

City of Waukesha

Affordable Housing Extension Programs

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History of TIF Affordable Housing Extension

ADDED TO STATE TIF STATUTES IN 2009

66.1105(6)(G)

Requirements - District Would Otherwise be Required to be Terminated

**TID must still
be open**

**All financial
obligations
must be met**

Common Council Resolution Required



NO JOINT REVIEW BOARD
APPROVAL NECESSARY



SPECIFY NUMBER OF MONTHS,
UP TO 12, THAT THE DISTRICT
WILL BE EXTENDED



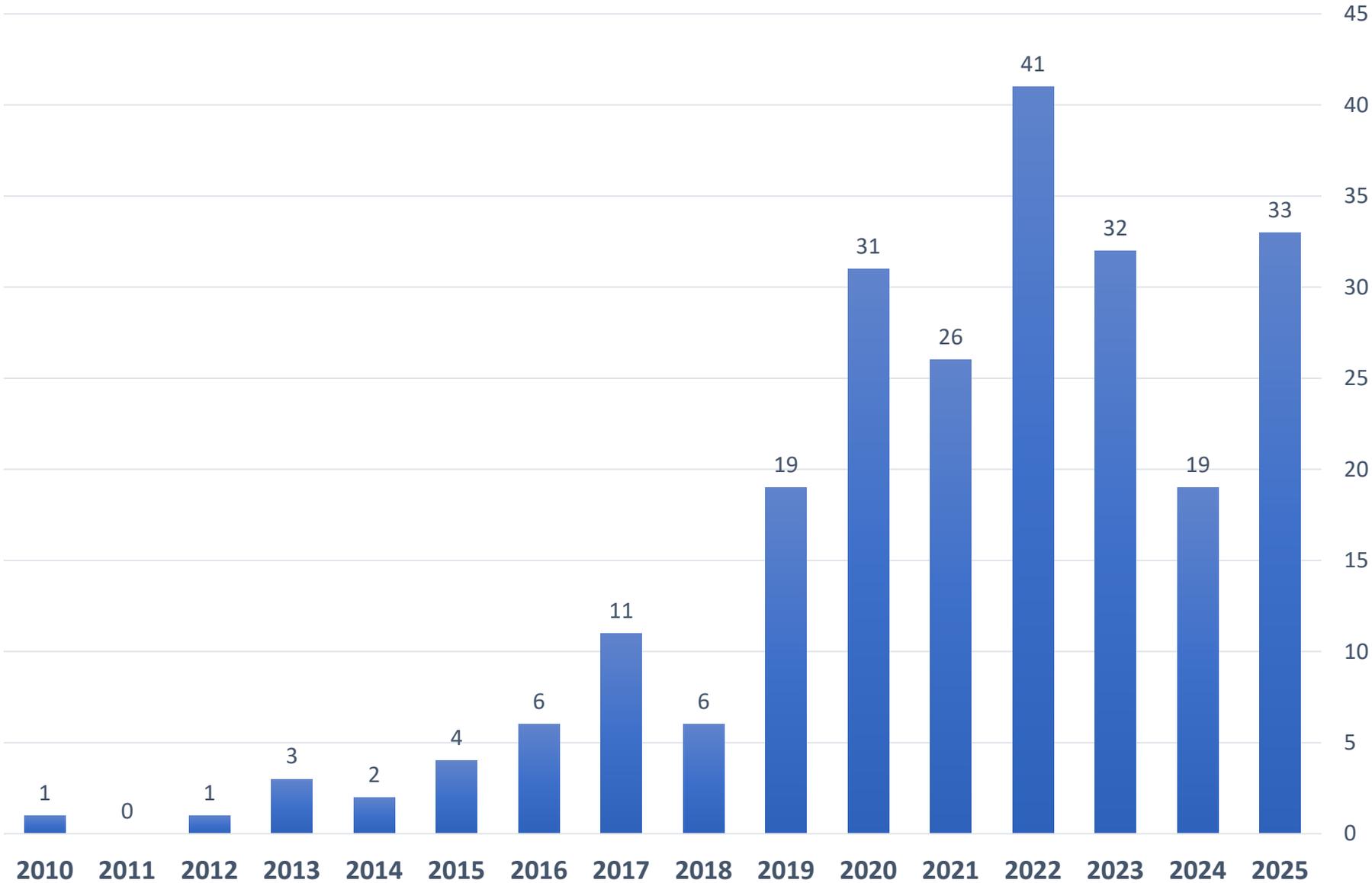
HOW THE CITY INTENDS TO
IMPROVE ITS HOUSING STOCK

Statutory Uses of Extension Funds

75% of funds must be used to “benefit affordable housing”

