State Housing Programs

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CHAPTER 1

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY (WHEDA) HOUSING PROGRAMS

WHEDA's housing programs include multiple financing products for single-family and multi-family structures. Beginning in 2012, single-family first mortgages are funded mostly via the secondary mortgage market, although WHEDA in 2015 plans to resume offering 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. In addition, the Authority administers federal funding and tax credits for housing for low-income households. These and other programs are described in this chapter.

Single-Family Housing Programs

WHEDA Advantage

Background. The WHEDA Advantage loan program provides mortgage loans, financed by the government-sponsored enterprise Fannie Mae, to low- and moderate-income households in Wisconsin. WHEDA began lending under Fannie Mae Advantage in 2010, replacing the home ownership mortgage loan (HOME) program that WHEDA had suspended in October, 2008. (HOME, which was created in Chapter 349, Laws of 1981, should not be confused with the federally funded home investment partnership program administered by the Department of Administration (DOA), which also uses the acronym HOME.)

WHEDA ceased HOME lending on October 1, 2008, because the Authority's cost of borrowing increased significantly as investor demand for housing-related securities fell sharply. Lower bond demand would typically result in higher rates offered to prospective bond purchasers. However, the Authority reports the higher interest rates on bonds at that time would have required offering rates undesirably high to first-time home buyers served by the program. Additionally, the increase in troubled loans nationally around the 2007-2009 recession decreased the value of mortgage insurance, which is what WHEDA used as a primary means of insuring itself against default by HOME borrowers. Mortgage insurance was required on most HOME loans to compensate WHEDA in case of defaults by borrowers.

WHEDA's initial Fannie Mae Advantage loan products were based on a 2006 agreement between Fannie Mae and the National Council of State Housing Agencies (NCSHA), the trade association of state housing finance agencies (HFAs) such as WHEDA. WHEDA joined the agreement in 2008 following the suspension of the HOME program. The agreement established terms by which HFA loans would be sold to or guaranteed by Fannie Mae, and a national lending initiative known as Affordable Advantage was developed.

WHEDA announced the beginning of Fannie Mae Advantage in February, 2010, and was the first state HFA to implement the Affordable Advantage program framework. By late 2010, WHEDA had implemented a standard Fannie Mae Advantage loan, as well as several alternative Fannie Mae Advantage loan products to accommodate multiple profiles of loans, such as those with low loan-to-value (LTV) ratios or loans with a smaller down payment, but for which borrowers acquired mortgage insurance. Collectively, this variety of loans had the effect of offering a range of rates to borrowers with different profiles. These products were made available beginning September 1, 2010.

Shortly thereafter, Affordable Advantage was discontinued by the Federal Housing Finance Agency, the regulator and conservator of government-sponsored enterprises Fannie Mae and Freddie Mac. As such, beginning January, 2011, the standard WHEDA Advantage mortgage loan required loans to conform more closely to Fannie Mae's customary eligibility requirements. This included having an LTV no higher than 97%, which suggests a down payment of about 3% of the property purchase price, and required mortgage insurance for loans with an LTV higher than 80%.

In January, 2012, WHEDA began offering two loan types with Fannie Mae financing. These loans were developed by Fannie Mae for participating state HFAs, and the two products continue to be WHEDA's primary single-family loan products through 2014. One loan type requires borrowers to purchase mortgage insurance for loans exceeding 80% LTV, or equal to a 20% down payment. Borrowers in turn pay a lower interest rate. The other type allows borrowers to forego mortgage insurance, but pay a higher interest rate for the relatively higher risk of loss on a loan in the event of default. The loan with mortgage insurance has typically offered interest rates .25 to .75 percentage points lower than those without mortgage insurance.

Program Terms and Eligibility. Advantage loans are issued exclusively with 30-year terms at a fixed interest rate and with no prepayment penalties. Per statute, WHEDA also may not make a loan to a person without a Social Security number, and the property must be used as the principal residence of the borrower.

Household income remains a primary determinant of eligibility under the Advantage programs; this requirement remains in effect in state statutes. Appendix I provides estimated 2014 median family income by county, and Appendix II shows WHEDA Advantage income and loan limits by county.

WHEDA formerly limited HOME loans to properties selling at or below certain specified prices, and borrowers generally had to be first-time homebuyers. Each of these provisions allowed bonds issued to finance the program to qualify for the federal tax exemption on interest earnings, which in turn allowed HOME loans to be made at rates favorable to low- and moderate-income borrowers. These provisions have been modified for WHEDA Advantage, due mostly to WHEDA Advantage loans not using tax-exempt bonding to finance single-family lending programs. Borrowers need not be a first-time homeowner. However, a borrower may not receive a WHEDA Advantage loan if holding an ownership interest in another residential property. Loan limits now are those for Fannie Mae conforming loans, or $417,000 in Wisconsin. Despite a higher loan limit than under HOME, average WHEDA Advantage loans since 2010, as shown in Appendix III, have been approximately $111,000, due to the continuation of income limits and lending standards limiting a borrower's monthly payments for housing and other debt as a percentage of income.

As of 2014, WHEDA Advantage is available only to most existing single-family dwellings and two-unit dwellings at least five years old. Federal law, state statutes and Fannie Mae guidelines allow WHEDA to finance structures with up to four dwelling units, as well as to finance major rehabilitation of a property. However, the Authority has elected to forego the offering of loans for such properties or activities, as WHEDA reports these activities are not typically in substantial demand, and certain Fannie Mae regulatory requirements for such properties or activities are more stringent.

Many other former HOME and current WHEDA Advantage provisions are similar or identical. For example, analogous provisions include: (a) a maximum loan-to-value ratio of 97%, suggesting a down payment of about 3% of the property's purchase price; (b) required mortgage insurance for certain loans; and (c) a minimum credit score. However, certain provisions under the WHEDA Advantage program are less restrictive. For instance, there is currently no minimum amount of a borrower's own funds that must be part of a down payment under Advantage for single-family properties. However, WHEDA's approved mortgage insurers in most cases require some amount to be paid directly from a borrower's own funds, as opposed to being gifts or from other sources. For those that require a contribution, the minimum is generally a percentage of the purchase price, from 1% to 3%, and in some cases the minimum contribution is the lesser of either that specified percentage or $1,000. A possible source for a borrower's down payment is Easy Close Advantage, which is discussed later in greater detail. By comparison, the minimum borrower contribution under HOME for single-family homes was 1% of the purchase price up to $500, or 3% of the purchase price in certain circumstances for borrowers with lower credit scores and high-LTV loans.

Program Financing and Administration. One primary difference between the HOME and Advantage programs relates to the type of loss protection on mortgage loans. Under HOME, WHEDA primarily used mortgage insurance to protect against loss in the event of borrower default. This ensured WHEDA's ability to repay its bondholders, even if borrowers missed monthly payments.

Under the Advantage program, WHEDA no longer holds all issued loans in its portfolio as it did under HOME. Rather, WHEDA now sells loans directly to Fannie Mae, which subsequently securitizes loans for sale on the secondary market. Under this system, WHEDA or its participating lenders service loans, while Fannie Mae assumes risks related to interest rates and loans not proceeding to closing.

WHEDA's current financing system for Advantage loans differs from the procedures WHEDA initially instituted when introducing the Fannie Mae-financed loan products in 2010. At that time, it was expected loans sold would be packaged into mortgage-backed securities, which WHEDA then would repurchase with proceeds generated from mortgage revenue bonds. By virtue of the Authority holding the securities backed by the mortgages sold to Fannie Mae, WHEDA would be guaranteed payment on mortgage loans by Fannie Mae. Fannie Mae's payment guarantee, however, would be supported by guarantee fees collected by WHEDA as part of borrowers' monthly payments and remitted to Fannie Mae.

Under the current financing system, borrowers continue to pay guarantee fees. For loans with both mortgage insurance and a Fannie Mae guarantee, Fannie Mae bondholders are made whole first by mortgage insurance and then Fannie Mae's guarantee in the event of a borrower default.

WHEDA has made a total of 3,305 loans for $367,094,100 under the Advantage program, as financed by Fannie Mae, from its inception in 2010 through June 30, 2014. As of June 30, 2014, 3,093 loans were outstanding with total balances of $332,081,100. Also, WHEDA issued approximately 110,000 loans totaling $6.9 billion during the HOME program's operation. As of June 30, 2014, WHEDA reports 11,081 HOME loans remain outstanding with total balances of

$796,690,500. Loan activity for these programs is shown in Appendix III.

Refi Advantage. The statutes prohibited homeownership mortgage loans from being issued for refinance purposes beginning with the enactment of the program under Chapter 349, Laws of 1981. Exceptions were granted for: (a) a construction loan; (b) temporary initial financing; and (c) loans for the financing of a substantial rehabilitation. 2013 Act 40 expanded these exceptions to include loans for paying off a loan already funded or serviced by WHEDA. The Authority began issuing refinance loans in October, 2013, under the name of WHEDA Refi Advantage.

The Refi Advantage program offers borrowers loans under the Fannie Mae-backed WHEDA Advantage loans. Borrowers must have at least 3% equity in the residence, and may opt for loans either with mortgage insurance and a lower interest rate, or no mortgage insurance and a relatively higher interest rate to compensate for the comparatively higher risk of loss on the loan. Refi Advantage is not available for: (a) condominiums; (b) manufactured homes; (c) persons with poor credit or with a bankruptcy or foreclosure incurred during the current loan term; (d) properties listed for sale; (e) properties on which payment of real estate taxes is at least 60 days past due; and (f) loans modified during the current term.

WHEDA has issued 18 Refi Advantage loans with a total value of $1,850,100, beginning with the first loans issued in October, 2013, through June 30, 2014. These loans are counted separately from the purchase loans noted above for the standard WHEDA Advantage loan program.

FHA Advantage

WHEDA began offering the Federal Housing Administration (FHA) Advantage mortgage loan in September, 2011. For WHEDA borrowers, the program bears many similarities to the Fannie Mae-financed WHEDA Advantage program. FHA Advantage mortgage loans are exclusively 30-year terms at a fixed interest rate. FHA Advantage loans may be for existing single-family properties and certain condominiums, but not for properties of two or more units, which are allowed under WHEDA Advantage. Program income limits are identical, although loan limits are generally less, at about $270,000 in most counties in 2014.

FHA Advantage borrowers must meet an FHA requirement of at least 3.5% down, although the program has no minimum contribution from the buyer; the down payment may be from a gift or other source. From the perspective of borrowers, loan interest rates for FHA Advantage loans have typically tracked rates offered on WHEDA Advantage loans with mortgage insurance. WHEDA reports FHA Advantage loans have more permissive underwriting and credit guidelines, which would tend to accommodate more prospective borrowers than the relatively stricter standards required by Fannie Mae. However, WHEDA also reports less stringent credit guidelines are likely to yield higher-cost loans for most borrowers in the FHA Advantage program, due to higher up-front and annual mortgage insurance premiums to compensate for the relatively riskier profile of borrowers.

WHEDA's loan financing under the FHA Advantage program is similar to its administration under the Fannie Mae-financed Advantage program, in that the Government National Mortgage Association, or Ginnie Mae, guarantees payment to the investors of mortgage-backed securities composed of FHA loans. However, unlike mortgage loans with Fannie Mae's guarantee, Ginnie Mae does not directly participate in the secondary marketing of loans as Fannie Mae does. Therefore, WHEDA issues its own Ginnie Mae mortgage-backed securities for the FHA Advantage loans it originates. WHEDA can either hold the securities or resell them to another purchaser.

Beginning in 2012, WHEDA entered an agreement with a private investment bank for selling its securities consisting of FHA Advantage loans. The bank purchases WHEDA's Ginnie Mae securities, and WHEDA agrees to make loans at rates specified by the bank, based on the price at which the bank can later sell the securities on the secondary market. WHEDA reports this arrangement reduces various pricing and other risks to which the Authority may otherwise be exposed in the marketing of the securities.

WHEDA has issued 102 loans under FHA Advantage since its inception through June 30, 2014, with total originations of $10,552,500. As of June 30, 2014, 98 loans remained outstanding, with outstanding principal of $10,101,900. FHA Advantage loan activity is shown in Appendix III.

WHEDA Tax Advantage Program

In 2013, WHEDA began offering the WHEDA Tax Advantage program as an alternative means of using its portion of the state's tax-exempt bonding volume cap. Federal law allows bond-issuing housing agencies to convert available tax-exempt volume cap to mortgage credit certificates (MCCs), which entitle borrowers holding such certificates to claim a federal income tax credit for mortgage interest, as opposed to the mortgage interest deduction more commonly used by homeowners for federal income tax purposes. The credit is nonrefundable, meaning the credit claimed in any year may not exceed the filer's tax liability for that year. WHEDA reports it initiated the program mostly to avoid the lapse of unused volume cap that was scheduled to expire, which generally occurs three years following the originally scheduled expiration of a year's cap.

Under federal law, an MCC program may issue credit certificates of up to 25% of the amount of unissued bonds under the state volume cap; that is, every $4 in volume cap may be converted to $1 in mortgage credit certificates. For loans originated under an MCC program, an issuing agency may further determine the rate of credit to be applied to every dollar of interest paid annually by a borrower, but the rate must be no lower than 10% and no higher than 50%. Beginning in 2013, WHEDA has allowed borrowers a general 25% credit rate, although a 40% credit is available for qualifying veterans and for loans for properties in federal target areas of economic distress. The rate is applied to a borrower's annual mortgage interest paid, and the resulting amount is claimable as a credit against federal income taxes due. The annual credit is capped at $2,000, for filers with credit rates higher than 20%, but filers may carry over unused credits for up to three years, subject to the $2,000 cap, if applicable. The credit may be claimed annually over the life of the loan for interest paid each taxable year.

The following is an example of computing the credit allowed a borrower under the WHEDA Tax Advantage program: A borrower with a $100,000 loan at 5% interest would be expected to pay $4,966 in interest in the first full year of a loan, and, subject to the borrower's other tax liabilities, he or she could claim a credit of $1,242 with a 25% MCC rate or $1,987 with a 40% rate. Over the life of the loan, the borrower would expect to claim credits of approximately $23,300 with a 25% MCC rate or approximately $37,300 with a 40% MCC rate. For each year the borrower claims the mortgage interest credit, the person would have to reduce any claims of the mortgage interest deduction by the amount of credit claimed.

Because an MCC program relies on federal volume cap, an MCC program is bound by federal limits on mortgage revenue bonds, including those pertaining to purchase prices, a borrower's income and the borrower being a first-

Table 1: Mortgage Credit Certificates

Volume Cap Year (Year Converted)	Amount of Convertible Volume Cap	Amount Converted to MCCs (25%)	MCCs Issued	MCC Amount (Life of Loan)	MCC Cap Expiration (Dec. 31)
2009 (2012)	$445,600,000	$111,400,000	354*	$11,577,100	2014
2010 (2013)	462,464,100	115,616,000	0	0	2015
Total	$908,064,100	$227,016,000	354	$11,577,100	

* As of June 30, 2014.

time homebuyer. (Income and purchase price limits are shown in Appendix II.)

At least 20% of credits available must be reserved for residences in federally identified target areas. Persons issued an MCC program loan also are subject to federal recapture of tax credits upon sale of a residence; however, borrowers using WHEDA Advantage loans to finance the property purchase are eligible for WHEDA repayment of the recapture tax. Loans under the MCC program must be issued by a WHEDA-approved lender, but loans need not be WHEDA-issued products such as WHEDA Advantage or FHA Advantage. However, loans receiving an MCC may not simultaneously be financed through tax-advantaged instruments such as a tax-exempt mortgage revenue bond. Persons participating in an MCC program may refinance a mortgage loan, but an authorized MCC issuing agency would have to reissue a new certificate on the subsequent loan for the borrower to continue claiming the certificate credit.

Beginning in late 2012, WHEDA has converted volume cap to mortgage credit certificates as shown in Table 1. Unused volume cap may be issued credit certificates through the end of the second year following the initial conversion of unused cap; for example, WHEDA's first converted volume cap in 2012 may be issued as MCCs until December 31, 2014, and volume cap amounts converted in October, 2013, may be issued as MCCs until December 31, 2015. In addition to the conversions shown, in late 2014 WHEDA anticipated converting unused volume cap of $241,489,700 from 2011 to $60,372,400 in possible MCCs to be issued by 2016.

Under federal law, an MCC-issuing agency must calculate the certificates issued to date in the calendar year to determine its adherence to credit-issuance limits. Specifically, an agency must multiply, for each loan, the credit rate by the principal amount, and add the product for each loan. The sum of the products may not exceed 25% of the amount of unused volume cap for that year.

First-Time Home Buyer Advantage

Beginning January, 2015, WHEDA is offering a loan program for single-family residences funded by proceeds of federal tax-exempt mortgage revenue bonds. The program, known as First-Time Home Buyer (FTHB) Advantage, would be subject to requirements for bonds issued with a federal tax exemption for interest earnings. These include the requirement that borrowers be first-time home buyers under federal law, defined as not having owned a home in the preceding three years. Income and purchase price limits are shown in Appendix II. A borrower's annual income, combined with all sources of income of all adults who intend to purchase an eligible property or occupy the same dwelling unit as the applicant, in general is limited to 115% of the median income for the state or the area in which the home is located. However, certain adjustments to area median income specified in federal law may allow for this general income level to be increased for purposes of determining eligibility for loans. These adjustments include those for areas of high housing costs. Also, in designated target areas of economic distress, a participant's income may be up to 140% of adjusted income limits for households of four persons. Aside from generally more stringent income and purchase price limits, WHEDA applies other eligibility criteria consistent with the WHEDA Advantage (Fannie Mae) loan program. WHEDA expects interest rates on FTHB Advantage loans to be lower than rates under WHEDA Advantage (Fannie Mae).

Second-Mortgage Programs for Single-Family Housing

Home Improvement Advantage Loan Program

The Home Improvement Advantage program provides loans for needed repairs to borrowers' homes or to improve their homes' energy efficiency. WHEDA began the Home Improvement Advantage loan program in 2009 in conjunction with the Fannie Mae Advantage program. The Home Improvement Advantage loan program replaced the former home improvement loan program (HILP), which was suspended in April 2008. WHEDA suspended HILP due to low lending activity and declines in property values that began in 2007, which the Authority was concerned would increase the likelihood of losses in HILP lending if borrowers' homes entered foreclosure.

As of June, 2013, prospective borrowers need only meet income requirements to be eligible for a loan; previously, borrowers were required to have a WHEDA first mortgage on which payments were current for six months. In accordance with statutory provisions, annual household income limit under the program is 120% of the median family income in the area in which the home is located, or the median income in the state, whichever is greater, except in designated reinvestment neighborhoods where the income limit is 140%. Additionally, the Authority can increase or decrease the income limit by 10% for each person greater or less than four. Eligible properties generally include residential structures containing four dwelling units or fewer. Further, the borrower must be both the owner and occupant of the property. The program does not require borrowers to have any equity in their homes.

