



Ad Hoc Affordable Housing Committee

AGENDA

CITY OF PLYMOUTH, WISCONSIN

November 1, 2023 6:00 PM

Room 305

128 Smith St.

Plymouth, WI 53073

Members Present:

____ Mayor Pohlman
____ John Nelson
____ Greg Hildebrand
____ Jeremy Schellin
____ Brian Doudna
____ Derrick Hermann
____ Kristine Hartmann

Staff:

____ Tim Blakeslee

Other:

Call to order and roll call.

- 1. Approval of minutes from 8-30-23**
- 2. Discussion with League of Wisconsin Municipalities Executive Director Jerry Deschane and Government Affairs Director Toni Herkert**
- 3. Discussion regarding TID#4 and Future Housing Program Discussion**
- 4. Communications – Letters, emails, or reports related to the Committee**
- 5. Adjourn**

It is likely a quorum of members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information. No action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice.

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request this service, please contact the City of Plymouth ADA Coordinator Leah Federwisch, located in the Plymouth Utilities office at 900 County Road PP, Plymouth, WI or call 920-893-3853.

**CITY OF PLYMOUTH, WISCONSIN
WEDNESDAY, AUGUST 30 2023 AD HOC AFFORDABLE HOUSING COMMITTEE
128 SMITH ST. PLYMOUTH, WI 53073**

UNOFFICIAL MINUTES

1. **Call to order and roll call:** Mayor Donald Pohlman called the meeting to order at 6:00 PM. On call of the roll, the following were present: John Nelson, Derrick Herman, Jeremy Schellin, Brian Doudna, Also present were: City Administrator/Utilities Manager Tim Blakeslee
2. **Approval of minutes from 6-7-23:** Motion was made by Nelson/ Schellin to approve the minutes. A unanimous aye vote was cast 5-0. Motion was carried.
3. **Selection of Vice Chair:** Brian Doudna recommended John Nelson as Vice Chair. Motion was made by Schellin/Herman to nominate John Nelson Vice Chair. A unanimous aye vote was cast 5-0. Motion was carried.
4. **Discussion with League of Wisconsin Municipalities Executive Director Jerry Deschane and Government Affairs Director Toni Herkert:** Postponed
5. **Discussion regarding TID#4 Pending Closure/ Discussion regarding Ad-Hoc Committee Next Steps:** Blakeslee summarized the pending TID#4 closure and what that could mean for additional affordable housing funding. Staff will look into what other communities are doing for loan or grant programs. Discussion regarding WEHDA affordable housing incentives. Discussion regarding about making a program for development vs. homeowners since the CDBG loan program already exists. Committee members are supposed to think about how they would want to see for a future program structured for the next meeting.
6. **Communications – Letters, emails, or reports related to the Committee:** Kapur is beginning to work on their wastewater infrastructure report. Discussion about having a committee report to Council by December 2024.
7. **Adjourn:** Motion was made by Doudna/Nelson to adjourn the meeting. A unanimous aye vote was cast 5-0. Motion was carried.



DATE: October 30, 2023

TO: Ad-Hoc Affordable Housing Committee

FROM: Tim Blakeslee, City Administrator/Utilities Manager

RE: **Discussion with League of Wisconsin Municipalities Executive Director Jerry Deschane and Government Affairs Director Toni Herkert**

Background:

League of Wisconsin Municipalities Executive Director Jerry Deschane and Government Affairs Director Toni Herkert will be in attendance to talk about the following 5 bills signed in 2023 and what they mean for affordable housing projects:

[Assembly Bill 264](#), now 2023 Wisconsin Act 14:

- Creates a residential housing infrastructure revolving loan fund program, allowing a residential housing developer to apply to the Wisconsin Housing and Economic Development Authority (WHEDA) for a loan to cover the costs of installing, replacing, upgrading, or improving public infrastructure related to workforce housing or senior housing.

[Assembly Bill 265](#), now 2023 Wisconsin Act 15:

- Creates a main street housing rehabilitation revolving loan funding program, allowing an owner of rental housing to apply to WHEDA for a loan to cover the costs of an improvement to workforce housing to maintain it in a decent, safe, and sanitary condition or to restore it to that condition.

[Assembly Bill 266](#), now 2023 Wisconsin Act 16:

- Establishes a new procedure for certiorari review of local land use decisions regarding residential development, providing that the new procedure for certiorari review is the only review available for a decision of a political subdivision regarding an application for approval, such as a permit or authorization for building, zoning, driveway, stormwater, or other activity related to residential development.

[Assembly Bill 267](#), now 2023 Wisconsin Act 17:

- Makes various modifications to the Workforce Housing Rehabilitation Loan Program administered by WHEDA, including but not limited to:
 - Specifying the home must be a single-family residence that the applicant occupies as the applicant's primary residence and that was constructed at least 40 years prior to the date of the loan application;
 - Allowing eligible rehabilitation to include the removal of lead paint, asbestos, mold, or other environmental contamination;
 - Allowing eligible rehabilitation to include repairing or replacing flooring or an interior wall or ceiling, or an internal plumbing system; and
 - Requiring WHEDA to establish policies and procedures to administer the loan program and the policies and procedures must, to the extent practicable, address credit underwriting guidelines and loan repayment requirements.