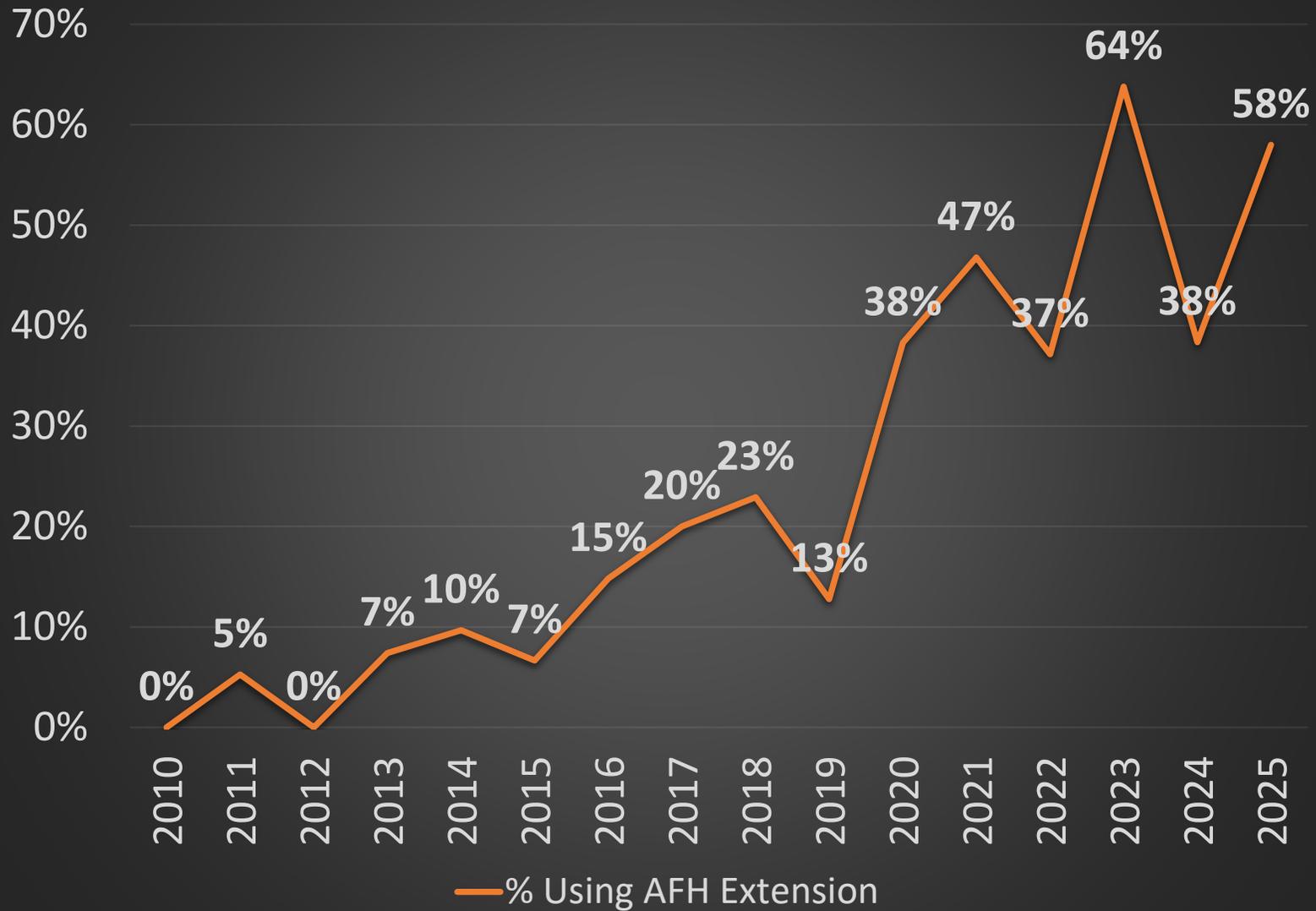
Remaining 25% must be used to “improve the housing stock”