As of October, 2013, Home Improvement Advantage loans can be for up to $15,000, and may have a maximum term of 15 years. (HILP loans formerly had no maximum loan amount, with a $17,500 maximum having been repealed in 2006. The maximum loan term formerly was 15 years.) The statutes cap interest rates for home improvement loans at the greater of 8% or three percentage points over the rate required to repay holders of any bonds issued for program loans; beginning in October, 2013, WHEDA is administering the program to have a fixed rate as determined by market pricing. Additionally, a lower rate generally will be provided if the loan is in the first lien position, or, in other words, is not a second mortgage on the property; being in the first lien position generally means the loan is at a lower risk of loss in case of default, and the lower rate is intended to reflect that lower risk. Loan proceeds may be used only for housing additions, alterations or repairs to: (a) maintain decent, safe and sanitary conditions; (b) reduce the cost of owning or occupying the housing; (c) conserve energy; and (d) extend the economic or physical life of the property. Luxury improvements do not qualify under the program.

The statutes provide WHEDA the authority to issue bonds to fund the program, but no bonds have been issued since 1992, and none of the bonds are outstanding. Currently, the program is funded by the housing rehabilitation loan program administration fund, created by statute in WHEDA to provide for the administration of the housing rehabilitation loan program, including payment of origination, servicing and other fees, and to receive funds no longer needed for the redemption of outstanding bonds issued to fund the program. In addition to the administration fund, the statutes create several other housing rehabilitation loan program funds to facilitate WHEDA's implementation of the program. However, most other funds relate to bonds issued for the program, and as no bonds are outstanding, none of these funds is currently active.

As of June 30, 2014, WHEDA reported the housing rehabilitation loan program administration fund had a total balance of $9.5 million and total assets of $10.3 million, but total liabilities or program encumbrances of $10.3 million. 2013 Act 20 requires WHEDA annually to transfer to the Wisconsin Development Reserve Fund (WDRF) all funds in the housing rehabilitation loan program administration fund that are no longer required for the housing rehabilitation loan program. (The WDRF is a WHEDA-administered fund supporting several loan guarantees for economic development activities.) On the basis of the fund condition as of June 30, 2014, WHEDA determined no transfer to the WDRF was required. However, 2013 Act 175 transferred $2 million in 2013-14 from the housing rehabilitation loan program fund to the WDRF to support a loan guarantee program for emergency heating assistance for persons in Wisconsin impacted by heating emergencies declared by the Governor. These funds are expected to remain in the WDRF.

Prior to 2013 Act 20, any excess housing rehabilitation program funds were to be transferred to the state's general fund. In 2000, the first year of the requirement, WHEDA transferred $1,500,000 to the state's general fund, but no additional transfers to the state general fund occurred prior to the Act 20 change.

The Authority made 15,212 home improvement loans totaling $102.8 million between the program's inception in 1979 and its suspension in April 2008. Additionally, since Home Improvement Advantage began lending in August, 2009, it has made 37 loans for $325,700 through June 30, 2014. As of June 30, 2014, 126 total home improvement loans were outstanding, with balances of $826,000. Appendix IV provides information on home improvement loans since the program's inception.

Easy Close Program / HOME Plus

WHEDA began lending under HOME Easy Close in February, 1993. HOME Easy Close provided a deferred loan of up to $1,000 to assist individuals with their mortgage closing costs. An individual was eligible for an Easy Close loan if his or her income was not in excess of $35,000 and if the individual was otherwise eligible for a HOME loan. Easy Close loans generally had three-year terms. HOME Easy Close loans were made using an allotment from WHEDA's unencumbered general reserves.

WHEDA replaced the HOME Easy Close program with the HOME Plus program in April, 2002. HOME Plus encumbered resources from Easy Close and from HILP to offer loans or lines of credit for down payment and closing cost assistance and for home repairs. HOME Plus offered loans up to $10,000 at a fixed interest rate for a 15-year term. WHEDA made 6,333 HOME Plus loans totaling $59,575,600 over the life of the program, with an average loan value of $9,407. Of these amounts, 768 loans and $3,302,000 remain outstanding as of June 30, 2014.

WHEDA suspended HOME Plus in April, 2008, and began a new Easy Close Program, which was suspended in October, 2008, as HOME lending ceased. WHEDA restarted Easy Close Advantage in September, 2010, to work in conjunction with the other Advantage loan offerings. Easy Close now offers loans to assist with down payments, closing costs or mortgage insurance premiums. Maximum loans are: (a) the greater of $3,000 or 3% of the principal on the primary mortgage, on WHEDA Advantage loans under Fannie Mae financing; or (b) the greater of $3,500 or 3.5% of primary loan principal, for FHA Advantage loans. Easy Close Advantage loans must be a minimum of $1,000. The term may be up to 10 years. Beginning in January, 2015, interest rates are determined by WHEDA daily based on market rates. Borrowers with more than $15,000 in liquid assets at the time of application are not eligible for Easy Close. The Easy Close Advantage program is supported by an encumbrance of approximately $8.4 million from the Authority's general fund.

WHEDA made 2,965 loans for a total value of $3,632,300 under HOME Easy Close during its operation, not counting time it operated as HOME Plus. Additionally, through June 30, 2014, WHEDA made 937 loans for a total of $3,195,800 under the Easy Close Advantage program since it restarted in 2010. As of June 30, 2014, 1,062 loans worth $3,229,600 were outstanding.

Property Tax Deferral Loan Program

Under this program, low-income elderly homeowners are able to convert home equity into income to pay property taxes. This program is considered particularly beneficial for elderly homeowners who have little disposable income and a significant amount of home equity. WHEDA is authorized to issue up to $10,000,000 in bonds to finance property tax deferral loans. However, the unpredictable revenue stream of loan repayments is thought to make bond repayments difficult, and it is not clear bonds, if issued, would be eligible for a tax exemption on interest earnings, which would tend to increase interest rates offered to borrowers. Instead, the Authority allocates a portion of its unencumbered general reserves to serve as the program's exclusive funding source. Since WHEDA began administering the program in 1994, WHEDA has utilized these revenues to provide 3,726 loans totaling $7,308,700. WHEDA funded 24 loans for a total of $63,100 in its program year ending June 30, 2014, which generally paid participants' property taxes due for 2013. The average loan was $2,629. A more complete discussion of this program may be found in the Legislative Fiscal Bureau informational paper, "Property Tax Deferral Loan Program."

Multifamily Housing Programs

Multifamily Loan Fund

The Authority provides construction and permanent financing to develop multifamily housing for low- and moderate-income persons. For developments using WHEDA-issued bonds, WHEDA typically provides immediate project financing through its revolving loan fund, and then effectively converts the loan to long-term financing by issuing bonds and reimbursing the revolving fund with bond proceeds. WHEDA financing for multifamily developments 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 elderly housing developments may be exempt from state personal income, corporate and franchise taxes.

For bonds to have interest earnings that are tax-exempt for federal income tax purposes, a project must comply with multiple provisions limiting the use of tax-exempt bonding. For example, bonds must be issued under the state's volume cap, which is determined by a per-capita amount adjusted for inflation. Federal law also mandates rent and occupancy restrictions that require developments financed with tax-exempt bonds to reserve a minimum percentage of units for households with income not exceeding a specific percentage of the area median. The most common thresholds that properties must meet are to reserve either 20% of units for persons at or below 50% of county median income, or 40% of units for persons at or below 60% of county median income. Additionally, most programs require total monthly rent, including utilities, to equal no more than 30% of the maximum qualifying income. Bonds earning taxable interest may be used in a variety of circumstances, such as with certain low-income housing tax credit (LIHTC) projects; as these projects already receive tax subsidies, federal law limits the additional tax preferences available to these projects through tax-exempt bonding.

Since 1974 through June 30, 2014, WHEDA has issued $1,789,170,000 in general-obligation, corporate-purpose revenue bonds for multifamily housing. Table 2 provides multifamily loan activity information for the past 10 years.

Table 2: Multifamily Loan Fund

Calendar Year	Number of Loans	Amount of Loans	Units Assisted	Average Loan Per Unit
2005	43	$72,648,717	2,339	$31,060
2006	31	73,092,523	1,741	41,983
2007	41	92,128,450	1,562	58,981
2008	23	52,177,470	1,058	49,317
2009	12	43,999,590	1,160	37,931
2010	13	47,517,005	646	73,556
2011	43	120,977,764	1,324	91,373
2012	24	153,360,896	1,942	78,971
2013	24	49,594,987	705	70,347
2014*	15	49,375,676	775	63,711
Total	269	$754,873,078	13,252	$56,963

* Through November 30.

WHEDA also uses encumbrances from its general reserves to administer its programs for the development and preservation of multifamily housing. Table 3 shows the funding allocated from the general reserve fund for multifamily housing programs. The largest component is the revolving fund, which totals approximately $69.4 million as of June 30, 2014.

Table 3: General Reserve Encumbrances for Multifamily Housing Programs

Program	June 30, 2014 Amount
General Revolving Fund	$69,382,798
Low-Income Housing Preservation Account	17,309,048
Very-Low-Income Housing -- Bond Savings	9,537,230
Interest Subsidy Funds	5,507,560
Housing Preservation Initiative	2,750,000
Multifamily Bond Support	2,745,017
Federal Home Loan Bank Matching Funds	2,400,000
U.S.D.A. Rural Preservation Fund	1,677,715
Homeless Fund	731,694
FNMA Secondary Market Initiative	700,000
HUD Rent Assistance Administration	-112,061
Total	$112,629,001

As of June 30, 2014, $731,700 in surplus reserves had been allocated to the homeless/special needs fund of the multifamily housing revolving loan program. These funds may be for such uses as: (a) the provision of permanent housing, group homes, and community-based residential facilities; (b) set-asides for the Affordable Housing Tax Credit for Homeless Program; and (c) matching federal grants under the McKinney Homeless Assistance Program.

The remaining $42.5 million in surplus reserves set aside for multifamily housing programs were dedicated as follows: (a) $17.3 million for preserving low-income rental housing; (b) $9.5 million for revolving loans for very low-income multifamily housing, initially generated from savings on refinanced bond issues; (c) $5.5 million to subsidize interest rates on multifamily project loans; (d) $2.75 million for the Housing Preservation Initiative, which funds rehabilitation, refinancing of current debt, and other activities to preserve multifamily housing within Wisconsin; (e) $2.7 million for support of multifamily housing revenue bonds; (f) $2.4 million to match funds available from the Federal Home Loan Bank of Chicago's Community First revolving loan program for affordable housing development and economic development; (g) $1.7 million for the U.S. Department of Agriculture Preservation Revolving Loan Fund, which supports preservation or revitalization of rural multifamily housing for low-income persons; and (h) $700,000 for the Fannie Mae Secondary Market Initiative, which collateralizes WHEDA's guarantee requirement for the sale of certain tax credit projects in WHEDA's loan portfolio. WHEDA also maintains an encumbrance for receipts from the U.S. Department of Housing and Urban Development (HUD) for administration of the federal Housing Choice Voucher and Moderate Rehabilitation rental assistance programs, which are federal Section 8 subprograms administered by WHEDA. As of June 30, 2014, WHEDA's expenditures for the programs exceeded receipts to date by approximately $112,100, which WHEDA considers a receivable amount from HUD.

WHEDA offers various financing structures for multifamily housing developments throughout Wisconsin. WHEDA's multifamily housing finance programs are generally more varied than those for single-family housing, which is due to several factors. For example, because loans under certain programs may be combined with allocations of the LIHTC, which is described further in the following sections, several loan programs are intended to accommodate financing gaps between tax credit awards and the project's total costs. Most multifamily lending programs are available to for-profit entities or nonprofit entities, including housing authorities. Most also allow financing for new construction or for existing buildings as acquisitions or rehabilitations.

Housing Programs Financed by Federal Funds and Other Sources

The Authority acts on behalf of the state in administering certain federally funded housing programs. The largest programs are the low-income housing tax credit (LIHTC), which encourages the development of multifamily properties with below-market rents for low-income households, and Section 8 housing assistance. WHEDA administers a portion, but not all, of the federal Section 8 assistance available in Wisconsin. The program does not use WHEDA or other state funds. This section also discusses federal funding made available in response to increases nationally in foreclosures and other adverse conditions observed in recent years in the single-family housing market.

Low-Income Housing Tax Credit Program

The federal Tax Reform Act of 1986 created a low-income housing tax credit program as an incentive to encourage private investment in the development and/or rehabilitation of low-income rental housing. By executive order of the Governor, WHEDA has been responsible for awarding the state's annual allowed credits. Table 4 shows the amount of federal tax credits awarded since the program's inception, as well as the associated number of low-income housing developments and units funded.

The LIHTC program functions by granting a proposed development an amount of future tax credits, the claims to which are typically sold at a discount to investors. As such, a proposed development receives capital to finance construction, and the investing entity can claim credits against its future tax liabilities by virtue of assisting the creation or improvement of low-income housing. A typical LIHTC development may combine several financing components, including: (a) contributions from the developer; (b) private financing

Table 4: Low-Income Housing Tax Credit

Calendar Year	Amount of Credits Applied	Number of Projects Funded	Number of Low-Income Units Created/ Rehabilitated	Average Tax Credit Per Unit
1987	$1,191,300	24	558	$2,135
1988	5,407,900	76	2,423	2,232
1989	6,072,500	120	2,800	2,169
1990	5,475,400	63	1,917	2,856
1991	6,768,370	40	1,781	3,800
1992	9,618,301	74	2,755	3,491
1993	547,672	11	273	2,006
1994	17,968,744	96	3,893	4,616
1995	25,482,563	46	1,892	13,469
1996	6,606,380	53	1,740	3,797
1997	7,400,045	39	1,645	4,499
1998	8,227,118	47	2,192	3,753
1999	7,397,832	38	2,009	3,682
2000	6,679,173	27	986	6,774
2001	8,511,465	41	1,531	5,559
2002	9,255,867	35	1,662	5,569
2003	11,641,161	40	2,353	4,947
2004	9,132,045	30	1,541	5,926
2005	9,143,988	23	1,118	8,179
2006	9,642,172	32	1,500	6,428
2007	10,591,025	38	1,401	7,560
2008	11,389,965	30	1,356	8,400
2009	43,509,281	53	3,225	13,491
2010	39,407,937	41	2,206	17,864
2011	18,990,939	33	1,686	11,264
2012	12,844,430	23	1,246	10,309
2013	12,961,619	27	1,078	12,024
2014	13,023,789	26	1,205	10,808
Total	$334,888,981	1,226	49,972	$6,702

from commercial lenders; (c) WHEDA-provided financing; (d) tax increment financing; and (e) capital from a tax-credit investor. Because the tax credits represent a portion of a total financing package that may be several times the value of the credits, credits often are considered to leverage other investment.

The three categories of eligible developments are: (a) new construction or rehabilitation of existing housing when rehabilitation expenditures are at least $6,000 per unit or 20% of the value of the project's depreciable assets, whichever is greater; (b) new construction or rehabilitation financed by a subsidized federal loan or a tax-exempt bond; and (c) acquisition costs of existing housing, including rehabilitation work of at least $6,000 per unit or 20% of the adjusted depreciable assets in the building(s), whichever is greater. The maximum tax credit for qualifying units in eligible developments is adjusted monthly by the federal Department of the Treasury based on certain federal interest rates to reflect their present value. The maximum tax credit has been 9% per year for projects in the first category and 4% per year for projects in the other two categories. Once allocated to a project, the tax credit is received each of the 10 subsequent tax years. This means recipients generally are to earn 70% of the present value of costs for non-subsidized new construction and 30% of the present value of costs for acquisitions and subsidized new construction over the life of the credit. Since the beginning of the LIHTC program, rates have declined such that the effective annual credit rate has typically fallen below the 9% and 4% levels in recent years. For example, annual percentages have been around 7.6% and 3.25% throughout 2014. The federal Housing and Economic Recovery Act (HERA) of 2008 provided that projects awarded 9% credits that were placed in service after July 30, 2008, were guaranteed a 9% minimum credit, but the provision expired December 31, 2013, and program credit rates for projects entering service beginning in 2014 have reverted to floating rates.

Credit awards shown in Table 4 reflect only 9% credits, as these are the portion of tax credits awarded competitively. Further, the amounts shown each year represent the annual tax credit claim, which can be made for 10 years. Therefore, the $13 million in awards in 2014 could yield total tax credit claims of $130 million over 10 years, or an average of approximately $5 million for each of the 26 developments receiving awards. To generate capital for a development, each dollar of credits typically would be sold at a discount. Credit values tend to increase toward $1 in times of economic strength and decrease to lesser amounts in times of economic weakness; LIHTC prices have been about $0.90 on the dollar throughout much of 2014, according to national accounting firm Novogradac and Co. If assuming a 10% discount, or a sale at 90¢ on the dollar, $5 million would yield approximately $4.5 million in immediate capital for the financing of a development. Purchasers of credits for the LIHTC-financed property therefore take an equity stake in the property, typically for the life of the credit. On average, equity from credit sale may generate about 50% of the equity in a development financed by the 9% LIHTC, according to the Center for Housing Policy, although WHEDA reports in some instances, LIHTCs may account for most or all the equity generated for a development. Credits for 4% typically are awarded in conjunction with other tax-exempt financing, and there is no limit to their issuance.

A reduction in the market value of the credits generally requires additional funding (tax credit allocation) to support the same level of project costs. WHEDA reports higher discounts on each dollar of tax credits primarily accounts for the increasing per-unit cost shown in Table 4 around the time of the 2007-09 recession. WHEDA also reports per-unit averages will vary from year to year based on the mix of selected projects; specifically, rehabilitation projects are less expensive than new construction, and variation in the proportion of each project type will result in fluctuation in per-unit averages.

Several restrictions regarding unit affordability remain in place for 30 years on LIHTC properties. Either 20% or more of the units in a project must be available to, or occupied by, individuals with incomes at or below 50% of the county median income, or 40% of the units must be available to, or occupied by, persons with incomes at or below 60% of the county median income. In addition, gross rent paid by families in qualifying units, including a utility allowance, may not exceed 30% of the maximum qualifying income. Further, the program includes provisions authorizing the Internal Revenue Service to recapture a portion of the tax credit for either a qualifying unit or an entire project if the income targets are not met. Provisions of the program limit individual investors in qualifying projects in both the amount of credit that can be applied to federal tax liability and the amount of losses that can be deducted.

As of 2003, total state base allocations are $1.75 per resident, although the figure is now about $2.20 to $2.30 after being adjusted annually for inflation. Wisconsin's 2015 and 2016 allocations are expected to be approximately $12.8 million, according to WHEDA. WHEDA's allocations in 2009 and 2010 reflect federal increases of approximately $30 million annually under the federal Heartland Disaster Tax Relief Act of 2008. That act allocated an additional $30 million for disaster relief efforts after severe flooding in parts of Wisconsin in mid-2008. Wisconsin's pool of credits also increased about 20¢ per person for 2009 pursuant to HERA. The Authority must set aside 10% of each year's allocation of credits for projects sponsored by qualified nonprofit organizations. WHEDA has also established, for its 2013 and 2014 awards, a maximum single-year credit of $850,000 per project, or $8.5 million for the 10-year span of a project's credit.

