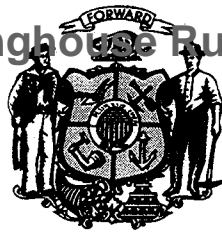STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON
GOVERNOR
MARK D. BUGHER
SECRETARY

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

Corrected

March 9, 1999

Mr. Gary Poulson
Revisor of Statutes
131 W. Wilson Street, Suite 800
Madison, WI 53703

Douglas LaFollette
Secretary of State
30 W. Mifflin St., 10th Fl.
Madison, WI 53703

TRANSMITTAL OF RULE ADOPTION – Adm 19

RE: Small Cities Community Development Block Grants for Housing

Dear Messrs. Poulson and LaFollette:

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

Enclosed, please find a rule certificate form, the order of adoption and rule in final draft form, as well as the fiscal estimate.

Pursuant to s. 227.114, Stats., the rule herein is not expected to negatively impact on small businesses.

Respectfully Submitted,
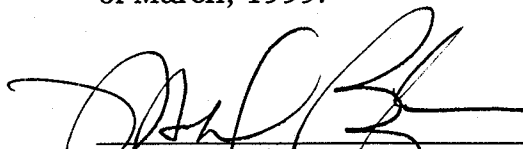
Mark D. Bugher
Secretary

98-110

RULES CERTIFICATE

State of Wisconsin   )
) ss.

Department of Administration)

      I, Mark D. Bugher, Secretary of the Wisconsin Department of

Administration, and custodian of the official records, certify that the attached

administrative rule relating to Small Cities Community Development Block

Grants for Housing, was duly approved and adopted by the Department of

Administration on March 9, 1999.

      I further certify that this copy has been compared by me with the

original on file with this Department and that it is a true copy thereof and of

the whole of such original.

                                    IN TESTIMONY WHEREOF, I have
Hereunto set my hand in the City of
Madison, Wisconsin this 9th day
of March, 1999.

                                      _____

                                  Mark D. Bugher, Secretary
                                  Department of Administration

ORDER OF THE DEPARTMENT OF ADMINISTRATION

The Wisconsin Department of Administration proposes an order to repeal Adm 19.04, 19.05(6) and 19.06; to renumber Adm 19.05(5), (7), (8) and (9), Adm 19.07 and Adm 19.08; to renumber and amend Adm 19.05(intro.), (1), (2), (3) and (4), and Adm 19.06(intro.), (1) and (2); to amend Adm 19.02(6), and to create Adm 19.02(7), 19.05 and 19.08(1)(a), (b), (2), and (3) of the Wisconsin Administrative Code.

Analysis prepared by the Department of Administration:

Statutory Authority: Sections 16.004(1), 16.358(2) and 227.11, Stats.

Statutes Interpreted: Section 16.358, Stats.

Section 16.358, Stats., was created in 1991 authorizing the Department of Administration to adopt and administer Chapter Adm 19. This chapter establishes the requirements for the award of Community Development Block Grant funds to local units of government.

The creation of Adm 19.08 is proposed in order to comply with the amendments to s. 16.358 as created in 1997 Wisconsin Act 27. Section Adm 19.05(6) is deleted in order to remove a subjective element from the evaluation criteria. The other changes are not substantive but are made for the purposes of clarification of existing language.

Final Regulatory Flexibility Analysis:

Pursuant to s. 227.114, Stats., the rule herein is not expected to negatively impact on small businesses.

TEXT OF RULE:

SECTION 1: Adm 19.02(6) is amended to read.

(6) ~~"Program area"~~ "Target area" means the area of a community which has a greater proportion of LMI households than the community as a whole. An eligible applicant may choose to designate the entire community as a ~~program~~ target area.

SECTION 2: Adm 19.02(7) is created to read.

(7) "Unfunded application" means a CDBG application which receives an insufficient point score in the evaluation process to receive funding in a program year.

SECTION 3: Adm 19.04 is repealed.

SECTION 4: Adm 19.05 (intro), (1), (2), (3) and (4) are renumbered Adm 19.04(intro), (1), (2), (3) and (4) and amended to read.

19.04 Evaluation Criteria. Applicants shall be compared and rated by the department based upon the department's evaluation of the proposal's consistency with s. 16.31, Stats., 24 CFR part 570, <u>and the scoring criteria in the CDBG application package.</u> Applicants shall ~~also~~ be compared and rated by the department based on the applicant's discussion and documentation of relevant evaluation criteria including, but not limited to, the following:

(1) ~~Program~~ <u>Target</u> area need as ~~outlined in s. Adm 19.04.~~ <u>defined by the department in the CDBG application package.</u>

(2) The percentage of program ~~benefit~~ <u>funds</u> directed toward households with the lowest income.