Number of Affordable Housing Extensions by Year



Statewide
Trends

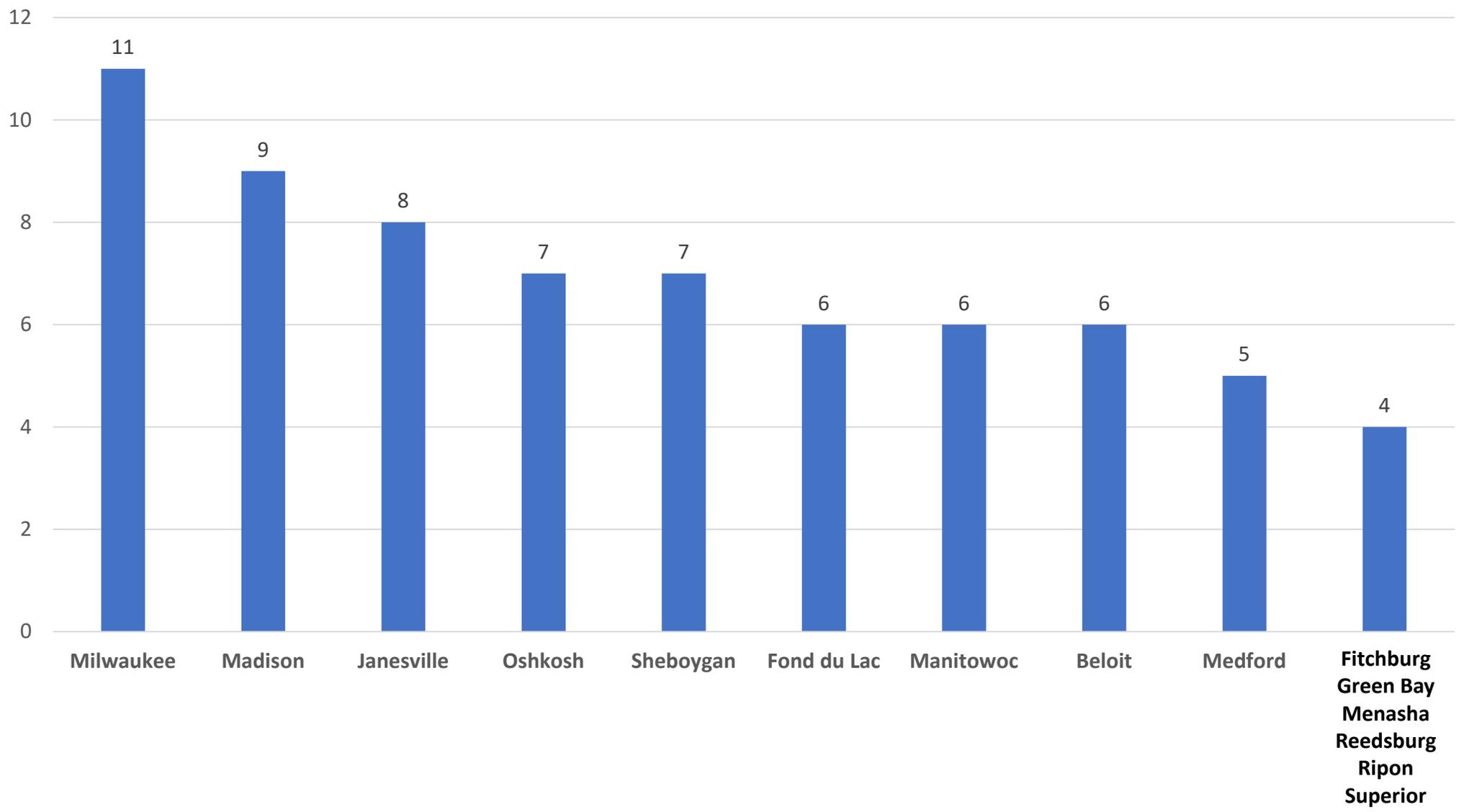
% Closed TIDS That Used Affordable Housing Extension