WHEDA assesses fees for applications for the LIHTC. Application fees totaled approximately $1.4 million and $1.6 million in the 2013 and 2014 fiscal years, respectively. The Authority also charges fees for monitoring income-eligibility compliance of completed and operating LIHTC projects. Annual base monitoring fees generally are $25 to $45 per unit, depending on the project's time completed under monitoring.

LIHTC developments also are subject to one-time initial monitoring fees of up to $5,000 upon commencing occupancy. WHEDA reports monitoring fees collected totaled $1.7 million and $1.9 million in the 2013 and 2014 fiscal years, respectively.

ARRA Initiatives. In response to a significant decline in investor interest in LIHTC projects around the 2007-09 recession, the American Recovery and Reinvestment Act (ARRA) of 2009 contained two initiatives intended to encourage continued investments. First, the Tax Credit Assistance Program (TCAP) provided approximately $2.25 billion in additional funding to state housing finance agencies to provide additional investments to projects already awarded tax credits in federal fiscal years 2007, 2008 or 2009. All of WHEDA's TCAP allocation of $35,594,900 was committed by May, 2010.

The ARRA also established the Tax Credit Exchange Program, under which state housing finance agencies awarded grants directly to developers of qualifying low-income housing projects. Grants were in lieu of future tax credits, which has the effect of exchanging future tax credits for immediate cash funding to further stalled projects. Although both TCAP and Exchange awards provide up-front financing to allow for continued progress in low-income housing developments, the programs differ in that Exchange recipients will not receive future tax credits. WHEDA's Exchange awards generally were larger than TCAP awards. Of the $3.1 billion available nationally for Exchange awards, WHEDA received an allocation of $139,572,400 in Exchange funds. WHEDA allocated and closed awards for all Exchange funds by December, 2010. A total of 76 projects received funding through the TCAP and Exchange programs.

Rent Assistance (Section 8) Programs

WHEDA administers several forms of housing assistance under the federal Section 8 housing program. These programs are described below. Although federal policy in recent years has expanded the use of tenant-based housing assistance, WHEDA continues administering subsidies paid under project-based provisions of the Section 8 program.

Project-Based Rental Assistance. Eligibility for project-based Section 8 assistance is generally limited to households at or below 50% of median family income levels shown in Appendix I. In some cases, households may be eligible at up to 80% of median family income, but such instances would be limited, and federal provisions target available Section 8 assistance to households of no more than 30% of median family income. Tenants are generally responsible for paying 30% of their monthly income toward rent, and the remainder is covered by federal assistance under contracts negotiated with property owners at the time of the property's construction or acquisition and adjusted annually to reflect changes in the rental market and other costs of living. Federal project-based contracts generally run for the duration of the mortgage on the property, which is typically 20 to 40 years.

WHEDA provides project-based assistance under one of two HUD contract regimes: (a) traditional contract administration (TCA); or (b) project-based contract administration (PBCA). TCA properties, which generally have WHEDA mortgages, receive monthly payments according to payment vouchers the property owner submits to WHEDA. WHEDA forwards claims to HUD and funds returned by HUD pay both WHEDA, as the mortgagee, and the property owner for the rental subsidy. Under PBCA, WHEDA similarly receives and verifies payment claims submitted by property owners, then forwards claims to HUD. HUD in turn disburses funds to WHEDA, which forwards payments to property owners. All federal TCA and PBCA funds handled by WHEDA, as well as the Authority's administrative responsibilities under each category, are set forth in what is known as an annual contributions contract (ACC).

In 2013-14, WHEDA administered housing assistance payments of approximately $12.2 million under its traditional Section 8 contract, or about $1 million monthly. Housing assistance payments for the PBCA portfolio total about $148.2 million, or about $11.8 million per month. Total PBCA units assisted are approximately 28,100, while total TCA units assisted are approximately 3,200. For administering these contracts, WHEDA in 2013-14 received payments from HUD of approximately $5.8 million, including $5,172,900 for the PBCA portfolio and $638,900 for the traditional contract.

Housing Choice Voucher Program. This federal program is a tenant-based subsidy, under which persons eligible for subsidies have flexibility in selecting their residence. Total federal assistance administered in 2013-14 was approximately $7.4 million, during which time WHEDA administered approximately 1,600 vouchers across the state. Beginning January 1, 2015, WHEDA is budgeted approximately 2,200 vouchers per month in all or part of 40 counties. Total annualized housing assistance for the vouchers may approach $10 million.

Eligibility for a rental voucher generally is limited to families with income at or below 50% of the county median income level. The household pays 30% of its income for rent, with the federal government covering the remainder, up to the local housing authority's payment standard. WHEDA limits recipients to one move per year in Wisconsin, but vouchers are otherwise portable. This means a voucher household can move to another area where a voucher program is operational and still retain the voucher benefit. Additionally, once a family has been certified to receive a voucher, it can be recertified annually as long as it remains income-eligible and the program is operational in the area where the family lives. For administering the housing choice vouchers, WHEDA received administrative reimbursements of $651,000 in 2013-14.

National Foreclosure Mitigation Counseling Program

WHEDA participates in the National Foreclosure Mitigation Counseling Program (NFMCP), created by Congress in December, 2007, to address the increasing frequency of foreclosures nationally. Federal funds are administered by NeighborWorks America, with which WHEDA has entered agreements to administer grant funding the Authority has received since the program was created. As shown in Table 5, WHEDA has been awarded funds in six of eight funding rounds held from the NFMCP's creation through June, 2014. Most funds have been designated for foreclosure intervention counseling services, such as evaluating the financial circumstances of at-risk homeowners and assessing options such as loan restructuring or refinancing, mortgage assumption by a third party, or sale of the property.

Table 5: National Foreclosure Mitigation Counseling Program Allocations to WHEDA

Year (Round)	WHEDA Award	Total Awarded
2008 (1st)	$437,800	$130,438,400
2008 (2nd)	348,600	202,626,500
2009 (3rd)	0	48,198,800
2010 (4th)	50,100	59,505,300
2011 (5th)	123,600	67,719,400
2012 (6th)	50,100	73,870,100
2013 (7th)	47,000	70,157,100
2014 (8th)	0	63,100,100
Total	$1,057,200	$715,615,700

WHEDA Foundation Grant Program

In 1983, the Authority created the Wisconsin Housing Finance Authority (WHFA) Foundation, later renamed the WHEDA Foundation, a nonprofit corporation organized to make grants to nonprofit organizations and local governments to create and rehabilitate housing for low- and moderate-income persons, the elderly, handicapped and disabled persons, and persons in crisis. The Authority's surplus reserves provide funding for Foundation grants. The WHEDA Board approves Foundation grants, as selected by WHEDA staff, and transfers funds to the Foundation so it can meet its grant commitments. Housing grants are awarded through an annual, statewide competition and each proposal is evaluated based on project need, implementation, impact and budget. Since the inception of the grant program in 1985 through September, 2014, $22.0 million has been awarded, including 26 grants totaling $500,000 in 2013 and 28 grants totaling $355,000 in 2014.

Inactive Housing Programs

The Authority has suspended several single-family housing programs in recent years, due to economic conditions, low demand or the exhaustion of available funding. These programs and their outstanding obligations, if any, are discussed below. Also discussed are two programs created to address the stability of the state housing market during and after the 2007-09 recession; the programs remain authorized in statute but were never implemented.

Zero-Down Program

The Zero-Down Program operated between June, 2006, and April, 2008. It offered buyers an affordable mortgage without a down payment for purchase of: (a) an existing 1- or 2-unit owner-occupied residence; (b) a double-wide manufactured home; or (c) a newly constructed 1- or 2-unit owner-occupied home. WHEDA suspended the program due to the loans' perceived risk, which made mortgage insurance for such loans more difficult to purchase, and which resulted in poor ratings given to bonds issued for the program. WHEDA issued a total of 1,839 Zero-Down loans during the program's operation, with total principal of $220.8 million. As of June 30, 2014, WHEDA had 734 loans and $78,144,500 outstanding from the program.

Neighborhood Advantage Program

The WHEDA Neighborhood Advantage Program was created in 2009 using funds awarded to Wisconsin under the federal Neighborhood Stabilization Program (NSP). NSP, which was created within HUD as part of the Housing and Economic Recovery Act of 2008, was intended to provide emergency assistance for redevelopment of abandoned and foreclosed homes. The Department of Commerce allocated approximately $5.8 million of the state's $38.8 million share of NSP funds to WHEDA, which planned to use $4 million to establish a loan-loss reserve program. The reserve was to support approximately $33 million in loans for the purchase of foreclosed or abandoned homes that would be rehabilitated and occupied as primary residences. The reserve was to compensate lenders for losses on loans that defaulted. However, the loan-loss reserve never became operational, and Commerce reallocated $4 million intended for the program. WHEDA instead used $1,878,500 in NSP funds to provide down-payment and closing-cost grants on a first-come, first-served basis. The grants supplemented funds provided by borrowers on a WHEDA-originated loan. WHEDA sold all Neighborhood Advantage loans to Fannie Mae.

Neighborhood Advantage loans were 30-year, fixed-rate loans for existing, vacant single-family properties on which initial lenders foreclosed. Loans were limited to Brown, Kenosha, Milwaukee, Racine and Rock Counties. Borrowers were required to provide a down payment of 20%, at least $1,000 of which was to come from the borrower's own funds. Borrowers with household income between 50% and 120% of their county's median were eligible for assistance up to 25% of the loan amount with a $35,000 maximum, and households with income of less than 50% of the county median were eligible for assistance up to 50% with a $50,000 maximum.

WHEDA made 57 Neighborhood Advantage loans totaling $3,742,800 during the program's operation, for an average loan of about $65,700. Additionally, the average NSP-funded grant for down payments and closing costs was $33,000. Neighborhood Advantage assistance on closed loans included the following: (a) $1,111,600 assisting 33 loans in Rock County; (b) $473,300 assisting 14 loans in Milwaukee County; (c) $235,000 assisting eight loans in Brown County; and (d) $58,600 assisting two loans in Racine County. As of June 30, 2014, 47 loans were outstanding with remaining principal of $2,752,700.

Workforce Advantage

WHEDA Workforce Advantage was a second-mortgage loan offered to borrowers whose employers participate in an employer-assisted housing program. Employer-assisted housing programs are intended to encourage an entity's employees to search for and purchase housing near their place of employment. Programs may offer homeownership counseling and advocacy services, with others offering forgivable loans contingent on the employee completing a minimum period of service with the organization.

WHEDA offered Workforce Advantage from 2005 until January, 2014, at which point it was discontinued mostly due to low lending volume. The program was funded from WHEDA's general reserves. Loans were up to $5,000 with a minimum employer match of $1,000 in conjunction with Fannie Mae-financed WHEDA Advantage loans. Loans could have a maximum term of 15 years. Borrowers were limited to having no more than $10,000 in liquid assets at the time of application, and Workforce Advantage loans were not be combined with an Easy Close Advantage loan. WHEDA made 15 Workforce Advantage loans during the program's operation for a total of $74,100. WHEDA reports most of the loans were made by the Authority to its employees. As of June 30, 2014, three loans remained outstanding with a total balance of $9,200.

FHLBC Advantage

WHEDA began offering FHLBC Advantage loan in March, 2012, for assistance with down payments, closing costs or mortgage insurance premiums. The program was discontinued effective January 2, 2014, due mostly to low volume. Loans were to be at least $1,000 and a maximum of 3% of the principal on a first mortgage loan, or $3,000, whichever is greater. Borrowers were required to hold a WHEDA Advantage (Fannie Mae) loan, and also were to be receiving other assistance under Federal Home Loan Bank of Chicago (FHLBC) programs. Loans were funded by WHEDA's general reserves. WHEDA issued eight FHLBC Advantage loans for $21,800 during the program's operation. As of June 30, 2014, eight loans and $19,100 remained outstanding.

Strategic Blight Elimination Grants

In August and October of 2012, WHEDA awarded a total of $1,118,700 to governmental bodies and nonprofit organizations in 19 cities for the demolition of abandoned homes in blighted areas. As shown in Table 6, approximately 45% of the funding available was awarded in Milwaukee. Targeted homes were to be: (a) directly inhibiting development or investment in the area; (b) substantial safety concerns in the neighborhood; or (c) in areas with plans for later redevelopment for other housing, commercial or public uses. Applicants were required to have free and clear title to the properties at the time of demolition. All grants were disbursed, on a reimbursement basis, in 2012-13 and 2013-14.

Funding for Milwaukee was proposed as part of the Transform Milwaukee initiative, a program announced in April, 2012, to increase deployment of WHEDA's housing and economic development programs in targeted areas of Milwaukee.

Table 6: WHEDA Strategic Blight Elimination

City	Award	Structures Targeted
Milwaukee	$500,000	39
Racine	120,000	9
Wausau	98,000	6
Oshkosh	60,000	4
Stoughton	45,000	2
La Crosse	40,000	4
Mauston	39,000	6
Granton	38,778	1
Portage	25,000	1
Oconomowoc	24,000	3
Merrill	20,000	1
Baraboo	19,440	1
Eau Claire	18,950	1
River Falls	14,803	1
Mountain	13,500	1
Oconto Falls	13,500	1
Oconto	10,195	1
Monroe	9,500	1
Abrams	9,000	1
Total	$1,118,666	84

All blight elimination grants were funded by amounts received by Wisconsin under the 2012 National Mortgage Settlement between the five largest mortgage servicing banks, the federal government and 49 states, including Wisconsin. The settlement resolved investigations into allegedly illegal activities by the banks in foreclosure proceedings. The strategic blight elimination funds include $618,700 administered on behalf of the Department of Financial Institutions and $500,000 administered on behalf of the Department of Justice.

Qualified Subprime Loan Refinancing

WHEDA was authorized by 2009 Act 2 to issue mortgage revenue bonds to refinance qualified subprime mortgage loans, which the act defines as adjustable-rate mortgage loans made from 2002 through 2007 for a single-family home. Other than this limited allowance, state law at the time mostly did not allow WHEDA single-family home loans to be made for acquiring or replacing an existing mortgage. Federal law also prohibits most mortgage revenue bonds to be issued for refinancing loans. However, changes under Act 2 would have allowed WHEDA to use an exception made by the federal Housing and Economic Recovery Act of 2008 authorizing housing finance agencies to make limited refinancing of qualifying subprime mortgage loans using tax-exempt mortgage revenue bonds. By December 31, 2010, when the federal exception expired, WHEDA had not begun a refinancing program for qualifying subprime loans and issued no such bonds. WHEDA's only significant refinancing program has been the Refi Advantage program discussed in a separate section.

Homeowner Eviction and Lien Protection Program

2009 Act 2 created the homeowner eviction and lien protection program (HELP) to provide funding with which a loan-loss reserve would encourage lenders to modify terms of troubled mortgage loans. Under the program, WHEDA would have entered into agreements requiring participating lenders to make loan terms more favorable for distressed borrowers. In exchange for modifying these loans, lenders would be able to make claims against the loan-loss reserve to recover any losses resulting from subsequent defaults. Act 2 provided WHEDA $4 million general purpose revenue (GPR) in one-time funding to establish the reserve and specified any unencumbered GPR was to lapse to the state's general fund on June 30, 2010.

WHEDA secured approximately $5 million in commitments from five state lenders for loans to be supported by the reserve. However, it was unclear whether the GPR appropriation violated the Wisconsin Constitution's general prohibition on state involvement with internal improvements. Therefore, no GPR was disbursed and the reserve was never created.

CHAPTER 2

HOUSING PROGRAMS ADMINISTERED BY THE DIVISION OF HOUSING, DEPARTMENT OF ADMINISTRATION

The Division of Housing within the Department of Administration (DOA) administers several housing programs that were previously administered by the Department of Commerce (Commerce), and by DOA before moving to Commerce. These housing programs were initially transferred from DOA to Commerce under 2003 Act 33, and from Commerce to DOA again under 2011 Act 32. Currently, DOA administers most of its housing programs through the Division of Housing. Housing programs that fall under the jurisdiction of the Department's Division of Energy Services are discussed in a subsequent chapter of this paper.

The Division of Housing administers housing programs funded with appropriations from the general fund, program revenues, and federal revenues from the U.S. Department of Housing and Urban Development (HUD). Table 7 shows actual expenditures for administered housing programs in 2013-14 and appropriated amounts for 2014-15.

Table 7: Division of Housing Program Funding

Appropriation	2013-14 Actual Expenditure	2014-15 Appropriation	2014-15 Positions Authorized
Administration			
General Fund	$846,068	$847,000	9.05
Federal Revenues	2,317,913	1,497,600	27.95
Subtotal Administration	$3,163,981	$2,344,600	37.00
Housing Programs			
General Purpose Revenue (GPR)			
Housing Grants and Loans	$3,254,448	$3,097,800	
Shelter for Homeless and Transitional Housing Grants	1,335,956	1,413,600	
Projects for Assistance in the Transition from Homelessness	42,200	42,200	
Subtotal GPR	$4,632,604	$4,553,600	
Program Revenues (PR)			
Funding for the Homeless - Interest on Real Estate Trust Accounts (IBRETA)	$20,370	$422,400	
Housing Program Services - Payments from Other State Agencies	293,593	422,400	
Housing Program Services - Payments from Non-State Agency Entities	6,279	168,900	
Subtotal PR	$320,242	$1,013,700	
Federal Revenues (FED)			
Housing - Federal Aid, Individuals and Organizations	$21,850,503	$23,000,000	
Housing - Federal Aid, Local Assistance	12,643,466	10,000,000	
Subtotal FED	$34,493,969	$33,000,000	
Subtotal Housing Assistance Programs	$39,446,815	$38,567,300	
Total Housing Administration and Assistance	$42,610,796	$40,911,900	

Division of Housing Responsibilities

Overview

In 2014-15, the Division is authorized $2.3 million and 37.0 positions to administer its housing program responsibilities as shown in Table 7.

The Division administers several state- and federally-funded programs that ensure the provision of direct services to targeted populations; provide state or federal funding for housing through local governments, housing organizations, and housing authorities; and coordinate development of state housing policy and resources. The Division's housing responsibilities include:

1. Supporting local organizations that provide services to help low- and moderate-income persons acquire stable living arrangements.

2. Developing and sustaining local capacity to provide short-term emergency shelter and emergency shelter services.

3. Providing resources to help reduce barriers for chronically homeless persons.

4. Maintaining a statewide centralized collection of information that links providers of housing support services to persons who need and want them.

5. Improving the quality and affordability of affordable housing stock through rehabilitation and home purchase assistance.

6. Assisting communities and low- and moderate-income families recover from damage from natural disasters.

7. Assisting local community development partners develop and implement comprehensive development and redevelopment strategies.

8. Developing state housing policy and coordinating housing programs with other state and local housing community development agencies by means of annual updates to a comprehensive five-year federally-required housing strategy plan.

9. Performing research and technical assistance activities related to housing needs and affordability. Research topics have included the regulatory barriers to affordable housing and an analysis of impediments to fair housing.

10. Providing information and assistance to individuals and local organizations on housing issues.

11. Informing local organizations about affordable housing resources and services and assisting these organizations in using these resources.

12. Preparing reports on bills that are introduced in the Legislature that directly or substantially affect the development, construction, cost, or availability of housing in the state.

