
(excluding the Villages of Cottage Grove, Dane, Maple Bluff, Mazomanie,
and Rockdale, and the City of Edgerton)

Milwaukee County

Waukesha County
(excluding the Villages of Chenequa and Oconomowoc Lake)

APPENDIX IX

WHEDA Single-Family Programs Historical Activity

Year	First-Mortgage Programs										Second-Mortgage Programs					
	Conventional		First-Time Buyers		Veterans		Refinance		Rehabilitation		Down Payment Assistance		Capital			
	WHEDA Advantage ^a Loans	Amount	Advantage-FHA Loans	Amount	FTHB Advantage Loans	Amount	VALOR Loans	Amount	Refi Advantage Loans	Amount	Home Improvement Loans	Amount	Easy Close Advantage Loans	Amount	Access Advantage Loans	Amount
2009	-	-	-	-	-	-	-	-	-	-	6	\$42,690	-	-	-	-
2010	657	\$74,007,746	2	\$163,300	-	-	-	-	-	-	2	20,000	8	\$24,000	-	-
2011	374	39,305,692	0	0	-	-	-	-	-	-	5	41,368	63	189,000	-	-
2012	640	71,238,720	11	1,167,569	-	-	-	-	-	-	6	39,884	143	485,389	-	-
2013	1,077	119,772,833	49	5,056,540	-	-	-	-	3	837,750	12	95,113	454	1,552,269	-	-
2014	1,169	133,701,463	79	8,424,304	-	-	-	-	18	1,944,070	18	221,436	602	2,146,109	-	-
2015	502	66,199,965	124	14,111,641	1,040	119,140,582	-	-	12	1,465,130	9	145,871	944	3,575,552	-	-
2016	637	88,944,095	361	42,851,815	1,639	189,881,658	15	1,698,503	15	1,811,500	13	160,152	1,667	6,570,945	-	-
2017	640	89,195,657	385	46,242,468	2,053	235,832,112	65	7,742,155	8	1,070,115	11	229,432	2,206	8,643,242	24	\$80,000
2018	843	124,871,975	396	50,998,773	2,670	320,592,955	7	921,569	1	113,000	9	103,306	2,697	11,227,989	186	660,895
2019	744	112,908,584	325	43,338,573	2,066	266,431,384	8	1,052,238	13	2,184,237	8	90,442	2,244	9,889,168	262	967,997
2020 ^b	193	29,631,121	196	27,515,211	510	64,728,832	2	259,090	7	948,760	1	14,100	646	2,945,851	89	316,016
Total	7,476	\$949,777,851	1,928	\$239,870,194	9,978	\$1,196,607,523	97	\$11,673,555	77	\$10,374,562	100	\$1,203,794	11,674	\$47,249,514	561	\$2,024,908
Outstanding ^b	4,588	\$540,792,898	1,633	\$194,519,917	8,622	\$980,943,294	88	\$9,843,860	59	\$6,604,736	80 ^c	\$576,389 ^c	8,629	\$27,248,592	543	\$1,967,544

^a Includes loans in federal target areas.

^b As of June 30, 2020.

^c Includes loans prior to 2009.

Inactive Programs - Outstanding Amounts*

Program	Loans	Amount
HOME	5,003	\$265,361,119
Zero Down	219	18,349,145
Neighborhood Advantage	39	1,537,084
HOME Plus	90	193,818
Milwaukee Advantage	1	36,076
Workforce Advantage	2	7,151
FHLBC Advantage	7	6,107

*As of June 30, 2020.

APPENDIX X

2020 Median Family Income by County* and Federal Target Areas† (WHEDA Programs)

County	Median Income	County	Median Income
Adams	\$55,600	Marathon (Wausau†)	\$79,900
Ashland†	59,000	Marinette†	59,200
Barron†	65,000	Marquette†	64,300
Bayfield†	64,500	Menominee†	41,000
Brown (Green Bay†)	82,300	Milwaukee (City of Milwaukee†)	83,800
Buffalo	68,500	Monroe	72,100
Burnett†	59,800	Oconto†	70,700
Calumet	86,400	Oneida	70,400
Chippewa	76,700	Outagamie	86,400
Clark†	62,900	Ozaukee	83,800
Columbia	81,800	Pepin	68,500
Crawford†	64,300	Pierce	103,400
Dane (Madison†)	100,100	Polk (Clear Lake†)	69,200
Dodge	77,500	Portage	79,100
Door	74,500	Price	60,500
Douglas (Superior†)	76,800	Racine (City of Racine†)	84,600
Dunn	71,500	Richland	63,200
Eau Claire (City of Eau Claire†, Augusta†)	76,700	Rock (Beloit†, Janesville†)	70,300
Florence	61,000	Rusk†	53,700
Fond du Lac	79,200	St. Croix	103,400
Forest	56,000	Sauk	72,500
Grant	68,500	Sawyer†	55,400
Green	79,000	Shawano	66,400
Green Lake	69,900	Sheboygan (City of Sheboygan†)	73,400
Iowa	78,500	Taylor	63,900
Iron†	57,200	Trempealeau†	71,900
Jackson†	66,100	Vernon (La Farge†)	63,600
Jefferson	76,600	Vilas	57,500
Juneau†	63,400	Walworth	79,000
Kenosha (City of Kenosha†)	77,700	Washburn	63,800
Kewaunee	82,300	Washington	83,800
La Crosse (City of La Crosse†)	76,800	Waukesha (City of Waukesha†)	83,800
Lafayette	69,400	Waupaca	71,800
Langlade	60,300	Waushara	63,700
Lincoln	71,700	Winnebago	80,800
Manitowoc	76,000	Wood	73,600

*In some instances where data is provided for a metropolitan area rather than a county, the corresponding county was assigned this value. For example, Brown County was assigned Green Bay data.

† Some or all of the municipality is a designated target area of economic distress. For certain programs, income limits are adjusted to 140% of median income in these areas. In instances where a specific municipality is designated, it is listed in parentheses.

Notes:

- Income eligibility for certain WHEDA loans is based on provisions in the Internal Revenue Code, which generally specifies a limit of 115% of state or area median family income. Other adjustments under federal law may allow for higher income limits than suggested by data above. For county-specific income limits by WHEDA program, see WHEDA's website.
- Under the Section 8 programs, eligibility at 30%, 50% or 80% of median family income would apply to the levels above for a four-person household. Income thresholds are adjusted for households smaller or larger than four.

Source: U.S. Department of Housing and Urban Development