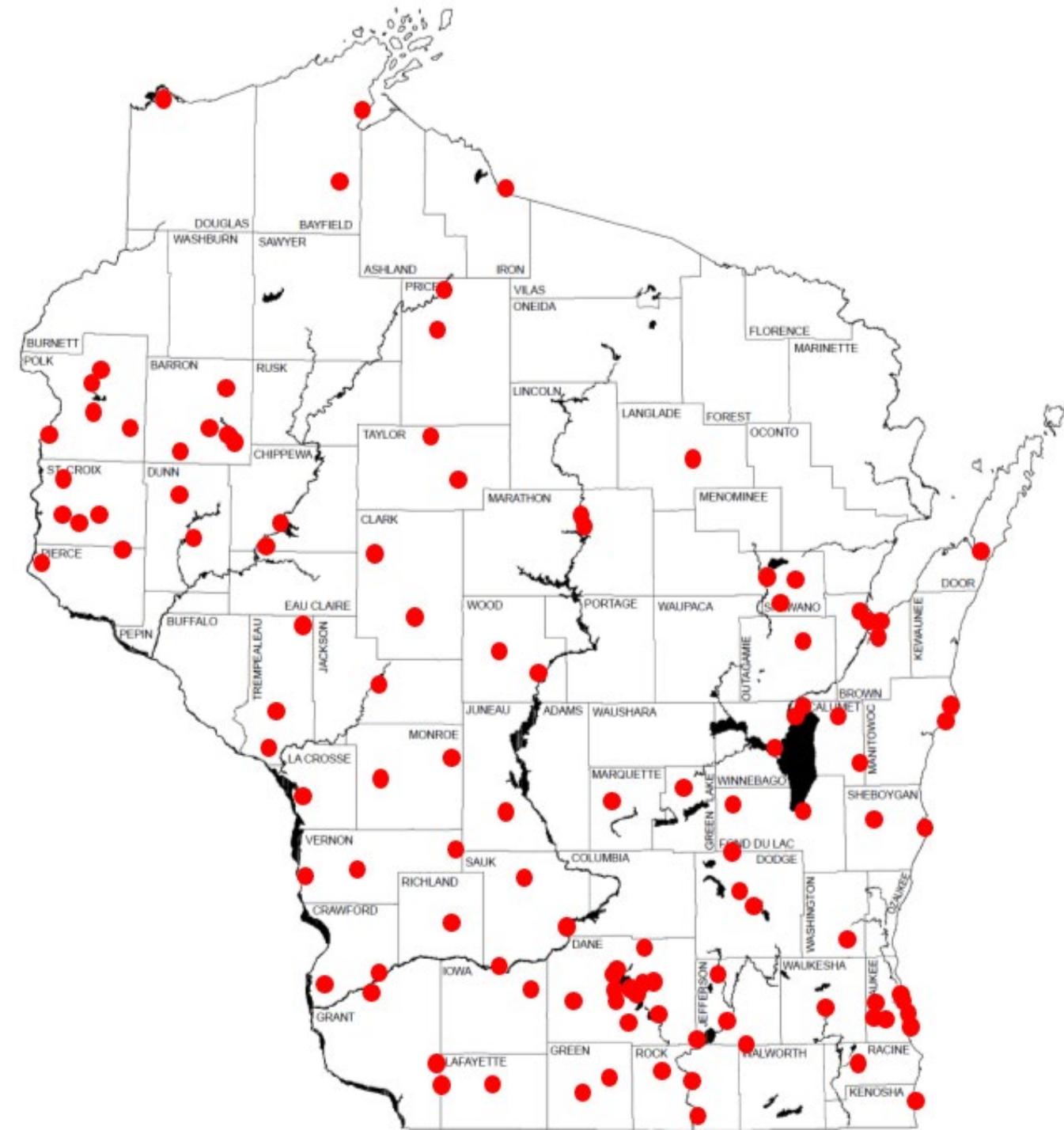
Statewide
Trends

Number of Extensions by Community

Most Experienced Communities



Wisconsin municipalities that have used the TIF Affordable Housing Extension since 2009