Housing Information System

Prior to 2013, the Division managed Wisconsin Service Point (WISP, the name of Wisconsin's web-based homeless management information system), on behalf of the State's continuum of care partners. In August, 2013, the Balance of State Continuum of Care Association designated a new lead agency for operating the system, the Institute for Community Alliances. Agencies throughout the state that provide services for homeless persons or persons who are at risk of becoming homeless use WISP to provide: (a) intake services for homeless individuals once instead of multiple times; (b) current information about services available for homeless persons; (c) client outcomes and history; and (d) information that agencies can use to make decisions about where to focus resources and services in the future. Wisconsin Service Point provides data and information regarding 87% of emergency shelter beds, 91% of transitional housing beds, 86% of permanent supportive housing beds, 96% of rapid re-housing beds, and 100% of all Safe Haven beds for homeless persons in Wisconsin. (Safe Haven is a program that houses persons with mental illness that are homeless.) The federal Department of Housing and Urban Development (HUD) incorporates this information into an annual report to Congress on the state of homelessness in the United States.

Division of Housing Programs

Table 8 lists all of the current housing programs and regulatory activities administered by the Division. For each such program or activity, the state or federal legislation creating the program is listed. Each of these programs is described in greater detail in one of the following two sections, depending on whether the program is financed with state funds or with federal funds. In addition to the programs listed, the Division administers federal community development funding. Appendix V shows the number of households assisted by the Division, by the percent of median income for the types of households. Appendix VI shows the amount of housing funding awards by region of the state. Appendix XI includes a summary of Division of Housing programs, funding sources, and expenditures.

Housing Programs Financed with State Funds

State Funding Overview

The Division of Housing is appropriated $5,567,300 annually in the 2013-15 biennium for state-funded housing assistance. Of this total, $4,553,600 in each year is appropriated from the general fund.

The amount appropriated for housing grants and loans is $3,097,800 general purpose revenue (GPR) in 2013-14 as well as in 2014-15. The amount appropriated for shelter for homeless and transitional housing grants is $1,413,600 GPR in each of 2013-14 and 2014-15.

The Division is appropriated $42,200 GPR in each of 2013-14 and 2014-15 to provide the state match for the federal Projects for Assistance in the Transition from Homelessness program.

Table 8: Housing Programs Administered by Division of Housing

Program/Activity	Enabling Legislation or Action
Housing Cost Grants and Loans Program	1989 Act 31
Local Housing Organization Grants	1989 Act 31
Transitional Housing Grants	1991 Act 39
State Shelter Grant Program	1991 Act 39
Interest-Bearing Real Estate Trust Accounts	1993 Act 33
Wisconsin Fresh Start	Executive Directive
Projects for Assistance in the Transition from Homelessness	P. L. 100-77
Federal HOME Programs	P. L. 101-625
Emergency Solutions Grant Program	1991 Act 39
Community Development Block Grant (CDBG) -- Housing	1991 Act 39
Reports on Bills Affecting Housing	1995 Act 308
Neighborhood Stabilization Program	P. L. 110-289
Housing Opportunities for Persons with AIDS	P. L. 102-550

The Division of Housing also receives program revenues from interest on real estate trust accounts, and payments from other agencies for housing services. In addition, the Division receives program revenues from other agencies described under the section about Wisconsin Fresh Start.

Housing Grants and Loans

The amount currently appropriated in DOA's biennial appropriation for housing grants and loans is $3,097,800 GPR annually. Thus, the available amount of funding under the program is $6,195,600 over the 2013-15 biennium. The Division is authorized to use the funds for grants to local housing organizations and housing cost grants and loans. The statutes do not, however, specify the allocation of funds between the two programs.

Under the Housing Cost Grants and Loans program (s. 16.303 of the statutes) DOA makes grants to "designated agents" who used the funds, in turn, to make individual grants or loans to low- or moderate-income persons or families. Grants or loans under this program, commonly referred to as the "Housing Cost Reduction Initiative" (HCRI), are designed to assist both home buyers/owners and renters. Program funds are permitted to be used to defray principal and interest on a mortgage loan, or to pay closing costs and other costs associated with a mortgage loan, mortgage insurance, property insurance, utility-related costs, property taxes, cooperative fees, rent, and security deposits.

In addition, the Local Housing Organization Grant (LHOG) program (s. 16.305 of the statutes) provides grant assistance, for up to a two-year period, to organizations (non-stock, non-profit corporations; non-profit organizations; and for-profit organizations) or local housing authorities. Grant awards are provided to assist organizations in developing their capacity to provide new or expanded housing and/or counseling opportunities for low- or moderate-income households.

During the 2013-15 biennium, DOA allocated these grants and loans to three programs: the HCRI Homebuyer program, the Homeless Prevention program, and the Critical Assistance program.

HCRI Homebuyer Program. Since 2005-07, the state has administered an HCRI Homebuyer program. This grant program is the state-funded component of the Division's combined state and federal funds allocated for assistance to low-income homebuyers. The program is operated under a biennial grant funding cycle, timed to coincide with the awarding of federal HOME Homebuyer grant funds. For the 2013-15 biennium, the Division allocated $2,600,000 to HCRI Homebuyer grants. Eligible uses of these funds are: (a) to help homebuyers purchase an affordable home by providing assistance with down payment and closing costs; and (b) to prevent foreclosures by assisting households with overdue mortgage payments or property taxes.

The Division plans to solicit applications in November, 2014, to award $2,600,000 to grant recipients through a competitive application process. The grants for 2013-15 will be distributed as follows: (a) $866,667 to agencies in the Milwaukee metropolitan area; (b) $866,667 to agencies in other metropolitan areas; and (c) $866,666 to agencies in counties in other parts of the state. Table 9 summarizes the number and amount of HCRI Homebuyer program grants in 2005-07 through 2013-15.

Homeless Prevention and Critical Assistance Programs. Beginning in 2005-06, some funds from the housing grants and loans GPR appropriation have been awarded in annual grant cycles under a Homeless Prevention program, in combination with state funding for Transitional Housing Grants and with federal funding for what are now called Emergency Solutions Grants (previously Emergency Shelter Grants). The uses of

Table 9: State-Funded HCRI Homebuyer Grants

	2005-07	2007-09	2009-11	2011-13	2013-15
Milwaukee Metro Area	$887,600	$933,300	$866,667	$866,667	$866,667
Other Metro Areas	933,300	933,300	866,667	866,667	866,667
Other Areas of State	979,100	933,400	866,666	866,666	866,666
Total Grants	$2,800,000	$2,800,000	$2,600,000	$2,600,000	$2,600,000
Grantees	27	29	29	24	*

*Grants had not been awarded as of November, 2014.

these funds are described under the subsequent sections for those programs. In July, 2013 (2013-14), the Division awarded $1,527,900 to 31 agencies. The grants were distributed as follows: (a) $506,200 to four agencies in the Milwaukee metropolitan area; (b) $510,700 to 13 agencies in other metropolitan areas; and (c) $511,000 to 14 agencies in counties in other parts of the state. In July, 2014 (2014-15), the Division awarded $1,503,700 to 44 agencies. The grants were distributed as follows: (a) $505,000 to six agencies in the Milwaukee metropolitan area; (b) $503,700 to 20 agencies in other metropolitan areas; and (c) $495,000 to 18 agencies in counties in other parts of the state. Table 10 summarizes the number and amount of Homeless Prevention Program grants in 2005-06 through 2014-15.

Table 10: Homeless Prevention Grants

Fiscal Year	Grantees	Amount
2005-06	39	$1,396,800
2006-07	38	1,498,600
2007-08	38	1,600,000
2008-09	38	1,500,000
2009-10	45	1,015,000
2010-11	40	1,015,000
2011-12	40	1,015,000
2012-13	45	1,515,000
2013-14	31	1,527,900
2014-15	44	1,503,700

The Division also operates a Critical Assistance Program to fund homeless prevention activities in parts of the state not served by federal Emergency Solutions Grants or other state funds. Grants under this program are awarded annually to the Foundation for Rural Housing, Inc. Grant amounts were $500,300 in 2005-06, $500,300 in 2006-07, $300,300 in 2007-08, $282,800 in 2009-10, $282,800 in 2010-11, $262,000 in 2011-12, $282,000 in 2012-13, $283,600 in 2013-14, and $282,800 in 2014-15.

Funded activities under both the Homeless Prevention Program and Critical Assistance Program include: (a) rental assistance to households in the form of security deposits, short-term rental subsidy, and/or utility costs; (b) foreclosure prevention, including payment of principal and interest on a mortgage loan that is past due, property taxes, and utility payments, if the homeowner shows the ability to make future payments; and (c) limited administrative funds (up to 12%) to support the funded activities.

Shelter for Homeless and Transitional Housing Grants

The amount appropriated for Shelter for Homeless and Transitional Housing Grants is $1,413,600 GPR in each of 2013-14 and 2014-15, for total available funding of $2,827,200 during the 2013-15 biennium. The statutes do not specify the allocation of funds between the two programs.

Transitional Housing Grants. The Transitional Housing Grant program is established under s. 16.306 of the statutes. This program provides grants to private, nonprofit organizations; for-profit organizations; community action agencies; and county or municipal governments. Grants are awarded for operating transitional housing and associated supportive services for the homeless. The purpose of the grants is to facilitate the movement of homeless persons to independent living. To be eligible for grants under the program, an organization must meet the following statutory requirements: (a) utilize, as transitional housing sites, only existing buildings at scattered sites; (b) facilitate the utilization by residents of appropriate community social services; (c) provide or facilitate the provision of training in self-sufficiency to residents; (d) require that residents pay at least 25% of their income as rent; and (e) permit persons to reside in transitional housing for no longer than 24 months. Individual grants to an eligible applicant may not exceed $50,000.

Beginning in 2002, the Transitional Housing funds were made available in a consolidated application with HUD Emergency Shelter Grant funds. In 2013-14, Transitional Housing funds totaling $307,800 were granted to 16 agencies for the initiation and expansion of transitional housing and services to homeless individuals and families. Funds were awarded to four agencies in the metropolitan Milwaukee area, four agencies in other metropolitan counties in the state (Calumet, Outagamie, and Dane) and eight agencies in the consortiums in more rural areas of the state (Ashland, Barron, Bayfield, Chippewa, Douglas, Dunn, Fond du Lac, Green Lake, Iron, Jefferson, Kenosha, Lincoln, Marathon, Price, Pepin, Pierce, Polk, Rock, St. Croix, Winnebago, Walworth, and Wood Counties).

In 2014-15, Transitional Housing funds totaling $300,000 were granted to 14 agencies. Funds were awarded to three agencies in the metropolitan Milwaukee area, two agencies in other metropolitan counties in the state (Dane) and nine agencies in the consortiums in more rural areas of the state (Ashland, Barron, Bayfield, Calumet, Chippewa, Crawford, Douglas, Dunn, Iron, Jefferson, Kenosha, La Crosse, Monroe, Outagamie, Pepin, Pierce, Polk, Price, St. Croix, and Vernon Counties).

Table 11 shows the number of grantees and amount of grants awarded between 2005-06 and 2014-15.

Table 11: Transitional Housing Grants

Fiscal Year	Grantees	Amount
2005-06	28	$375,000
2006-07	28	375,000
2007-08	28	1,000,000
2008-09	28	775,000
2009-10	27	400,000
2010-11	29	400,000
2011-12	28	400,000
2012-13	21	300,000
2013-14	16	307,800
2014-15	14	300,000

State Shelter Subsidy Grant Program. The State Shelter Subsidy Grant Program is established under s. 16.308 of the statutes. This program provides grants to private, nonprofit organizations; for-profit organizations; community action agencies; federally-recognized Native American tribes or bands; a housing and community development authority; and to county or municipal governments. The program is funded from GPR and program revenue from the Interest-Bearing Real Estate Trust Accounts (IBRETA). Grants are awarded for shelter operations (rather than for the actual renovation or construction of a building) in response to the following situations that exist at the local level: (a) renovation or expansion of an existing homeless shelter facility; (b) development of an existing building into a shelter facility; (c) expansion of shelter services for homeless persons; and (d) operating expenses that exceed funding from other sources to allow those agencies to continue providing the existing level of services. In awarding grants, the Division must consider whether the community in which the applicant provides services has a coordinated system of services for homeless individuals and families.

Grants may not exceed 50% of either: (a) the operating costs of the shelter facility or facilities on behalf of which application is being made; or (b) the portion of the applicant's operating budget allocated for providing homeless persons with vouchers to be exchanged for temporary housing. Under the statute governing the shelter grant program, DOA is further required to allocate at least $400,000 in each year to eligible applicants located 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 located elsewhere in the state. No more than $183,500 of the remaining funds may be allocated for grants in each year to eligible applicants without regard to their geographic location. Further, under the administrative rules governing the program [Adm 86, *Wisconsin Administrative Code*], funds allocated to Milwaukee and Dane Counties are distributed through a DOA-designated lead agency that in turn distributes the grant awards to all eligible shelter agencies making application for funding. For grants awarded outside of Milwaukee and Dane Counties, the rules require that funds be distributed to each region in proportion to ttablhe projected number of shelter days to be provided.

The Interest-Bearing Real Estate Trust Accounts program is established under s. 16.307 of the statutes and is funded from earnings on interest-bearing real estate common trust accounts established under s. 452.13 of the statutes. IBRETA was created by 1993 Wisconsin Act 33 to provide additional funds for programs serving Wisconsin's homeless individuals and families. Calendar year 1995 was the first full calendar year in which interest payments were received.

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, before February 1, each depository institution must remit to the Department of Administration the total amount of interest or dividends in excess of $10, less service charges or fees, earned on these accounts during the previous calendar year. These annual earnings amounts are credited to a program revenue continuing appropriation account established for this purpose. From the amounts credited to this appropriation, DOA is required to make grants to organizations that provide shelter or services to homeless individuals or families.

Table 12 indicates the net common trust account earnings collected and transferred for provision of shelter or homeless services since 2005. The decreases in 2009 and after are due mainly to lower interest rates and real estate market slowdowns. The Department has used IBRETA funds to enhance the state transitional housing program, the state shelter subsidy grant program, the state homeless prevention program, and the HUD Emergency Solutions Grant program. The amount of IBRETA funding for these separate programs is detailed in the description of each of the programs.

Table 12: Interest-Bearing Real Estate Trust Accounts Earnings

Calendar Year	Interest Earnings
2005	$207,000
2006	293,900
2007	273,900
2008	208,300
2009	84,700
2010	23,100
2011	18,600
2012	22,300
2013	20,400
2014 (as of Oct. 31)	13,500

A total of $1,113,600 GPR is provided for the State Shelter Subsidy Grant program in each of 2013-14 and 2014-15. Grants made from this appropriation are supplemented with funds from the IBRETA program. The Division supplemented the shelter subsidy program with IBRETA fund-

Table 13: State Shelter Subsidy Grant Program, GPR and IBRETA Funds

Fiscal Year	Milwaukee County	Dane County	Other Areas of State	Grantees	Total Grants
2007-08	$430,900	$241,100	$1,008,000	44	$1,680,000
2008-09	454,200	254,100	1,062,700	37	1,771,000
2009-10	400,000	258,200	855,400	41	1,513,600
2010-11	400,000	221,500	893,600	42	1,515,100
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

ing of $21,000 in 2013-14 and $20,000 in 2014-15.

Under s. 704.05(5)(a)2 of the statutes, the net proceeds of abandoned property left by a tenant and sold by the landlord may be remitted to the Department of Administration for crediting to the appropriation account established under s. 20.505 (7)(h) of the statutes. Amounts deposited to this appropriation are also used to supplement grants made under the shelter subsidy program. A total of $286 has been received from this source since 1994. (No funds have been received under this provision since 2003).

Table 13 summarizes grant activity under the shelter subsidy program over the last eight fiscal years between 2007-08 and 2014-15. The Division awarded 2013-14 funding in December, 2013, totaling $1,134,600 to 38 grantees. In December, 2014, the Division awarded 2014-15 grants totaling $1,133,600 to 43 grantees.

Wisconsin Fresh Start

The Division's Wisconsin Fresh Start (WFS) was created in 1998 through an Executive Order of the Governor. Wisconsin Fresh Start is designed to provide at-risk young people with education, employment skills, and career direction by teaching them to construct housing or rehabilitate substandard housing into well-built, mechanically sound and affordable dwellings for low- and moderate-income households. The program is aimed at increasing the self-esteem and self-sufficiency of youths and young adults (ages 16 to 24) who evidence alcohol and other drug abuse problems; poor health and nutrition; low educational achievement; poor employment history; physical, sexual, and emotional abuse; or criminal histories. The program offers an educational component where participants complete classes leading to a high school equivalency diploma and a vocational component where participants learn basic home construction, rehabilitation, and remodeling skills. In addition, the program provides counseling and leadership development services to participants.

The state has provided funding for Wisconsin Fresh Start grants annually, since 1998-99, and has secured funding commitments from a variety of other state and federal programs. Grants for the WFS program range from $10,000 to $50,000 each and average approximately $20,000. Grant recipients are also required to provide a local match of 25%. The program is funded through the Wisconsin Department of Corrections, which provided $265,000 in 2013-14 and $200,000 in 2014-15.

Table 14 summarizes the number of WFS grant recipients and the total award amounts. In 2013-14, the Division made awards totaling $265,000 to eight grantees for eight WFS projects in the following counties: Columbia, Eau Claire, Fond du Lac, Marathon, Milwaukee, Rock, Sawyer, and Waupaca. In 2014-15, the Division made awards totaling $200,000 to eight grantees for eight WFS projects in the following counties: Columbia, Eau Claire, Rock, Sawyer, Waupaca, and Milwaukee (three projects).

As of the end of calendar year 2013, approximately 3,000 youths and young adults had enrolled, of which about 2,250 completed the pro-

Table 14: Wisconsin Fresh Start Grant Distribution

Fiscal Year	Grantees	Total Grants
2005-06	11	$1,384,800
2006-07	14	1,437,600
2007-08	11	1,450,400
2008-09	11	1,172,700
2009-10	10	1,275,700
2010-11	9	1,392,600
2011-12	9	1,147,300
2012-13	9	1,016,800
2013-14	8	265,000
2014-15	8	200,000

gram. Through 2013, about 2,100 WFS participants earned a high school diploma or significantly improved literacy and numeracy skills. Under WFS, 198 housing units had been constructed with funding through calendar year 2013, and eight additional housing units were under construction in 2014.

Projects for Assistance in Transition from Homelessness (PATH)

Wisconsin receives funding under the federal Projects for Assistance in Transition from Homeless (PATH) program. The program was created in 1991 under P.L. 100-77. The program provides funds to local agencies that provide services to people who have serious mental illness and are homeless.

Prior to 2005-06, the program was administered by the Wisconsin Department of Health and Family Services. Under 2005 Wisconsin Act 25, administration of the program was transferred to Commerce, beginning in 2005-06. The program moved again under 2011 Act 32, with the transfer of state-administered housing programs from Commerce to the Department of Administration.