(3) The extent to which program funds are directed to areas that are most in need ~~and to communities that can most effectively use the funds~~.

(4) The extent to which housing needs in the community and in the ~~program~~ <u>target</u> area have been adequately documented.

SECTION 5: Adm 19.05(6) is repealed.

SECTION 6: Adm 19.05(5), (7), (8) and (9) are numbered Adm 19.04(5), (6), (7) and (8).

SECTION 7: Adm 19.06 is repealed.

SECTION 8: Adm 19.05 is created to read.

Adm 19.05 Application process. The department shall make funds available annually as those funds are made available by the federal department of housing and urban development. To receive funds under this program, an eligible applicant shall do all of the following:

(1) Submit an application which is complete and in the format required by the department.

(2) Resubmit an unfunded application as described in Adm 19.08, and in a format and with supporting documentation as required by the department.

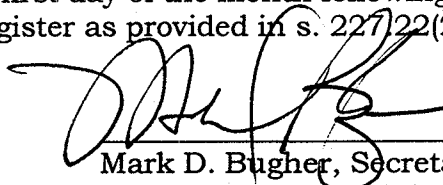**SECTION 9:** Adm 19.07 and Adm 19.08 are renumbered Adm 19.06 and Adm 19.07.

SECTION 10: Adm 19.08 is created to read.

Adm 19.08 Resubmitted applications. (1) An applicant for funds shall be eligible to receive funds in the CDBG program year following the year for which the applicant submits an unfunded application, without having to submit another application for that following year if all of the following apply:

(a) The applicant is an eligible applicant under the terms of the program.

(b) The applicant submits a request to resubmit in a format as required by the department.

(2) The resubmitted application will not be reevaluated, but shall retain the score received in the original application competition.

(3) An unfunded application may be resubmitted under sub. (1) only once.

This rule shall take effect on the first day of the month following publication in the Wisconsin Administrative Register as provided in s. 227.22(2)(intro.), Stats.

Dated: March 9, 1999

Mark D. Bugher, Secretary
Department of Administration

					LRB or Bill No./Adm. Rule

FISCAL ESTIMATE
DOA-2048 (R10/92)

☒ ORIGINAL   ☐ UPDATED
☐ CORRECTED   ☐ SUPPLEMENTAL

1997 Session

LRB or Bill No./Adm. Rule
Adm 19

Amendment No. if applicable

Subject

Small Cities Community Development Block Grants for Housing (CDBG)

Fiscal Effect

State: ☒ No State Fiscal Effect

Check columns below only if bill makes a direct appropriation
or affects a sum sufficient appropriation.

☐ Increase Existing Appropriation   ☐ Increase Existing Revenues
☐ Decrease Existing Appropriation   ☐ Decrease Existing Revenues
☐ Create New Appropriation

☐ Increase Costs - May be possible to absorb Within Agency's Budget ☐ Yes   ☐ No

☐ Decrease Costs

Local: ☒ No local government costs

1. ☐ Increase Costs

   ☐ Permissive   ☐ Mandatory

2. ☐ Decrease Costs
   ☐ Permissive   ☐ Mandatory

3. ☐ Increase Revenues

   ☐ Permissive   ☐ Mandatory

4. ☐ Decrease Revenues
   ☐ Permissive   ☐ Mandatory

5. Types of Local Governmental Units affected:
   ☐ Towns   ☐ Villages   ☐ Cities
   ☐ Counties   ☐ Others _____
   ☐ School Districts ☐ VTAE Districts

Fund Sources Affected
☐ GPR ☐ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEG-S

Affected Ch. 20 Appropriations
s.

Assumptions Used in Arriving at Fiscal Estimate:

1997 Wisconsin Act 27 mandated that the Division of Housing change their administrative rules to allow for an applicant to "be eligible to receive funds under the program in the year following the year for which the applicant submits an application, without having to submit another application for that following year." The new language added to Chapter Adm 19 accomplishes this by adding s. 19.08 to chapter Adm 19.

Also included in the proposed change to Chapter Adm 19 are deleting and replacing of definitions which comply with current practices and standards.

There is no state fiscal effect.

There will be some cost savings to those local governmental units that do not prepare a new CDBG grant in the second year.

Long-Range Fiscal Implications

Agency/Prepared by: (Name & Phone No.)

Ryan Gill,
Department of Administration
6-6497

Authorized Signature/Telephone No.

Charles E. McDowell 7-3836

Date:

June 17, 1998