[Assembly Bill 268](#), now 2023 Wisconsin Act 18:

- Creates a commercial-to-residential conversion revolving loan fund program under WHEDA, allowing a developer to apply to WHEDA for a loan to cover the costs of converting a vacant commercial building to workforce housing or senior housing; and
- Requires the housing associated with a conversion loan must be new residential housing for rent or for sale and must consist of 16 or more dwelling units.

Recommendation: Discuss and provide direction to City Staff as needed.



DATE: October 30, 2023

TO: Ad-Hoc Affordable Housing Committee

FROM: Tim Blakeslee, City Administrator/Utilities Manager

RE: **Discussion TID#4 Extension Program**

Background:

In September 2023 the Common Council extended TID#4 for affordable housing purposes. It is anticipated that the City will receive an affordable housing contribution in 2025 of 1-year of TID#4 increment of approximately \$2.3 million. A city must use at least 75% of the tax increment to benefit "affordable housing" within the municipality. Affordable housing is defined as housing costing no more than 30% of the household's gross monthly income. A household consists of an individual and his/her spouse and all minor dependents. Any remaining portion of the increment must be used to improve housing stock. The Common Council thought it was appropriate that the current Ad-Hoc Housing committee put together a recommendation of a program/use of the funds for consideration.

With that in mind, the committee should begin by discussion of options. Thoughts for consideration:

- From Committee Member Jeremy Schellin (summarized, additional discussion at the meeting): Complete a larger scope project that uses the initial investment as the beginning point for successive / ongoing sources of funding. This could include adding a private investment component to our efforts, similar to the Forward Fund, by working with major employers in the area. Opportunity to broaden investment to include city amenities that attract residents. Investment could be calibrated to the total housing need, with the majority going to affordable but also the need our employer base sees in mid- and upper-level income housing stock and attractions. Likely would need support to work with external resource/consultant to help us structure the eventual proposal/project.
- Housing Stock Loan Program (Programs described in more detail below)
- Developer Housing Loan/Grant Program (Programs described in more detail below)
- Other Concepts

Examples of what several other communities have done are below (From the League, Ehlers, or other sources):

- **De Pere.** Used 75% of the funds received by extending TID No. 6 (\$1,968,527) for affordable housing throughout the community by implementing neighborhood and affordable housing initiatives that included:
 - An affordable housing development program to include affordable units, as defined by WHEDA and CDBG limits, in residential or mixed-use developments;
 - A second story/upper story activation program to renovate and update units within and around the downtown for affordable units; and

- A housing stock improvement program for those that qualify under the affordable housing program
- **Waunakee.** Developed a grant program for matching grants of between \$2,000 and \$10,000 for home-improvement projects worth at least \$4,000. Eligible homeowners can make no more than \$71,179, or 60% of the area's median income of \$118,631.
- **Racine.** Homeowner code compliance grant program. Funding through this program would be provided directly to the contractor performing the relevant work. Homeowners would be eligible for an award of up to 50% of eligible project costs for approved projects as determined through the scope of work or \$10,000
- **Fitchburg.** Fitchburg recently kept one of its TIF districts open an extra year to begin to pay into a fund for affordable housing. The one-year extension generated \$127,000. The City is using approximately \$40,000 of those funds to begin Fitchburg Housing Goals, Strategies, Toolkit, and Implementation Plan with a focus on affordability. The city has hired MSA & Urban Assets as their consultants on implementing their plan
- **Monona.** Monona used the affordable housing extension to keep its TID #3 open an additional year to help fund a new program called "Renew Monona." Renew Monona is a housing stock renewal loan program created by the CDA and administered by the City of Monona. The program offers 0% interest loans to those purchasing or residing in a home in the city to be used for making substantial improvements to the home to enhance its energy efficiencies and bring it up to modern standards.
- **La Crosse.** La Crosse used a combination of CDBG grants and TIF dollars from the affordable housing extension to fund the construction of five energy efficient houses in a struggling neighborhood to be sold to low-moderate income households at an average sale price of \$154,000.
- **Appleton.** Appleton extended its TID #2 for one year under the affordable housing extension provision and used the tax increment to help pay for street repairs in a low-moderate income neighborhood.
- **Milwaukee:** Since 2015, the City of Milwaukee has extended seven TIDs for an additional year to benefit affordable housing and improve housing stock in the city. In total, over \$2 million of increment has been realized to date for this purpose.

The money has been used to fund many of the programs within the city's Strong Neighborhoods Plan. An overview of the Strong Neighborhoods Plan is available on the city's website <http://bit.ly/MilwStrongNeighborhoods>

- **Madison.** Madison has used the provision five times to help fund the city's Affordable Housing Initiative Fund, which is used to incentivize developers to pursue Section 42 federal tax credits for affordable housing developments. Under the program, the city invites proposals from developers to build affordable units in amenity-rich areas with easy access to public transportation. Affordable units set rents at 30, 50, and 60 percent of area median income. The Affordable Housing Initiative Fund has led to the funding of 486 affordable housing units over the last three years, representing \$100 million of development between eight developers, supported by \$7.58 million from the city's fund.

Recommendation: Discuss and provide direction to City Staff as needed.