Waukesha – Benefiting Affordable Housing

Improving condition
and appearance of
existing affordable
housing

Land acquisition

Site preparation

Grants/Loans to
developers of new
affordable housing
units

Housing planning
activities

Rapid rehousing
activities

Waukesha's Programs

Affordable Housing
Rehab Program

- Improve the quality of affordable housing stock

Affordable Housing
Development Fund

- Increase the quantity of affordable housing units

Affordable Housing Rehab Program

Improving the city's housing stock



Property Eligibility

50+ years old

Assessed value at or below the city median (\$344,350)

No code violations



Applicant Eligibility

Household at or below the County Median Income Level

- Below 80% - 15-year repayment
- Between 81%-100% - 10-year repayment

Affordable Housing Rehab Program

Waukesha County Income Limits

Waukesha County Median Income								
Household Size	1	2	3	4	5	6	7	8
Income Limit	\$ 7,750	\$ 88,188	\$ 99,625	\$ 110,688	\$ 120,813	\$ 128,438	\$ 137,313	\$ 146,125
80% of Waukesha County Median Income								
Household Size	1	2	3	4	5	6	7	8
Income Limit	\$ 6,200	\$ 70,550	\$ 79,700	\$ 88,550	\$ 96,650	\$ 102,750	\$ 109,850	\$ 116,900