The Division estimates that about 16,700 adults in Wisconsin are homeless. About 11,900 homeless adults in the state report having a mental health condition. Within this population, about 4,100 have a serious mental illness. The Division allocates PATH program funds to county mental health agencies and nonprofit agencies to provide services to homeless individuals with serious mental illness. The funds are distributed to agencies in eight of the counties that have a large number of the state's population of persons who have a mental illness and are homeless. The federal program requires a 25% non-federal match. The state provides a portion of this through general purpose revenues, which totaled $42,200 GPR in each of 2013-14 and 2014-15. In addition, the Division budgeted $16,200 GPR annually in 2013-14 and 2014-15 for administrative expenses. Local agencies provide the remainder of the match. Table 15 summarizes the grant distributions and administrative expenses from 2005-06 through 2014-15.

Table 15: PATH Program Funding

State Fiscal Year	Federal Funds	State GPR Funds	IBRETA Funds	Total Award
2005-06	$629,800	$45,000		$674,800
2006-07	603,200	45,000		648,200
2007-08	641,600	45,000		686,600
2008-09	637,500	45,000		682,500
2009-10	726,100	42,200	$10,300	778,600
2010-11	816,100	42,200	0	858,300
2011-12	859,000	42,200	0	901,200
2012-13	857,000	42,200	10,750	909,950
2013-14	805,000	58,400	1,000	864,400
2014-15	836,000	58,400	0	894,400

In 2013-14, the Division of Housing distributed $806,500 to eight county mental health agencies and nonprofit agencies to provide services. The agencies are located in Brown, Dane, Kenosha, Milwaukee, Outagamie, Racine, Rock, and Waukesha Counties. In 2014-15, the Division distributed $827,900 to the same eight agencies. The allocations for 2014-15 are shown in Table 16. The Division allocated the grant funds to support activities such as outreach, screening and diagnostic treatment, community mental health, case management, alcohol and drug treatment, rehabilitation, supportive and supervisory services in residential settings, and referral to other services such as health care.

Table 16: PATH Grants - 2014-15

County	Federal Funds	State Funds	Total Award
Brown	$56,900	$3,100	$60,000
Dane	115,800	6,200	122,000
Kenosha	36,200	2,000	38,200
Milwaukee	254,300	13,700	268,000
Outagamie	72,100	3,900	76,000
Racine	57,400	3,100	60,500
Rock	117,800	6,400	124,200
Waukesha	71,200	7,800	79,000
Total	$781,700	$46,200	$827,900

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 Partnerships Program (HOME) to support the following initiatives for greater housing opportunities: homeownership, owner-occupied housing repairs, owner-occupied accessibility improvements, rental rehabilitation, rental housing development, and rental assistance.

Most of the federally-funded HOME program initiatives are targeted to households having "low income," which is income no greater than 80% of the county median income. However, for the HOME program initiatives for rental rehabilitation and rental housing development programs, this threshold drops to 60% of county median income for most households assisted, and may further target 30% or 50% ("very low-income") of county median income. The HUD income limits for 2014 by county are shown in Appendix VII. The Department of Housing and Urban Development calculates 50% of the county median income and adjusts the limits for areas with unusually high or low incomes. The Department then calculates the 30%, 60% and 80% income limits based on the 50% limits. (This is the reason that the income limits shown in Appendix VII may not be directly comparable to the WHEDA county median incomes shown in Appendix I.)

Table 17 summarizes for the last four federal fiscal years (FFY), FFY 2010 through FFY 2013, the grant amounts awarded under each of the HOME program components. FFY 2013 awards total $8.8 million.

In addition to the federal funding amounts received by the Division for the HOME program, some municipalities receive federal HOME 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 and Dane; (c) the combined City of Janesville and Rock County; and (d) a consortium of Jefferson, Ozaukee, Washington, and Waukesha Counties. These communities are also shown in Appendix VIII.

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 $3,776,300 in FFY 2012 and $4,309,900 in FFY 2013 was allocated from federal HOME program funds to support an award program to provide assistance to homebuyers and homeowners. State-funded HCRI amounts are also combined with federal HOME program funds and HOME grants are coordinated with HCRI grants through an annual competitive process.

Funds from the HOME program under the homebuyer component of the program are availa-

Table 17: Federal HOME Programs -- Grant Awards by Program*

Program	FFY 2010	FFY 2011	FFY 2012	FFY 2013
Homebuyer and Rehabilitation				
Number of Grantees	33	33	21	21
Amount of Grants	$5,859,200	$5,161,000	$3,776,300	$4,309,900
Number of Housing Units Assisted	673	634	334	79**
Average Per-Unit Grant Amount	$8,706	$8,140	$11,306	TBD**
Rental Housing Development				
Number of Grantees	12	16	11	9
Amount of Grants	$5,398,300	$1,509,100	$4,123,600	$3,739,800
Number of Housing Units Assisted	132	69	85	75
Average Per-Unit Grant Amount	$40,896	$21,817	$48,513	$49,864
Tenant-Based Rental Assistance*				
Number of Grantees	9	10	10	8
Amount of Grants	$864,600	$968,700	$766,100	$741,500
Number of Households Assisted	351	411	335	453
Average Per-Household Grant Amount	$2,463	$2,357	$2,287	$1,637

*Program and contract year periods differ by program and year.
**Number of units as of October 29, 2014. Per-unit grant amount to be determined.

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

Funds under the rehabilitation and accessibility component of the HOME program are used to make repairs to homes owned by households with incomes at or below 80% of the county's median household income. Eligible improvement 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 construction quality standards developed by HUD.

Rental Housing Development Program

A total of $4,123,600 in FFY 2012 and $3,739,800 in FFY 2013 was allocated from federal HOME program funds for projects leading to the development of new or rehabilitated rental units. Eligible projects for the expansion of rental housing units in the state can be accomplished either through new construction or by the acquisition and rehabilitation of existing properties.

Community housing development organizations (that is, local non-profit groups that meet certain federal standards), public housing authorities and other non-profit organizations are eligible to apply for these HOME initiative funds. In addition, private for-profit developers may apply for loans following the same guidelines. Certain restrictions apply as to the maximum income levels of residents in the assisted units, the maximum rents that may be charged, the period of affordability compliance, and the maximum subsidy amount per unit. For example, 20% of the HOME assisted units in a project must benefit households at or below 50% of the county median income. Households whose annual incomes do not exceed 60% of the county median income at the time of initial occupancy must occupy the remaining 80% of the units.

The rental rehabilitation component of the program provides grants and low-interest loans for up to 75% of the cost of repairs and improvements to rental units that are leased to persons who have low or very-low incomes. Units assisted under the program must be leased at or below fair market rent levels, as determined by HUD. At least 90% of the units assisted under this program must be occupied by households with incomes at or below 60% of the county's median household income, as shown in Appendix VII. Eligible rehabilitation expenses include those for: correcting substandard housing conditions; repairing major mechanical or other systems that are in danger of failure; increasing handicapped accessibility; supporting indirect costs associated with the rehabilitation (such as architectural or engineering services); and paying such expenses as loan origination and other lender fees; building permits; and credit, title, and legal fees.

Tenant-Based Rental Assistance Program

The Division allocates federal HOME program funds for a program to assist individual low-income, homeless, or special needs households with housing costs.

Under the tenant-based rental assistance program, individual households receive direct rent subsidy assistance to make up the difference between the amount a household can afford to pay for housing (30% of their annual adjusted gross income) and the local rent standards. Families must have income equal to or less than 60% of the county median income. The rent subsidy covers costs such as rent, utility costs, security deposits, and utility deposits.

In FFY 2012, $766,100 in HOME funds was allocated for the tenant-based rental assistance program. The Division allocated the FFY 2012 funds to 10 agencies which serve: Barron, Burnett, Calumet, Chippewa, Dunn, La Crosse, Lincoln, Marathon, Marinette, Monroe, Oconto, Outagamie, Pepin, Pierce, Polk, Sheboygan, St. Croix, Vernon, and Winnebago Counties.

In FFY 2013, $741,500 in HOME program funds was allocated for the tenant-based rental assistance program. The Division allocated funds to eight agencies which serve: Barron, Burnett, Calumet, Chippewa, Dunn, La Crosse, Marinette, Monroe, Oconto, Outagamie, Pepin, Pierce, Polk, Sheboygan, St. Croix, Vernon, and Winnebago Counties.

Program Income

Loan repayments from clients with loans made primarily 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 under the program. Program repayment income totaled $1,521,300 in state fiscal year 2012-13 and $957,400 in 2013-14. The amounts received in 2005-06 through 2013-14 are shown in Table 18.

Table 18: HOME Program Repayment Income

State Fiscal Year	Amount
2005-06	$176,900
2006-07	240,200
2007-08	290,100
2008-09	307,600
2009-10	418,000
2010-11	1,263,900
2011-12	432,300
2012-13	1,521,300
2013-14	957,400

Housing Programs Financed with Other Federal Funds

Emergency Solutions Grant Program

Under provisions of s. 16.315 of the statutes, the Department of Administration is the HUD-designated Wisconsin agency for administering the distribution of federal funds under the Stewart B. McKinney Homeless Assistance Act. This program, which was enacted as the Emergency Shelter Grant program, is now known as the Emergency Solutions Grant program. In 2009, the program was reauthorized with the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act. In addition to changing the name of the grant program, the HEARTH Act expanded homelessness prevention activities, with an emphasis placed on rapid re-housing, especially for homeless families.

Eligible applicants for this grant program include cities, counties, and private nonprofit agencies (where the appropriate local government jurisdiction has approved the agency's submission for program funds). Beginning in 1999, tribal governments are not eligible for HUD funding under this program. However, the Department continues to encourage tribal governments to participate in their area's local Continuum of Care and, where possible, access state funds to help ensure services and assistance are available to tribal members.

Under the program, grants may be used for one or more of the following categories of eligible activities: (a) homeless prevention and re-housing programs (equal to at least 40% of the grant); (b) provision of food, mental health or substance abuse counseling, education, day care, case management, or other essential social services; (c) renovation, rehabilitation, and conversion of buildings for use as shelters or transitional housing facilities; (d) payments for shelter maintenance, and operating costs such as rent, insurance, utilities, furnishings; and (e) payments for shelter staff salaries.

There are three major federal program requirements for funding under the program. First, each city, county, or private nonprofit agency operating in the 19 designated urban counties or 53 designated rural counties of the state must match its emergency solutions grant with an equal amount of funds from other sources. Second, any grantee receiving emergency solutions grants funds for shelter operations and essential services must maintain the shelter building for as long as federal assistance is received. Recipients of rehabilitation funding must maintain the shelter for at least three years, and recipients of major rehabilitation or conversion funding must use the building as a shelter for at least 10 years. Finally, recipients that are private, nonprofit organizations must provide assistance to homeless individuals in obtaining appropriate supportive services. In addition, grantees must participate in Wisconsin ServicePoint (WISP), the statewide component of a nationwide Homeless Management Information System that is a web-based software database for providing information about homeless persons to improve service delivery to these persons.

Beginning in 2002-03, the emergency shelter grant program funding process was changed to mirror HUD's Continuum of Care Supportive Housing program (see next section) in order to encourage agencies to coordinate their efforts and their use of funds. In addition, beginning in 2005-06, emergency shelter grant funds from HUD were combined with state transitional housing program funds and homeless prevention program funds. The application process for the combined funds was modified to focus on community need identification and prioritization, and on projects that help homeless persons find shelter. Grants are allocated on a formula basis using a variety of homeless prevalence factors including monthly homeless census counts, poverty statistics, unemployment, and population data.

Table 19 summarizes Emergency Solutions (Shelter) Grant activity over the last eight federal fiscal years from FFY 2007 through FFY 2014. In FFY 2013, $2,500 of IBRETA funds was distributed in addition to the HUD Emergency Solutions Grant allocation of $2,678,600. In FFY 2014, no IBRETA funds were added to the $3,169,700 HUD Emergency Solutions Grant allocation.

Table 19: HUD Emergency Solutions Grant Program -- Federal Fiscal Years

FFY	Grantees	Amount of Grants	Average Grant Amount
2007	111	$1,939,200	$17,470
2008	119	2,009,100	16,883
2009	49	1,880,700	38,382
2010	36	1,888,100	52,447
2011	29	3,097,900	106,826
2012	28	3,541,100	117,311
2013	27*	2,558,500	94,759
2014	25*	3,111,600	124,464

*Benefits 132 agencies in FFY 2013 and FFY 2014.

Continuum of Care Supportive Housing Program

The continuum of care supportive housing program provides HUD-funded grants to projects designed to find permanent solutions to homelessness by providing homeless persons with opportunities to find long-term housing and become self-sufficient.

Under the program, the following types of projects are given funding priority: (a) provision of permanent housing to meet the long-term needs of homeless individuals and families; and (b) provision of transitional housing and associated social services to help individuals and families move to permanent housing and independent living.

In the past, the Department of Commerce, in collaboration with the statewide Balance of State Continuum of Care Association (a consortium of community action agencies and nonprofit organizations providing services to the homeless outside of Milwaukee County, Racine County, and Dane County) submitted an application to HUD for funding under the continuum of care program. In 2009, due to staff vacancies, Commerce turned over lead responsibility for submitting the application to the statewide Balance of State Continuum of Care Association. The State is no longer involved in preparing or providing data for the statewide continuum of care application to HUD.

The Balance of State was awarded a total of $88,904,400 for projects from 1997 through 2013. Of this amount, $7,161,800 was awarded in 2012 for 35 projects, and $7,661,200 was awarded in 2013 for 40 projects.

Housing Rehabilitation Program -- Small Cities CDBG

Under s. 16.309 of the statutes, DOA is responsible for administering the housing rehabilitation component of the federal small cities community development block grant (CDBG) program, as well as other CDBG programs. The Department of Administration is the state agency designated by the federal government for the receipt of federal CDBG allocations. Under the general CDBG program, federal funds are provided to municipalities for activities such as housing rehabilitation, acquisition, relocation, handicapped accessibility improvements, home ownership assistance, public facilities improvements, and economic development. The Department allocates 62% of the funds to community and economic development and 38% to housing, in accordance with the state's consolidated and annual action plans. Federal guidelines allow the state to retain $100,000 and up to 2% of each annual grant award for state administrative costs associated with the program. The 2% requires an equivalent match of state funds. An additional 1% of each annual grant award may be retained for technical assistance, and does not require a state match.

Eligible applicants for small cities CDBG funds include most cities, villages and towns with populations under 50,000 and all counties except Dane, Milwaukee, and Waukesha. Those municipalities with populations of 50,000 or more and Dane, Milwaukee, and Waukesha Counties are deemed "entitlement municipalities" and are eligible to receive CDBG funds directly from the federal government. Consequently, these entitlement municipalities (listed in Appendix IX) are not eligible for state CDBG funds.

Table 20 summarizes the total amount of small cities CDBG funding received by the state during the last eight federal fiscal years from FFY 2007 through FFY 2014 and shows 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 IX are not included in Table 20.

Table 20: Small Cities CDBG Grants -- Total Funding and Allocations for Housing Rehabilitation Program

Federal Fiscal Year	Total Block Grant	Amount Allocated for Housing Rehabilitation
2007	$28,619,900	$8,298,400
2008	27,769,100	8,050,800
2009	28,231,000	8,185,200
2010	30,689,500	8,900,600
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

Funds allocated under the CDBG housing rehabilitation program are awarded annually in accordance with criteria specified by the Department of Administration. Prior to 2008, state administrative rules required an allocation of up to $2,000,000 annually for emergency assistance. Currently, the Department may use its discretion in awarding available funds for emergency assistance. Administrative rules [Adm 90.06] state that emergency assistance applications will be 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 funding sources. In addition, the Department must earmark at least $750,000 for special projects that create new housing units for low- to moderate-income households.

Grants are made by the Division of Housing to municipalities or county governments, which then provide deferred, no- or low-interest loans to individual applicants to undertake rehabilitation projects. Project beneficiaries must have incomes at or below 80% of the county median income (see Appendix VII for the relevant income limits). When the program is used to renovate owner-occupied housing, deferred payment loans are provided and are not required to be repaid until the home ceases to be the owner's principal place of residence. In the case of rehabilitation of rental property, the landlord must agree to rent all of the rehabilitated units to low- and moderate-income persons for at least five years at locally affordable rents and must repay the loan in installments. The average project cost per housing unit rehabilitated under the program is approximately $18,400.

A requirement of the small cities CDBG program is that when loans are repaid, the municipality or county government must 'revolve' these repayments into new projects that benefit its low- and moderate-income residents. Where a unit of government has revolving loan fund income and receives a new CDBG contract, it must expend such revolving loan funds before using the new grant funding. In 2012-13, revolving loan fund receipts of $4,017,000 assisted 492 households and in 2013-14, revolving loan fund receipts of $3,734,300 assisted 327 households.

CDBG – Emergency Assistance Program (CDBG-EAP)

Amounts allocated under the CDBG small cities housing program can be distributed under the CDBG Emergency Assistance Program. The Division of Housing makes awards to local units of government to provide grants to property owners to recover from property damage that occurred as a result of a natural or man-made disaster.

To be eligible for assistance, property owners may have incomes up to 80% of the county's median-income level. CDBG-EAP funds may be used to address housing damage caused by the disaster that is not covered by insurance. Eligible activities may include: (a) repair of damage to the dwelling unit, including repair or replacement of plumbing, heating, and electrical systems; (b) acquisition and demolition of dwellings that cannot be repaired; and (c) downpayment and closing cost assistance for the purchase of replacement dwellings. The funds cannot be used for: (a) costs covered by insurance or other federal or state assistance; (b) cleaning; (c) replacement of furniture, food, clothing, or other personal items; or (d) any repairs not directly related to the disaster.

In FFY 2013, $220,000 of CDBG funds was allocated to emergency housing assistance related to a forest fire that occurred in May, 2013. In FFY 2014, $1,903,500 in CDBG funds was allocated to emergency housing assistance related to storm events in June and August, 2013.

Neighborhood Stabilization Program

The federal Housing and Economic Recovery Act of 2008, enacted in July, 2008, as P. L. 110-289, created the Neighborhood Stabilization Program (NSP) within HUD. The NSP is intended to provide emergency assistance for redevelopment of abandoned and foreclosed homes and rental properties.

The program was designed to target funds to areas of the state: (a) with the greatest percentage of home foreclosures; (b) with the highest percentage of homes financed by a subprime mortgage loan; and (c) identified by the state or local government as likely to face a significant rise in the rate of home foreclosures. Stabilization grant funds can be used to: (a) acquire land and property; (b) rehabilitate abandoned or foreclosed properties; (c) offer assistance with down payment and closing costs to low- to moderate-income homebuyers; and (d) redevelop new rental or resale housing.

The Department of Housing and Urban Development treated the first awards to states as a special allocation of FFY 2008 CDBG funds. The Department awarded $38,779,100 to the Wisconsin State program and made a separate allocation of $9.2 million to the City of Milwaukee. The Department of Administration is the lead state agency for administration of the state allocation.