Use of loan funds



Exterior repairs



**Home system
upgrades**



**Energy efficient
improvements**



**Code
compliance**

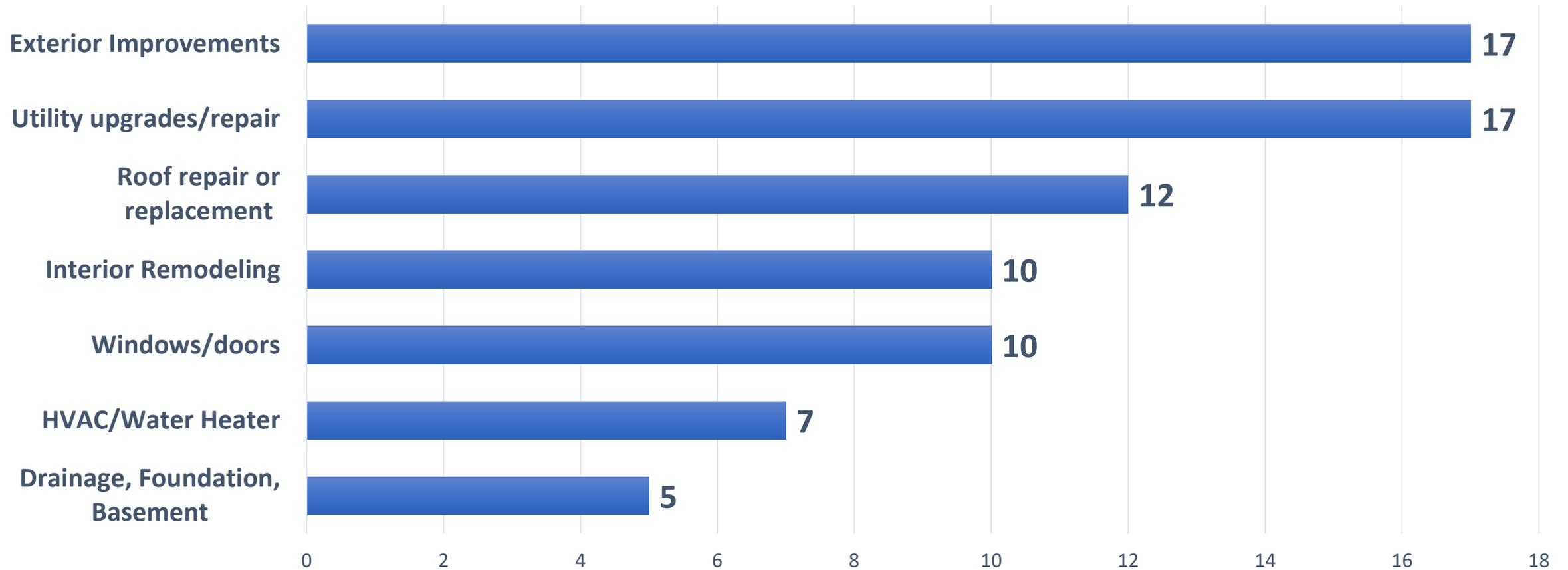


**Interior
remodeling**



**Grading,
drainage, and
waterproofing**

Most Popular Projects



Other program specifics

Loans secured with a mortgage & promissory note

City controls disbursement

Repayment begins within 60 days of project(s) completion

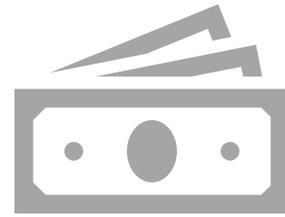
City services the loans

Affordable Housing Rehab Program

By the numbers



45 Homeowner
Rehab Loans



Over **\$1 million** in
loan funds
disbursed



11 additional homes
repaired/improved
via Habitat program

Affordable Housing Development Fund

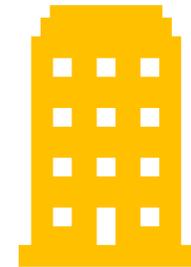
By the numbers



8 Short-term
construction loans



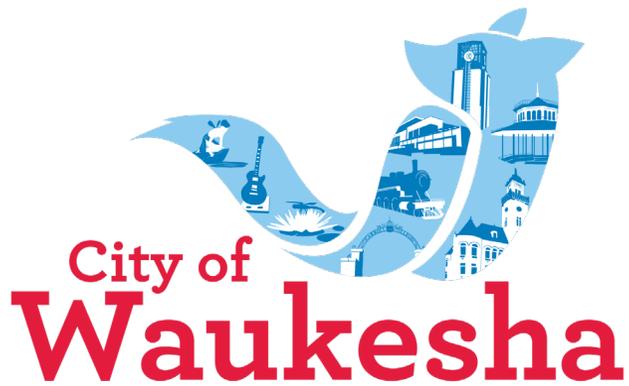
Over **\$1.5 million**
disbursed/committed