The State of Wisconsin awarded funds in 2009 and early 2010 to CDBG entitlement municipalities, HOME participating municipalities, Indian tribes, local housing authorities, and certain nonprofit agencies. Allocations of FFY 2011 funding are shown in Table 21 and include allocations for the following purposes: (a) establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including mechanisms such as soft-seconds, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers (primarily a grant to WHEDA); (b) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell the homes and properties; (c) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to rent the homes and properties; (d) establish land banks for homes that have been foreclosed upon (a strategy to assemble, temporarily

Table 21: Neighborhood Stabilization Program Allocations, FFY 2011

Program	Amount	% of Total
Acquisition, Rehabilitation, and Resale	$2,934,600	58.7%
Acquisition, Rehabilitation, and Rental	1,105,300	22.1
Landbanking	180,000	3.6
Demolition of Blighted Structures	60,000	1.2
Redevelopment	255,000	5.1
Administration	465,100	9.3
Total	$5,000,000	100.0%

manage, and dispose of vacant land for the purpose of stabilizing a neighborhood and encouraging reuse or redevelopment of urban property); (e) demolish blighted structures; (f) redevelop demolished or vacant properties for residential, mixed residential and commercial, or nonresidential uses; and (g) administration by the state, local grant recipient agencies, and WHEDA.

According to federal regulations, grant recipients are required to spend at least 25% of funds for housing for households with income equal to or less than 50% of the area median income. The State of Wisconsin requires grantees to spend at least 30% of funds for this segment of the population. As of August, 2014, approximately 40% of the NSP grants awarded from the FFY 2008 and FFY 2011 allocations, including program income earned and returned through program use, are obligated for households with income equal to or less than 50% of the area median income.

In January, 2010, HUD awarded NSP round 2 grants in a nationwide competition. The City of Milwaukee was awarded $25 million. The state did not receive a separate allocation.

In October, 2010, HUD announced requirements for the allocation of NSP round 3 grants. In March, 2011, the Department of Commerce received $5 million for statewide allocation, and the City of Milwaukee received almost $2.7 million. Grantees are required to expend 50% of their grants within two years and 100% within three years. Eligible activities are the same as under NSP round 1 grants, except redevelopment activities under round 3 must be for housing. There have been no additional allocations of NSP funds since March, 2011.

Housing Opportunities for Persons with AIDS Program (HOPWA)

Wisconsin has received funding allocations under the federal Housing Opportunities for Persons with AIDS (HOPWA) program since FFY 1995. This federal program was created in 1992 by P. L. 102-550 to provide eligible applicants with resources and incentives to devise long-term comprehensive strategies to meet the housing needs of persons (and the families of persons) with acquired immunodeficiency syndrome (AIDS) or related diseases. Wisconsin is an eligible applicant for a formula allocation under the federal program because the state has a cumulative total of more than 1,500 AIDS cases and has an approved consolidated plan for AIDS services.

Program funds may be used to provide resources designed to prevent homelessness among persons with AIDS. This assistance may include emergency housing, shared housing arrangements, and permanent housing placement in apartments, single room occupancy units and community residences. As part of any HOPWA assisted housing, appropriate support services must also be provided. Non-housing related support services may include: supportive services including physical and mental health care and assessment, drug and alcohol abuse treatment and counseling, day care services, intensive care, nutritional services, and assistance in gaining access to local state and federal government benefits and services. Table 22 summarizes the grant distributions under the HOPWA program during the last eight federal fiscal years from FFY 2007 through FFY 2014.

Table 22: HOPWA Total Grant Distributions *

FFY	Grant
2007	$391,000
2008	407,000
2009	394,800
2010	409,400
2011	441,600
2012	446,400
2013	449,500
2014	428,400

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

During FFY 1998, DOA was notified that the four-county Milwaukee metropolitan area had reached the threshold of 1,500 cumulative persons with AIDS and could receive a direct formula grant from HUD. The remainder of the state did not exceed this caseload threshold and appeared to become ineligible for continued funding under the HOPWA program. However, HUD began to grant the state a waiver in 1998 to fund HOPWA programs in counties outside of the Milwaukee metropolitan area. Pierce and St. Croix Counties are included in the Minneapolis – St. Paul, Minnesota HOPWA grant.) In 2000, federal law was changed to grandfather previously-funded communities and states. Up to 3% of the federal awards may be used for the Department's administrative costs.

CHAPTER 3

HOUSING PROGRAMS ADMINISTERED BY THE DIVISION OF ENERGY SERVICES, DEPARTMENT OF ADMINISTRATION

The Division of Energy Services within the Department of Administration (DOA) administers two housing programs targeted to low-income households. These programs are the Wisconsin Home Energy Assistance Program (WHEAP) and the Low-Income Weatherization Program. These programs are funded through federal low-income home energy assistance program (LIHEAP) block grants, Department of Energy weatherization grants, and the segregated, state-operated public benefits fund. Monies in the public benefits fund derive from amounts remitted from electric and natural gas public utilities to DOA for the operation of programs previously administered by the utilities and from public benefits fees, which are collected from electric utility customers. For additional information about DOA-administered low-income energy assistance and weatherization programs see the Legislative Fiscal Bureau's informational paper entitled "Department of Administration's Energy Services."

For WHEAP or low-income weatherization benefit purposes, a low-income household is defined as any individual or group of individuals living together as a single economic unit in which residential electricity is customarily purchased in common and whose household income does not exceed 60% of the statewide median household income. In 2014-15, the guideline is equivalent to $48,367 annually for a household of four. Appendix X outlines these poverty guidelines for various household sizes.

This chapter describes these housing programs operated by DOA. Appendix XI includes a summary of DOA housing programs, funding sources, and expenditures.

Low-Income Home Energy Assistance Program

The Wisconsin Home Energy Assistance program (WHEAP) is established under s. 16.27 (federal component) and s. 16.957 (state component) of the statutes. This program provides cash benefits and services in the form of energy assistance and crisis assistance to low-income households. For households applying for either of these benefits, a household must meet the income requirements during the three months immediately prior to applying for benefits. In emergency situations, crisis assistance benefits may be approved if the income requirements are met for the month preceding the application or the current month.

Until 2013-14, WHEAP also administered emergency furnace repair and replacement services. Although program eligibility is still determined through WHEAP, services are now provided through the agencies that serve the low-income weatherization program. The program is described under the section of this chapter entitled, "Low-Income Weatherization Program."

Households in which all members are recipients of: (a) Wisconsin Works (W-2) assistance (Wisconsin's temporary assistance for needy families program) in the form of a cash grant; (b) FoodShare (food stamps) benefits; or (c) supplemental security income (SSI) in each of the three preceding months are categorically eligible for energy assistance, crisis assistance, and emergency furnace repair and replacement.

Under 2009 Wisconsin Act 28, the statutes specify that any household that has at least one person eligible for FoodShare benefits would receive a federal low-income home energy assistance program (LIHEAP) benefit. If the household was eligible for LIHEAP only because of this provision, and was not otherwise categorically eligible, then the household could receive no more than $1. The purpose of this provision, which was created under Act 28, was to permit FoodShare recipients who would otherwise not receive energy assistance to receive a minimal benefit that would increase their federal FoodShare benefit. Prior to the 2014 federal farm bill, federal law allowed households that receive at least $1 of LIHEAP benefits to deduct from their gross income the maximum standard utility allowance, associated with heating and cooling expenses, which would result in a higher FoodShare benefit. Under the 2014 farm bill, federal law was changed to provide this deduction only for households with more than $20 in annual LIHEAP benefits. Therefore, the Act 28 provision in state statute no longer provides for an increase in FoodShare benefits for households that would otherwise not receive energy assistance. FoodShare applicants may continue to receive the heating and cooling standard utility allowance by providing proof that the household is obligated to pay or is actually paying for heating costs.

Traditionally, funding for WHEAP has come primarily from federal LIHEAP block grant allocations to the state. During the 2000-01 state fiscal year, the Department of Administration began to receive additional funds under the state public benefits program, which is operated through a segregated fund to support the costs of the low-income energy assistance programs that are not supported by federal funds. Revenue provided through the utility public benefits fund derives from: (a) fees collected through utility customer billings and paid by electric utilities, municipal utilities, and electric cooperatives; (b) investment earnings from the available public benefits fund balances; and (c) voluntary contributions. As shown in Table 23, a total of $47.7 million in 2013-14 was expended from the state public benefits program for low-income energy assistance and crisis assistance.

Table 24 shows federal funding expended for LIHEAP, including federal supplements, and TANF matching funds by state fiscal year since 2000-01. By statute, if the federal funds received

Table 23: WHEAP Public Benefit Expenditures

Fiscal Year	Amount*
2000-01	$11,000,000
2001-02	15,170,900
2002-03	13,200,800
2003-04	11,748,700
2004-05	15,792,400
2005-06	34,005,400
2006-07	23,261,500
2007-08	41,912,100
2008-09	42,743,400
2009-10	33,855,800
2010-11	41,967,000
2011-12	45,190,200
2012-13	55,508,300
2013-14	47,716,200

*Beginning in 2013-14, emergency furnace repair and replacement is funded under the weatherization program.

Table 24: LIHEAP Federal Expenditures

Fiscal Year	Amount*
2000-01	$68,064,200
2001-02	50,817,600
2002-03	68,861,000
2003-04	54,153,400
2004-05	64,600,200
2005-06	73,618,500
2006-07	72,762,800
2007-08	90,653,500
2008-09	110,771,400
2009-10	128,956,200
2010-11	124,640,000
2011-12	92,557,300
2012-13	88,141,100
2013-14	91,330,700

*Amounts are net of transfers to the weatherization program. Beginning in 2013-14, emergency furnace repair and replacement is funded under the weatherization program.

in a federal fiscal year total less than 90% of the amount received in the previous federal fiscal year, a plan of expenditures must be submitted to the Joint Committee on Finance as part of the 16.54 process governing the acceptance of federal funds.

In some years, the state has received federal TANF matching funds or federal supplements for LIHEAP use. In response to a propane shortage during the 2013-14 heating season, DOA provided $8.5 million in LIHEAP crisis benefit funding to counties and tribes with a high percentage of households using propane.

By state statute, 15% of federal LIHEAP funding is transferred to the state weatherization program each federal fiscal year. However, from 1993 to 2013, a portion of that 15% transfer amount was retained for the WHEAP emergency furnace repair and replacement program. Beginning in 2013-14, emergency furnace repair and replacement is funded under the weatherization program.

Under 2005 Wisconsin Act 124, an additional $5,147,300 of one-time funding from the petroleum inspection fund was provided for low-income assistance for households between 150% and 175% of the federal poverty level. A total of 13,726 households were provided with grants of $375 in 2005-06. No further use of these funds is anticipated.

Energy Assistance Program. The energy assistance component of WHEAP provides eligible low-income households with a cash benefit to assist the household in meeting its energy costs. The benefit is generally provided once a year as a benefit payment for each heating season (October 1 through May 15). Some households receiving energy assistance are provided both a heating benefit and a non-heating electric benefit. These benefit payments are generally issued as a direct payment to the utility or as a two-party check to the applicant and the applicant's fuel provider. The actual amount of the energy assistance benefit depends on the household's size, income level and actual home energy costs. The benefit amount is determined by a formula, which yields proportionately higher payments for households with the lowest income levels and the highest annual home energy costs.

Table 25 provides caseload data and the average amount of benefits paid to households receiving the heating component of energy assistance since federal fiscal year (FFY) 2004. Table 26 provides caseload data and the average amount of

Table 25: Heating Assistance Caseload

FFY	Caseload	Average Benefit
2004	134,840	$269
2005	137,622	314
2006*	152,062	439
2007	145,843	260
2008	155,140	437
2009	173,012	514
2010**	214,203	490
2011	226,380	454
2012	214,965	348
2013	214,531	336
2014	224,730	302

*An additional $5.1 million, not shown in the table, was provided to 13,726 households between 150% and 175% of the poverty level in 2005-06, under 2005 Wisconsin Act 124.

**Effective FFY 2010, the eligibility standard was changed from 150% of the federal poverty level to 60% of state median household income.

Table 26: Public Benefits Non-Heating Electric Caseload

FFY	Caseload	Average Benefit
2004	121,983	$68
2005	124,098	92
2006	137,502	159
2007	132,767	122
2008	141,537	248
2009	166,354	203
2010*	209,382	121
2011	220,017	142
2012	212,816	174
2013	213,161	186
2014	224,757	180

*Effective FFY 2010, the eligibility standard was changed from 150% of Federal Poverty Level to 60% of the State of Wisconsin Median Household Income.

benefits paid to households receiving the state public benefits-funded, non-heating electric component of energy assistance since FFY 2004.

Crisis Assistance Program. The crisis assistance component of WHEAP provides limited cash assistance and services to households that experience a heating emergency or are at risk of experiencing a heating emergency (such as denial of future fuel deliveries). The program provides both emergency and proactive services. Program intake workers are employed by a variety of entities, including county social service agencies, to provide these services to eligible households.

Prior to 2005 Wisconsin Act 25, the statutes specified that no more than $3.2 million annually, of the total available WHEAP funding, could be allocated for crisis assistance payments, unless an increased amount was approved by the Joint Committee on Finance. Act 25 eliminated that cap, which allows DOA to establish the amounts of WHEAP funding that may be used for crisis assistance.

Crisis assistance is available only if the agency administering the benefits determines that there is an immediate threat to the health or safety of an eligible household due to the actual or imminent loss of essential home heating. The amount of crisis assistance that a household receives is based on the minimum assistance required to remove the immediate threat to health and safety. Some form of crisis assistance must be provided within 48 hours of application or within 18 hours if the situation is life-threatening.

Emergency crisis services include providing heating fuel, a warm place to stay for a few days, or other actions that will assist a household experiencing the heating emergency. In-kind benefits such as blankets and space heaters may also be provided.

Another component of crisis assistance intervention is the provision of on-going services for eligible households designed to minimize the risk of heating emergencies during the winter months. These types of activities include providing eligible households with training and information on how to reduce fuel costs and counseling on establishing budgets and money management. In addition, WHEAP may assist persons in setting up a co-payment plan that would provide payments to fuel suppliers. Table 27 provides caseload data and the average amount of benefits paid to households receiving crisis assistance since FFY 2004.

Table 27: Crisis Assistance Caseload

FFY	Average Caseload	Benefit
2004	33,167	$318
2005	44,990	337
2006	48,611	364
2007	48,200	367
2008	27,837	402
2009	49,323	384
2010	37,785	323
2011	43,997	336
2012	41,304	321
2013	38,239	313
2014	32,218	441

Low-Income Weatherization Program

The Low-Income Weatherization Program is established under s. 16.26 (federal component) and s. 16.957 (state component) of the statutes. The program provides weatherization services to help reduce high-energy costs in homes occupied by low-income families. In addition, low-income weatherization program funding is utilized for emergency furnace repair and replacement services, which are provided to households experiencing a heating crisis.

Low-Income Weatherization Services. The program has traditionally been funded from four sources: (a) funds the state receives from the federal Department of Energy (DOE) under the weatherization assistance for low-income persons program; (b) an allocation of 15% of the funds received by the state under the LIHEAP block grant; (c) allocations that have occasionally been made from oil overcharge restitution funds; and (d) funds from the state public benefits program. For 2013-14, expenditures totaled $71,217,600 ($6,560,200 from DOE weatherization assistance; $14,301,500 from LIHEAP funds; and $50,355,900 from public benefits). Under the administration of ARRA weatherization funding, the general eligibility requirements were the same, but states were required to place an emphasis on weatherization of multi-family units (buildings with 20 or more units). American Recovery and Reinvestment Act funding for weatherization has been fully expended, as have state oil overcharge funds allocated to weatherization.

Table 28 indicates the amounts expended under the low-income weatherization program, including administrative expenses, by funding source, since 2000-01.

The Division of Energy Services administers the program through contracts with community action agencies and local governments. These agencies seek out eligible households, verify eligibility for weatherization services, determine the types of work on each dwelling that will provide the greatest energy savings for the cost, and hire and supervise employees to install weatherization materials.

Typical weatherization services provided under the program include attic, sidewall and floor insulation, non-emergency repair or replacement of furnaces, water heater insulation, and water heater, refrigerator, and window replacements. Under the program, services are offered to families or individuals with household incomes of no more than 60% of the statewide median household income. Both homeowners and renters are eligible for the weatherization services at no cost. However, a 15% contribution by the property owner is required in rental property where the property owner pays heating costs and is not eligible for the Wisconsin Home Energy Assistance Program. Local program operators give priority under the program to homes occupied by elderly and the disabled and houses with high-energy consumption.

Table 28: Low-Income Weatherization Program – Expenditures by Funding Source

Fiscal Year	FED (DOE)	FED (LIHEAP)	State (Oil Overcharge)	Utility Public Benefits	American Recovery and Reinvestment Act	Total
2000-01	$4,296,800	$6,333,300	$43,100	$6,046,500	$0	$16,719,700
2001-02	4,997,000	11,496,200	35,300	12,824,800	0	29,353,300
2002-03	8,217,900	6,206,300	312,700	24,657,200	0	39,394,100
2003-04	8,364,600	7,949,000	82,400	30,850,500	0	47,246,500
2004-05	6,529,500	6,520,100	0	33,601,300	0	46,650,900
2005-06	10,537,200	11,807,700	0	36,076,500	0	58,421,400
2006-07	9,361,200	15,932,600	0	40,372,600	0	65,666,400
2007-08	8,129,100	11,571,400	0	47,384,000	0	67,084,500
2008-09	8,845,100	24,828,600	0	45,735,900	196,200	79,605,800
2009-10	14,220,600	9,685,900	46,900	39,013,400	61,447,300	124,414,100
2010-11	6,056,700	15,902,500	0	31,581,300	65,592,000	119,132,500
2011-12	7,884,000	15,868,000	1,500	50,116,400	14,272,900	88,142,800
2012-13	6,035,300	16,991,200	0	50,417,800	0	73,444,300
2013-14*	6,560,200	14,301,500	0	50,355,900	0	71,217,600

* Beginning in 2013-14, emergency furnace repair and replacement is funded under the weatherization program.

2011 Wisconsin Act 32. Under 2011 Wisconsin Act 32, DOA was permitted to transfer $10 million in each year of the 2011-13 biennium from public benefits funds spent on the low-income weatherization program and other energy conservation services to WHEAP for energy assistance services. Concurrent with a reduction in federal LIHEAP funding in 2011-12 and 2012-13, DOA reallocated these funds in both years as allowed by Act 32. This transfer was offset by federal ARRA funds spent on weatherization in 2011-12, as shown in Tables 28 and 29.

2013 Wisconsin Act 20. Under 2013 Wisconsin Act 20, the formula used to allocate state public benefits funds was modified so that 50% of public benefits revenue is allocated to low-income weatherization and conservation services (including emergency furnace repair and replacement, beginning in 2013-14), and the remaining 50% is allocated to other low-income energy assistance program services (bill payment and crisis assistance).

Table 29 lists the number of dwelling units weatherized and shows the average costs of such services under this program since 2000-01.

Table 29: Low-Income Weatherization Program

Fiscal Year	Units Weatherized	Avg. Cost Per Unit
2000-01	4,923	$5,801
2001-02	4,928	5,738
2002-03	6,726	5,687
2003-04	8,048	5,366
2004-05	7,992	5,630
2005-06	8,831	6,220
2006-07	9,223	6,661
2007-08	9,776	6,562
2008-09	8,459	8,417
2009-10*	11,222	8,840
2010-11**	16,546	6,768
2011-12***	13,886	6,514
2012-13	7,742	8,685
2013-14	6,296	8,984

* Includes 5,915 units that received ARRA assistance.
** Includes 14,159 ARRA units.
***Includes 4,436 ARRA units.