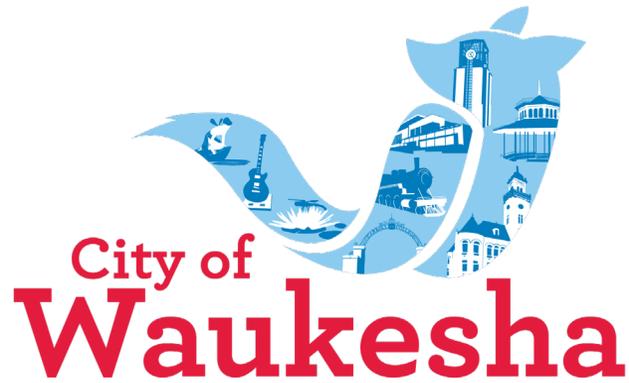
48 additional units
planned for 2026

Affordable Housing Rehab Program

Make Limited Funds Go Further – Partnerships/Stacking Resources



Habitat for Humanity Home Preservation Program

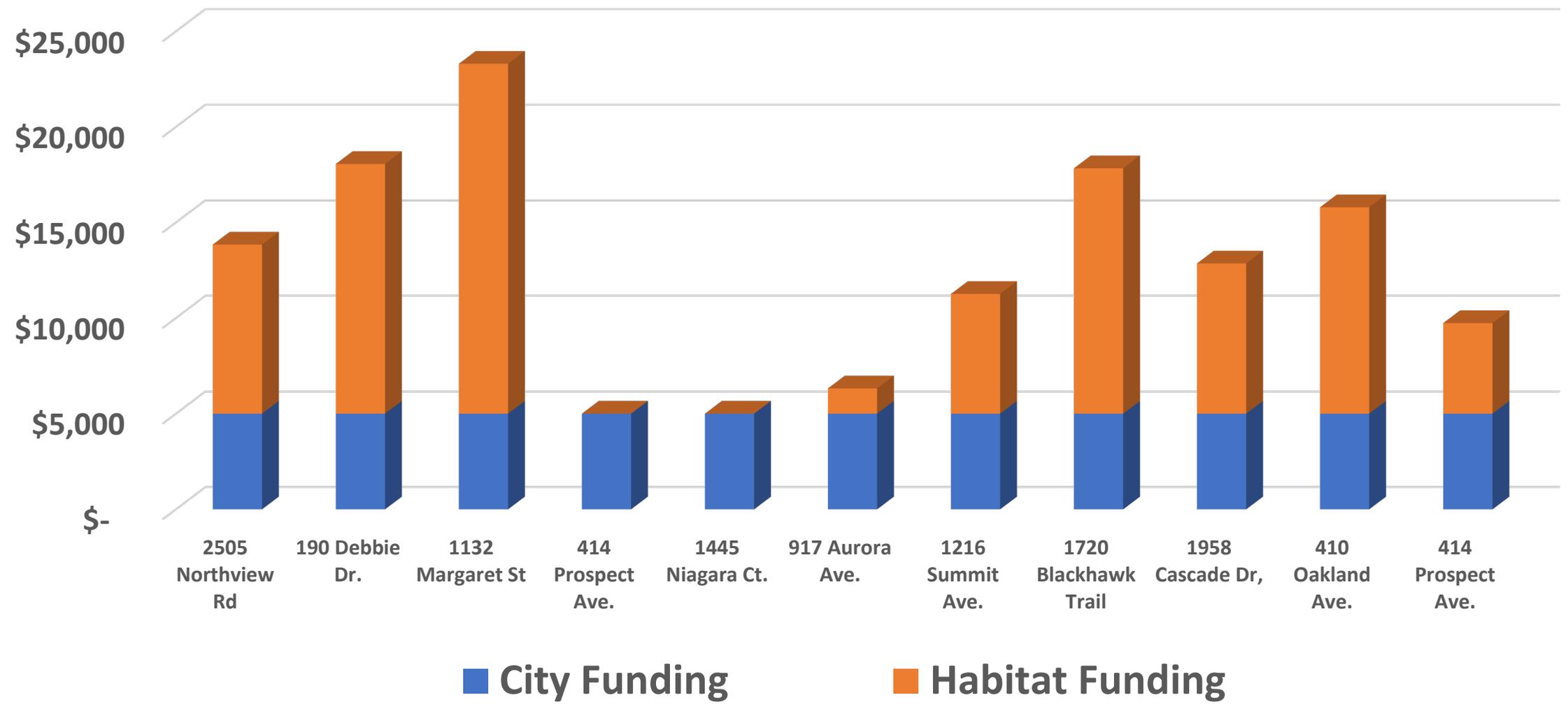


- Provide \$5,000/home grant



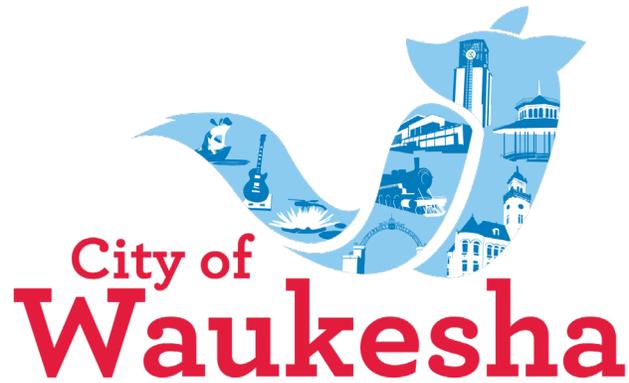
- Approves homeowners
- Secures donated/discounted materials
- Assists with project/construction
- Report to RDA