Emergency Furnace Repair and Replacement Program. The Division provides funding for emergency furnace repair or replacement services through low-income weatherization program agencies. As noted previously, prior to 2013-14, emergency furnace repair and replacement services were provided by WHEAP. Under this program, services are provided to households experiencing a heating crisis. Services provided consist of having a heating contractor inspect the household's furnace to determine if repair or replacement of the heating unit is a reasonable solution to the emergency.

The furnace must be replaced rather than repaired if: (a) the heating unit repair costs are expected to exceed $500 in FFY 2013 or $700 in FFY 2014 and the estimated useful life is less than five years; or (b) the furnace is electric and repair costs will exceed $250. Finally, if furnace replacement costs are expected to exceed $7,500, approval by DOA is required to replace the furnace. If furnace repair is expected to exceed $500 and the furnace has an estimated useful life of greater than five years, approval by DOA is required before the furnace may be repaired. Beginning in FFY 2015, emergency furnace repair and replacement cost limits will apply. The cost to repair a heating system may not exceed: (a) $750 for forced air, a room heater, or a wall furnace; or (b) $1,000 for a hot water boiler, steam boiler, or other type of heating system. The cost to replace a heating system may not exceed: (a) $5,000 for forced air, a room heater, or a wall furnace; or (b) $8,500 for a hot water boiler or a steam boiler.

The number of households receiving services and the average emergency furnace service benefit provided since FFY 2004 is summarized in Table 30.

Table 30: Emergency Furnace Repair and Replacement Caseload

FFY	Caseload	Average Benefit
2004	1,912	$1,302
2005	1,992	1,360
2006	1,875	1,256
2007	2,033	1,343
2008	2,290	1,428
2009	2,430	1,685
2010	3,109	1,848
2011	3,422	1,774
2012	2,724	1,743
2013	3,958	1,761
2014	4,715	1,753

Appendices

Eleven appendices provide additional background information about state housing programs.

- Appendix I lists Wisconsin county median incomes that are used for eligibility purposes in certain WHEDA housing programs.

- Appendix II lists income limits and maximum loan amounts for various WHEDA single-family lending programs.

- Appendix III lists WHEDA's homeownership mortgage loan (HOME), WHEDA Advantage, and FHA Advantage program bonding and lending activity.

- Appendix IV lists WHEDA's home improvement loan and Home Improvement Advantage program activity.

- Appendix V shows the households assisted through the Department of Administration, Division of Housing based on income in 2013-14.

- Appendix VI shows funding provided by the Department of Administration, Division of Housing by region of the state in 2013-14.

- Appendix VII lists the 2014 U.S. Housing and Urban Development household income limits applicable to certain housing programs administered by the Department of Administration.

- Appendix VIII lists the HUD HOME program public jurisdiction grant recipients.

- Appendix IX lists the HUD CDBG entitlement municipalities.

- Appendix X provides the 2014-15 poverty guidelines (60% of state median household income) that are used for eligibility purposes in certain housing programs administered by the Department of Administration, Division of Energy Services.

- Appendix XI provides summary information about each of the state's housing-related programs.

APPENDIX I

Estimated 2014 Median Family Income by County (for WHEDA Programs)

County	Median Income	County	Median Income
Adams	$49,500	Marathon	$65,400
Ashland	47,300	Marinette	55,900
Barron	56,000	Marquette	56,600
Bayfield	57,800	Menominee	37,500
Brown	68,200	Milwaukee	70,300
Buffalo	57,200	Monroe	62,800
Burnett	49,400	Oconto	60,400
Calumet	71,200	Oneida	58,100
Chippewa	64,800	Outagamie	71,200
Clark	54,100	Ozaukee	70,300
Columbia	70,800	Pepin	61,500
Crawford	54,900	Pierce	82,900
Dane	80,800	Polk	61,900
Dodge	66,300	Portage	63,700
Door	63,500	Price	57,500
Douglas	64,300	Racine	68,600
Dunn	63,900	Richland	57,400
Eau Claire	64,800	Rock	61,000
Florence	50,800	Rusk	50,200
Fond du Lac	66,800	Sauk	67,400
Forest	48,200	Sawyer	50,100
Grant	58,300	Shawano	56,100
Green	67,200	Sheboygan	65,100
Green Lake	65,800	St. Croix	82,900
Iowa	71,900	Taylor	58,000
Iron	49,100	Trempealeau	61,600
Jackson	54,300	Vernon	58,100
Jefferson	68,700	Vilas	53,800
Juneau	56,600	Walworth	70,700
Kenosha	63,500	Washburn	52,200
Kewaunee	68,200	Washington	70,300
La Crosse	66,300	Waukesha	70,300
Lafayette	62,000	Waupaca	62,700
Langlade	52,600	Waushara	53,700
Lincoln	62,400	Winnebago	68,800
Manitowoc	61,400	Wood	60,300

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

Note: 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, as shown in Appendix II, than suggested by data above.

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.

APPENDIX II

WHEDA Program Income and Loan Limits

WHEDA Advantage and FHA Advantage

This appendix lists, by county, the maximum income for households to be eligible for WHEDA Advantage and FHA Advantage first-mortgage loans. Also shown are the maximum amounts for single-family loans by county under FHA rules. All Fannie Mae loans are limited to $417,000.

	Advantage Income Limit		FHA Loan Limit
	1-2 Persons	3+Persons	
Adams	$76,245	$89,505	$271,050
Ashland	76,245	89,505	271,050
Barron	76,245	89,505	271,050
Bayfield	76,245	89,505	271,050
Brown	78,430	92,070	271,050
Buffalo	76,245	89,505	271,050
Burnett	76,245	89,505	271,050
Calumet	81,880	96,120	271,050
Chippewa	76,245	89,505	271,050
Clark	76,245	89,505	271,050
Columbia	81,420	95,580	271,050
Crawford	76,245	89,505	271,050
Dane	92,920	109,080	271,050
Dodge	76,245	89,505	271,050
Door	76,245	89,505	271,050
Douglas	76,245	89,505	271,050
Dunn	76,245	89,505	271,050
Eau Claire	76,245	89,505	271,050
Florence	76,245	89,505	271,050
Fond du Lac	76,820	90,180	271,050
Forest	76,245	89,505	271,050
Grant	76,245	89,505	271,050
Green	77,280	90,720	271,050
Green Lake	76,245	89,505	271,050
Iowa	82,685	97,065	271,050
Iron	76,245	89,505	271,050
Jackson	76,245	89,505	271,050
Jefferson	79,005	92,745	271,050
Juneau	76,245	89,505	271,050
Kenosha	76,245	89,505	365,700
Kewaunee	78,430	92,070	271,050
La Crosse	76,245	89,505	271,050
Lafayette	76,245	89,505	271,050
Langlade	76,245	89,505	271,050
Lincoln	76,245	89,505	271,050
Manitowoc	76,245	89,505	271,050

	Advantage Income Limit		FHA Loan Limit
	1-2 Persons	3+Persons	
Marathon	$76,245	$89,505	$271,050
Marinette	76,245	89,505	271,050
Marquette	76,245	89,505	271,050
Menominee	76,245	89,505	271,050
Milwaukee	80,845	94,905	288,650
Monroe	76,245	89,505	271,050
Oconto	76,245	89,505	271,050
Oneida	76,245	89,505	271,050
Outagamie	81,880	96,120	271,050
Ozaukee	80,845	94,905	288,650
Pepin	76,245	89,505	271,050
Pierce	95,335	111,915	318,550
Polk	76,245	89,505	271,050
Portage	76,245	89,505	271,050
Price	76,245	89,505	271,050
Racine	78,890	92,610	271,050
Richland	76,245	89,505	271,050
Rock	76,245	89,505	271,050
Rusk	76,245	89,505	271,050
Sauk	77,510	90,990	271,050
Sawyer	76,245	89,505	271,050
Shawano	76,245	89,505	271,050
Sheboygan	76,245	89,505	271,050
St. Croix	95,335	111,915	318,550
Taylor	76,245	89,505	271,050
Trempealeau	76,245	89,505	271,050
Vernon	76,245	89,505	271,050
Vilas	76,245	89,505	271,050
Walworth	81,305	95,445	271,050
Washburn	76,245	89,505	271,050
Washington	80,845	94,905	288,650
Waukesha	80,845	94,905	288,650
Waupaca	76,245	89,505	271,050
Waushara	76,245	89,505	271,050
Winnebago	79,120	92,880	271,050
Wood	76,245	89,505	271,050

APPENDIX II (continued)

WHEDA Program Income and Loan Limits

Tax Advantage and FTHB Advantage

This appendix lists, by county, the maximum income for households and home purchase prices under the WHEDA Tax Advantage and FTHB Advantage programs. These programs are supported by federal tax preferences, and requirements differ from those for the WHEDA Advantage and FHA Advantage programs. Cities and counties partially containing target areas are listed on the following page.

	Income Limit		Loan Limit
	1-2 Persons	3+Persons	
Adams	$66,300	$76,245	$265,150
Ashland *	79,560	92,820	324,000
Barron *	79,560	92,820	324,000
Bayfield *	79,560	92,820	324,000
Brown	68,200	78,430	265,150
Buffalo	66,300	76,245	265,150
Burnett *	79,560	92,820	324,000
Calumet	72,200	83,030	265,150
Chippewa	66,300	76,245	265,150
Clark *	79,560	92,820	324,000
Columbia	70,800	81,420	265,150
Crawford *	79,560	92,820	324,000
Dane	80,900	93,035	265,150
Dodge	66,300	76,245	265,150
Door	66,300	76,245	265,150
Douglas	66,300	76,245	265,150
Dunn	66,300	76,245	265,150
Eau Claire	66,300	76,245	265,150
Florence	66,300	76,245	265,150
Fond du Lac	66,800	76,820	265,150
Forest	66,300	76,245	265,150
Grant	66,300	76,245	265,150
Green	68,100	78,315	265,150
Green Lake	66,300	76,245	265,150
Iowa	71,900	82,685	265,150
Iron *	79,560	92,820	324,000
Jackson *	79,560	92,820	324,000
Jefferson	68,700	79,005	265,150
Juneau *	79,560	92,820	324,000
Kenosha	83,520	97,440	265,150
Kewaunee	68,200	78,430	265,150
La Crosse	69,200	79,580	265,150
Lafayette	66,300	76,245	265,150
Langlade	66,300	76,245	265,150
Lincoln	66,300	76,245	265,150
Manitowoc	66,300	76,245	265,150

	Income Limit		Loan Limit
	1-2 Persons	3+Persons	
Marathon	$66,300	$76,245	$265,150
Marinette *	79,560	92,820	324,000
Marquette *	79,560	92,820	324,000
Menominee	66,300	76,245	265,150
Milwaukee	70,300	80,845	265,150
Monroe	66,300	76,245	265,150
Oconto *	79,560	92,820	324,000
Oneida	66,300	76,245	265,150
Outagamie	72,200	83,030	265,150
Ozaukee	70,300	80,845	265,150
Pepin	66,300	76,245	265,150
Pierce	82,900	95,335	265,150
Polk	66,300	76,245	265,150
Portage	67,600	77,740	265,150
Price	66,300	76,245	265,150
Racine	68,600	78,890	265,150
Richland	66,300	76,245	265,150
Rock	66,300	76,245	265,150
Rusk *	79,560	92,820	324,000
Sauk	67,400	77,510	265,150
Sawyer *	79,560	92,820	324,000
Shawano	66,300	76,245	265,150
Sheboygan	67,100	77,165	265,150
St. Croix	82,900	95,335	265,150
Taylor	66,300	76,245	265,150
Trempealeau *	79,560	92,820	324,000
Vernon	66,300	76,245	265,150
Vilas	66,300	76,245	265,150
Walworth	70,700	81,305	265,150
Washburn	66,300	76,245	265,150
Washington	70,300	80,845	265,150
Waukesha	70,300	80,845	265,150
Waupaca	66,300	76,245	265,150
Waushara	66,300	76,245	265,150
Winnebago	68,300	78,545	265,150
Wood	66,300	76,245	265,150

* Counties are federal target areas of economic distress and subject to higher income and purchase price limits.

APPENDIX II (continued)

WHEDA Program Income and Loan Limits

Tax Advantage and FTHB Advantage

Urban Targeted Areas

	Income Limit		
	1-2 Persons	3+Persons	Loan Limit
• Augusta	$79,560	$92,820	$324,000
• Beloit	79,560	92,820	324,000
• Clear Lake	79,560	92,820	324,000
• Eau Claire	79,560	92,820	324,000
• Green Bay	81,840	95,480	324,000
• Janesville	79,560	92,820	324,000
• Kenosha	83,520	97,440	324,000
• La Crosse	83,040	96,880	324,000
• La Farge	79,560	92,820	324,000
• Madison	97,080	113,260	324,000
• Milwaukee	84,360	98,420	324,000
• Racine	82,320	96,040	324,000
• Sheboygan	80,520	93,940	324,000
• Superior	79,560	92,820	324,000
• Waukesha	84,360	98,420	324,000
• Wausau	79,560	92,820	324,000

Partial County Targeted Areas

• Menominee	$79,560	$92,820	$324,000

APPENDIX III

WHEDA Homeownership Mortgage Loan Program (HOME) and WHEDA Advantage

Historical Bonding Activity

Bond Issue	Amount of Bonds Issued	Amount Available for Loans	Mortgage Rate
1980 Series A	$45,000,000	$38,575,000	9.67%
1982 Series A	100,000,000	89,641,656	13.75
1982 Issue II	50,000,000	49,097,612	10.75, 11.0
1983 Issue I	60,000,000	52,213,244	10.25
1983 Issue I	90,000,000	80,436,614	10.70
1983 Issue II	35,000,000	31,971,568	11.00
1984 Issue I	140,000,955	116,242,940	11.25
1984 Issue II	41,110,948	32,836,675	10.90
1985 Issue I	169,995,438	155,959,688	9.65
1985 Issue II	10,003,263	9,172,580	9.90
1985 Issue III	19,495,597	18,060,409	9.75
1986 Series A	30,740,000	28,850,000	8.65
1986 Series B	67,105,000	62,500,000	7.99
1987 Series A	44,625,000	42,000,000	8.85
1987 Series B&C	100,000,000	94,750,000	8.75
1987 Series D&E	42,000,000	39,250,000	8.99
1988 Series A&B	75,000,000	71,160,000	8.875
1988 Series C	135,000,000	130,843,434	8.80
1988 Series D	204,999,158	198,585,859	8.60
1989 Series A	36,150,000	35,251,514	8.97
1989 Series B&C	73,769,715	71,542,450	8.55
1990 Series A,B&C	168,130,000	163,637,469	8.95
1990 Series D&E	79,300,000	76,805,714	8.88
1991 Series A,B&C	89,500,000	86,641,615	8.85
1991 Series 1,2&3	97,565,000	94,823,229	8.21, 7.9
1992 Series A&B	96,285,000	79,760,000	7.99
1992 Series 1&2	100,000,000	98,097,000	7.71
1993 Series A&B	116,165,000	114,150,000	7.00, 8.25
1994 Series A&B	82,645,000	70,468,982	6.50, 8.25
1994 Series C&D	50,000,000	48,957,000	7.68
1994 Series E&F	30,000,000	29,800,000	8.49
1995 Series A&B	125,000,000	121,355,383	8.17
1995 Series C,D&E	100,000,000	96,910,590	7.79
1995 Series F,G&H	70,000,000	68,600,000	7.60
1996 Series A&B	75,000,000	74,180,000	7.13
1996 Series C&D	75,000,000	74,167,000	7.47
1996 Series E&F	60,000,000	59,223,000	7.04
1997 Series A,B&C	85,000,000	84,189,000	7.49
1997 Series D,E&F	95,000,000	94,029,000	7.01
1997 Series G,H&I	75,000,000	73,869,000	6.74

APPENDIX III (continued)

WHEDA Homeownership Mortgage Loan Program (HOME) and WHEDA Advantage

Historical Bonding Activity

Bond Issue	Amount of Bonds Issued	Amount Available for Loans	Mortgage Rate
1998 Series A,B&C	$126,785,000	$101,785,400	6.42%
1998 Series D&E	115,000,000	113,887,742	6.60
1998 Series F&G	95,000,000	94,021,706	6.54
1999 Series C,D&E	90,000,000	89,098,970	6.65
1999 Series F,G,H&I	80,000,000	80,000,000	6.87
2000 Series A,B&C	70,000,000	69,279,000	7.79
2000 Series E&F	63,000,000	63,000,000	7.75
2000 Series H	35,000,000	33,786,440	8.90
2001 Series A,B,C&D	94,060,000	85,126,000	6.50
2002 Series A,B,C&D	135,565,000	78,230,000	5.87
2002 Series E,F,G&H	160,000,000	113,114,000	5.87
2002 Series I&J	95,000,000	95,000,000	5.87
2003 Series A	110,000,000	109,164,000	5.40
2003 Series B	110,000,000	108,878,000	5.38
2003 Series C&D	110,215,000	87,304,000	5.54
2004 Series A&B	136,295,000	126,763,000	5.45
2004 Series C&D	150,000,000	146,672,299	5.44
2005 Series A&B	131,200,000	117,517,063	5.35
2005 Series C	200,000,000	195,348,457	5.26
2005 Series D&E	148,500,000	146,985,300	5.26
2006 Series A&B	200,000,000	196,000,000	5.15
2006 Series C&D	247,585,000	244,432,872	6.16
2006 Series E&F	180,000,000	175,900,692	6.28
2007 Series A&B	180,000,000	174,025,427	6.12
2007 Series C&D	225,000,000	219,513,224	5.91
2007 Series E&F	130,000,000	126,075,047	5.88
2008 Series A&B	190,000,000	185,901,840	5.77
2010 Series A/2009 Series A-1	100,000,000	100,571,840	5.23
Total	$6,947,790,074	$6,535,987,544	

APPENDIX III (continued)

WHEDA Homeownership Mortgage Loan Program (HOME) and WHEDA Advantage

HOME Loan Activity

Year	Number of Loans	Amount
1980	805	$29,379,485
1981	203	9,630,508
1982	1,284	43,660,764
1983	5,073	187,441,013
1984	4,033	155,837,376
1985	4,797	178,371,061
1986	2,263	84,187,848
1987	3,782	156,612,841
1988	4,338	181,742,936
1989	6,334	283,246,121
1990	6,951	317,373,822
1991	4,112	180,466,199
1992	4,532	206,409,766
1993	2,103	91,891,081
1994	4,079	207,870,035
1995	4,670	254,059,161
1996	3,838	203,155,696
1997	3,957	227,046,845
1998	4,498	287,348,073
1999	3,332	218,719,693
2000	3,532	243,875,966
2001	2,645	194,477,594
2002	3,507	287,143,978
2003	4,004	360,337,356
2004	4,132	408,066,669
2005	5,226	566,143,209
2006	4,553	499,528,927
2007	4,705	522,056,353
2008	2,746	295,336,844
2009	0	0
Subtotal	110,034	$6,881,417,220

APPENDIX III (continued)

WHEDA Homeownership Mortgage Loan Program (HOME) and WHEDA Advantage

WHEDA Advantage (Fannie Mae) Loan Activity

2010	657	$74,007,746
2011	374	39,305,692
2012	640	71,238,720
2013	1,077	119,772,833
2014*	557	62,769,115
Subtotal	3,305	$367,094,106

FHA Advantage Loan Activity

2010	2	$163,300
2011	0	0
2012	11	1,167,569
2013	49	5,056,540
2014*	40	4,165,107
Subtotal	102	$10,552,516
Total	**113,441**	**$7,259,063,842**

* Through June 30.

Note: Activity does not reflect refinance loans made under WHEDA Advantage (Fannie Mae).

APPENDIX IV

WHEDA Home Improvement Loan and Home Improvement Advantage Programs

Bond Issue	Amount of Bonds Issued	Amount Available for Loans	Mortgage Rate
R-1 Subordinated	$4,880,000	---	---
1979 Series A	20,120,000	$22,398,868	4, 6, 8%
1981 Series A	9,990,000	12,761,268	9.9, 12.9, 14
1983 Series A	10,000,000	10,275,307	10.95
1984 Series A	9,999,850	9,773,539	10.95
1985 Series A	10,000,000	10,275,000	10.5
Prepayments and Excess Revenues	---	2,700,000	8
1988 Series A	12,635,000	11,679,975	8.75
1990 Series A&B	10,000,000	9,272,200	8.75
1992 A&B	10,000,000	9,140,250	8
Total	$97,624,850	$98,276,407	

Home Improvement Loan Activity by Calendar Year

Year	Number of Loans	Amount
1979	448	$2,504,434
1980	2,800	16,636,013
1981	255	1,480,773
1982	981	5,931,679
1983	1,084	6,339,121
1984	1,722	11,607,301
1985	1,279	8,803,193
1986	365	2,688,067
1987	160	1,152,813
1988	654	3,911,100
1989	1,326	7,650,629
1990	977	6,624,234
1991	580	4,135,288
1992	457	3,469,618
1993	308	2,333,329
1994	341	2,868,054
1995	257	2,369,850
1996	194	1,668,622
1997	176	1,645,406
1998	147	1,376,213
1999	111	1,097,043
2000	93	902,591
2001	55	497,948
2002	53	578,320
2003	49	558,077
2004	57	720,667
2005	94	1,084,911
2006	101	1,080,965
2007	79	1,002,996
2008*	8	126,101
Subtotal	15,212	$102,845,356

*Program was suspended effective April, 2008.

APPENDIX IV (continued)

WHEDA Home Improvement Loan and Home Improvement Advantage Programs

Home Improvement Advantage Loan Activity By Calendar Year

Year	Number of Loans	Amount
2009	6	$42,690
2010	2	20,000
2011	5	41,368
2012	6	39,884
2013	12	95,113
2014*	6	89,631
Subtotal	37	$325,686
Total (Both Programs)	**15,249**	**$103,171,042**

*Through June 30.

APPENDIX V

DOA Division of Housing Assistance by Income
2013-14

Households Assisted through the DOA Division of Housing 2013-14 (All Federal and State Programs)*

	Percent of Median Income				
	0% to 30%	31% to 50%	51% to 80%	81%+	Total
Renters	9,866	1,293	224	13	11,396
Existing Owners	74	64	143	0	281
Home Buyers	31	167	345	0	543
Homeless**	22,151	964	108	29	23,252
All	32,122	2,488	820	42	35,472

Households Assisted through the DOA Division of Housing 2013-14 (Federal Formula Allocation Programs -- CDBG Housing, HOME, ESG and HOPWA)*

	Percent of Median Income				
	0% to 30%	31% to 50%	51% to 80%	81%+	Total
Renters	7,062	1,142	155	10	8,369
Existing Owners	41	59	136	0	236
Home Buyers	14	92	185	0	291
Homeless**	11,333	466	98	9	11,906
All	18,450	1,759	574	19	20,802

*Data, except for ESG, based on program year (April 1, 2013, to March 31, 2014)
**Homeless data, which includes ESG, based on state fiscal year 2013-14 (July 1, 2013, to June 30, 2014)

APPENDIX VI

DOA Division of Housing Funding Awards by Region
2013-14 [1]

Program	State Total	Milwaukee Metro	Other Metro	Non-Metro
State-Funded Programs				
HCRI Homebuyer Program (two-year cycle for 2013-14 and 2014-15)	$2,600,000	$866,667	$866,667	$866,666
Homeless Prevention Program	1,527,873	506,183	510,654	511,036
Critical Assistance Grant	283,600	0	0 [3]	283,600 [3]
Transitional Housing Grants	307,788	102,596	102,596	102,596
State Shelter Subsidy Grants	1,134,600	400,000	196,500	538,100
Wisconsin Fresh Start	265,000	50,000	20,000	195,000
Projects for Assistance in Transition from Homelessness	806,483	337,000	469,483	0
Federally-Funded Programs				
HOME - Homebuyer and Rehabilitation	$4,309,873	$0 [2]	$0 [3]	$4,309,873 [3]
HOME - Rental Housing Development	3,739,800	0 [2]	0 [3]	3,739,800 [3]
HOME - Tenant-Based Rental Assistance	741,458	0 [2]	498,300	243,158
Emergency Solutions Grants	3,111,551	425,982	1,614,528	1,071,041
CDBG Small Cities -- Housing Rehabilitation	8,576,532 [4]	0 [2]	0 [3]	8,576,532 [3]
Housing Opportunities for Persons with AIDS	428,363	0 [2]	0 [3]	428,363 [3]

[1] For state-funded programs, 2013-14 includes awards from July 1, 2013 – June 30, 2014 funding. For federally-funded HOME programs, funding awards for FFY 2013 are listed; amounts shown for other federally-funded programs are for FFY 2014.

[2] Milwaukee metro counties have a direct federal allocation. State programs serve other areas of the state.

[3] Grantees serve both other metro and non-metro areas of the state.

[4] Wisconsin's federal allocation.

APPENDIX VII

2014 HUD Household Income Limits
Applicable to Certain Programs Administered by the DOA Division of Housing
(Four-Person Household)

	Adjusted Percent of County Median Income			
		(Very Low-Income)		(Low-Income)
County	30%	50%	60%	80%
Adams	$17,650	$29,450	$35,340	$47,100
Ashland	17,650	29,450	35,340	47,100
Barron	17,650	29,450	35,340	47,100
Bayfield	17,650	29,450	35,340	47,100
Brown	20,450	34,100	40,920	54,550
Buffalo	17,650	29,450	35,340	47,100
Burnett	17,650	29,450	35,340	47,100
Calumet	21,350	35,600	42,720	56,950
Chippewa	19,450	32,400	38,880	51,850
Clark	17,650	29,450	35,340	47,100
Columbia	21,250	35,400	42,480	56,650
Crawford	17,650	29,450	35,340	47,100
Dane	24,250	40,400	48,480	63,900
Dodge	19,900	33,150	39,780	53,050
Door	19,050	31,750	38,100	50,800
Douglas	19,300	32,150	38,580	51,450
Dunn	19,150	31,950	38,340	51,100
Eau Claire	19,450	32,400	38,880	51,850
Florence	17,650	29,450	35,340	47,100
Fond du Lac	20,020	33,400	40,080	53,450
Forest	17,650	29,450	35,340	47,100
Grant	17,650	29,450	35,340	47,100
Green	20,150	33,600	40,320	53,750
Green Lake	19,750	32,900	39,480	52,650
Iowa	21,550	35,950	43,140	57,500
Iron	17,650	29,450	35,340	47,100
Jackson	17,650	29,450	35,340	47,100
Jefferson	20,600	34,350	41,220	54,950
Juneau	17,650	29,450	35,340	47,100
Kenosha	19,850	33,100	39,720	52,950
Kewaunee	20,450	34,100	40,920	54,550
La Crosse	19,900	33,150	39,780	53,050
Lafayette	18,600	31,000	37,200	49,600
Langlade	17,650	29,450	35,340	47,100
Lincoln	18,700	31,200	37,440	49,900
Manitowoc	18,500	30,850	37,020	49,350
Marathon	19,600	32,700	39,240	52,300
Marinette	17,650	29,450	35,340	47,100
Marquette	17,650	29,450	35,340	47,100
Menominee	17,650	29,450	35,340	47,100

APPENDIX VII (continued)

2014 HUD Household Income Limits
Applicable to Certain Programs Administered by the DOA Division of Housing
(Four-Person Household)

	Adjusted Percent of County Median Income			
		(Very Low-Income)		(Low-Income)
County	30%	50%	60%	80%
Milwaukee	$21,100	$35,150	$42,180	$56,250
Monroe	18,850	31,400	37,680	50,250
Oconto	18,100	30,200	36,240	48,300
Oneida	17,650	29,450	35,340	47,100
Outagamie	21,350	35,600	42,720	56,950
Ozaukee	21,100	35,150	42,180	56,250
Pepin	18,450	30,750	36,900	49,200
Pierce	24,850	41,450	49,740	63,900
Polk	18,550	30,950	37,140	49,500
Portage	19,300	32,150	38,580	51,450
Price	17,650	29,450	35,340	47,100
Racine	20,600	34,300	41,160	54,900
Richland	17,650	29,450	35,340	47,100
Rock	18,300	30,500	36,600	48,800
Rusk	17,650	29,450	35,340	47,100
St. Croix	24,850	41,450	49,740	63,900
Sauk	20,200	33,700	40,440	53,900
Sawyer	17,650	29,450	35,340	47,100
Shawano	17,650	29,450	35,340	47,100
Sheboygan	19,550	32,550	39,060	52,100
Taylor	17,650	29,450	35,340	47,100
Trempealeau	18,500	30,800	36,960	49,300
Vernon	17,650	29,450	35,340	47,100
Vilas	17,650	29,450	35,340	47,100
Walworth	21,200	35,350	42,420	56,550
Washburn	17,650	29,450	35,340	47,100
Washington	21,100	35,150	42,180	56,250
Waukesha	21,100	35,150	42,180	56,250
Waupaca	18,800	31,350	37,620	50,150
Waushara	17,650	29,450	35,340	47,100
Winnebago	20,550	34,150	40,980	54,650
Wood	18,100	30,150	36,180	48,250

Source: U.S. Department of Housing and Urban Development and Wisconsin Department of Administration, effective May, 2014

Notes: 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. "Very low-income" is defined as 50% of the median family income for the area, subject to adjustments for areas with unusually high or low incomes. The other income limits are calculated based on the 50% income limits.

APPENDIX VIII

U.S. HUD HOME
Public Jurisdiction Grant Recipients

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

<u>Cities</u>
Eau Claire
Green Bay
Kenosha
La Crosse
Madison
Milwaukee
Racine
West Allis

<u>Counties</u>
Dane County
Milwaukee County
Rock County

<u>A Consortium of:</u>
Jefferson, Ozaukee, Washington, and Waukesha Counties
(excluding the Village of Sullivan)

APPENDIX IX

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
Waukesha
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 X

Federal Poverty Guidelines - 60% of Statewide Median Household Income for DOA Division of Energy Services Programs (2014-15)

Family Size	One Month	Three Month	Annual Income
1	$2,096	$6,288	$25,151
2	2,741	8,223	32,890
3	3,386	10,157	40,628
4	4,031	12,092	48,367
5	4,676	14,027	56,106
6	5,320	15,961	63,844
7	5,441	16,324	65,295
8	5,562	16,687	66,746

APPENDIX XI

State Housing Programs Summary Information

WHEDA Housing Programs

Program	Purpose	Primary Funding	Program Activity
WHEDA Advantage (Fannie Mae or FHA)	Mortgage loans for the purchase of homes by low- and moderate-income households.	Secondary market sales of loans; mortgage revenue bonds utilized in past	In 2013, 1,126 loans totaling $124,829,373 were made.
Home Improvement Advantage Program	Housing rehabilitation loans to low- and moderate-income households.	State-seeded revolving loan fund; revenue bond proceeds eligible	In 2013, 12 loans were issued for $95,113.
WHEDA Refi Advantage	Refinance WHEDA-issued first-mortgage loans.	Secondary market sales	In 2013, nine loans for $837,750 were issued.
WHEDA Tax Advantage	Award mortgage credit certificates (MCCs) for eligible owners of single-family homes to claim federal income tax credits for mortgage interest paid.	Federal tax-exempt volume cap	In 2013, 209 MCCs were issued with an approximate lifetime value of $6.8 million.
Multifamily Loan Program	Financing to developers of multifamily projects for low- and moderate-income households.	Revenue bond proceeds and WHEDA general reserves	In 2013, 24 loans for $49,594,987 were made, representing 705 units.
Easy Close Advantage Program	Loans of up to $3,000 for down payment or home mortgage closing costs.	WHEDA general reserves	In 2013, 454 loans totaling $1,552,300 were made.
WHEDA Foundation Grant Program	Grants to nonprofit organizations for housing-related purposes.	WHEDA general reserves	In 2014, grants of $355,000 were distributed among 28 organizations.
Property Tax Deferral Loan Program	Loans to low-income elderly homeowners for payment of property taxes.	WHEDA general reserves	In the 2014 program year (December, 2013, through June, 2014), 24 loans totaling $63,100 were made.
Low-Income Housing Tax Credit Program	Federal tax credits to developers of low-income rental housing.	Federal tax credits	In 2014, $13,023,789 worth of (one-year) tax credits was approved for 26 projects and 1,205 low-income units.
Section 8/Project-Based Rental Assistance	Housing payments directly to property owners to subsidize rental housing for persons of low income.	Federal funds	As of November, 2014, WHEDA administers monthly subsidies equivalent to $160.4 million annually, which covers 31,300 units.
Section 8/Housing Choice Voucher Program (Tenant-Based Rental Assistance)	Federal housing vouchers to low-income households.	Federal funds	As of January, 2015, WHEDA administers 2,239 vouchers equivalent to assistance of approximately $10 million per year.

Department of Administration - Division of Housing

Program	Purpose	Funding Source	Program Expenditures
Housing Grants and Loans Programs (HCRI Homebuyer, Homeless Prevention, and Critical Assistance)	Grants through municipalities or other nonprofit entities to assist low- or moderate-income individuals or families for the purposes of assisting homebuyers and for preventing homelessness for renters or homeowners.	GPR & program revenue	In 2013-15, $2,600,000 is being granted to agencies for homebuyer assistance. A total of $3,031,600 is allocated to 44 agencies for homeless prevention services. Grants of $283,600 in 2013-14 and $282,800 in 2014-15 are provided for homeless prevention activities in predominantly rural areas.
Transitional Housing Grants	Grants to local providers of transitional housing for operating costs and supportive services for the homeless.	GPR & program revenue	In 2014-15, grants totaling $300,000 were distributed to 14 agencies.
State Shelter 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 2014-15, grants totaling $1,133,600 were made to 43 agencies.
Interest-Bearing Real Estate Trust Accounts (IBRETA)	Homeless assistance grants made from interest earnings on real estate related money deposits.	Program revenue	Approximately $22,300 in interest earnings was collected in 2012 and $20,400 in 2013. IBRETA funds are provided through three programs: (a) the State Shelter Subsidy Grant Program, (b) the Emergency Solutions Grant Program, and (c) Projects for Assistance in Transition from Homelessness.
Wisconsin Fresh Start	Provide at-risk youths and young adults with education, employment skills and career direction by constructing homes for low- and moderate-income households.	GPR, program revenue from the Department of Corrections, and federal funds (HOME program).	In 2014-15, eight housing projects were funded with $200,000 from various sources.
Projects for Assistance in Transition from Homelessness (PATH)	Grants to service organizations to provide mental health services to persons who are homeless.	Federal HUD funding, state GPR, and program revenue	In 2014-15, $894,400 was distributed to eight agencies.
HOME Homebuyer and Rehabilitation Program	Grants to designated agents for the following activities: (a) provide assistance to homebuyers; and (b) fund housing rehabilitation, acquisition, or construction activities.	Federal funds (HOME program)	In FFY 2013, $4,309,900 was awarded to 21 grantees. As of October 29, 2014, 79 housing units have been assisted.
HOME Rental Housing Development	Grants or equity investments to finance the development of new or rehabilitated rental housing.	Federal funds (HOME program)	In FFY 2013, $3,739,800 was allocated to 9 grantees for rental development of 75 housing units.
HOME Tenant-Based Rental Assistance	Provide grants to local agencies and organizations to provide direct rent subsidy assistance to low-income, homeless, or special needs households.	Federal funds (HOME program)	In FFY 2013, $741,500 was allocated to eight grantees to assist 453 households.
Emergency Solutions Grant Program	Grants are for the following activities: (a) homeless prevention programs; (b) food and mental health, substance abuse counseling, or other essential social services; (c) renovation, rehabilitation, and conversion of buildings for use as shelters; (d) shelter maintenance and operating costs; and (e) shelter staff salaries.	Federal funds (Stewart B. McKinney Homeless Assistance Act) and program revenue	In FFY 2014, 132 shelter providers received a total of $3,111,600 in HUD grant funds.

Department of Administration - Division of Housing (continued)

Program	Purpose	Funding Source	Program Expenditures
Housing Rehabilitation Program -- Small Cities CDBG Program	Grants to Wisconsin municipalities for housing rehabilitation and other purposes.	Federal HUD funding	In FFY 2014, $8,576,500 in CDBG funds was 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 FFY 2014, $1,903,500 CDBG funds were distributed for emergency disaster assistance.
Neighborhood Stabilization Program	Grants to Wisconsin municipalities and organizations for emergency assistance for redevelopment of abandoned and foreclosed homes and rental properties.	Federal HUD funding	In March, 2011, $5,000,000 was received from HUD for NSP round 3 grants.
Housing Opportunities for Persons with AIDS (HOPWA)	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 2014, $428,400 in HOPWA funds was distributed to AIDS service organizations in counties outside of the Milwaukee metropolitan area, and outside of Pierce or St. Croix counties.

Department of Administration - Division of Energy Services

Program	Purpose	Funding Source	Program Expenditures
Wisconsin Home Energy Assistance Program (WHEAP)	Energy assistance benefits for low-income households including home-heating bill payment assistance, non-heating electric assistance, and crisis assistance.	Federal block grants and state segregated public benefit funds.	In federal fiscal year 2014, 224,730 households, with incomes of no more than 60% of the state median household income level, received federally-funded heating assistance with an average benefit of $302. A total of 224,757 households received state-funded non-heating electric assistance with an average benefit of $180. A total of 32,218 households received crisis assistance with an average benefit of $441.
Low-Income Weatherization Program	Weatherization services and emergency furnace repair and replacement through local contracted agencies for low-income households.	Federal funding and state segregated public benefit funds.	In 2013-14, 6,296 units were weatherized at an average cost of $8,984 per unit. A total of 4,715 households received assistance through the emergency furnace repair and replacement program with an average benefit of $1,753.