Home Preservation Critical Home Repairs (2021-2025)



Revitalize Milwaukee

Block Build 2026



- Provides \$30,000 grant
- Assist with outreach
- Assist with logistics



- \$30,000 match required
- Select and approve applicants
- Ensure funds are used properly
- Manage event
- Report to RDA after event

Revitalize Milwaukee

2026 Waukesha Block Build



Revitalize Milwaukee

2026 Waukesha Block Build



Affordable Housing Development Fund
City/Redevelopment Authority Use

Acquisition

Utilities

Site
preparation

Environmental
work

Rapid
Rehousing

Housing
studies/related
plans

Affordable Housing Development Fund
Developer Use

Construction Loans

Reimbursement
for pre-
development
activities

RDA flexibility to
modify

Habitat For Humanity of Waukesha & Jefferson County

- Short-Term Construction Loans
- \$250,000 to \$300,000
- 3% APR

 *Domenica* PARK

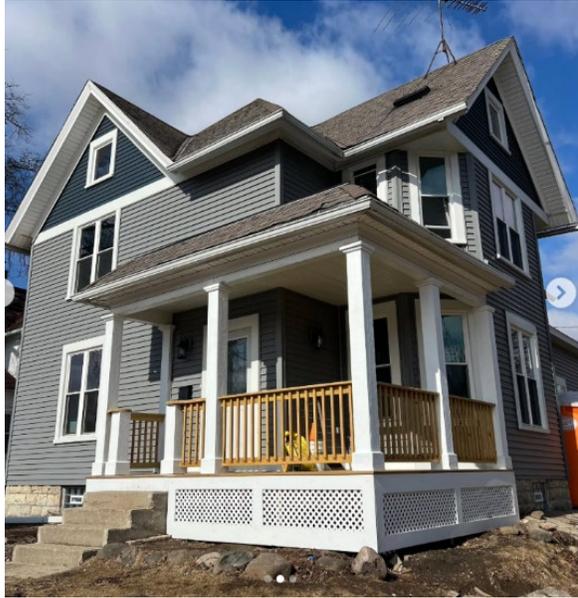
The logo for Domenica Park, featuring a stylized sun with rays and a blue wave below it, followed by the word "Domenica" in a blue script font and "PARK" in a bold, orange, sans-serif font.

Habitat - Main Street

- Duplex Conversion
- \$100,000 construction loan at 1%
- Located on a major gateway to Downtown



Habitat Main Street



Cherry Faith Development – Meadow Lane

- Meadow Lane Infill Site
 - 48 Units of Workforce Housing
 - \$720,000 loan
 - 1% over 30 years
 - Payable at building permit issuance
 - 1-year deadline



Deciding When to Extend

Need for net new construction bump

Value of the district

Amount of funds for affordable housing generated

Current balance of the affordable housing fund

Lessons Learned & Best Practices



Don't use it as a piggy bank for capital projects



Make programs sustainable



Tie your money to action



Seek partnerships



Don't be afraid to make quick changes



Keep officials updated

PLYMOUTH
SCHOLARS RIDGE
SUBDIVISION
PROJECT



BACKGROUND

- Plymouth: 8,900 residents. A hub for manufacturing:
 - Sargento, Masters Gallery, Sartori, Great Lakes, Toro, Johnsonville (nearby), Kohler (nearby)
- Problem: Shortage of homes less than \$325,000 on the market for large local employers with open positions.
- End Goal: 94+ Lot Single Family Subdivision as Workforce Housing, with homes priced at less than \$325,000.

HIGHLIGHTS

- Steps to get there:
 - Use of TID Affordable Housing Extension
 - 2024 Housing Study
 - Partnership with SCEDC and Forward Fund
 - WHEDA Infrastructure Access Loan
 - Use of TID#4 Affordable Housing Extension Increment
- Other items: Assembly Bill 194 – Pending



TID#4 AFFORDABLE HOUSING EXTENSION

- TID#4 Overperformed – Final Value \$169,491,100
- Resolution to extend one year passed in September 2023 with closure set for April 30, 2024
- DOR Request – **Close after April 15, 2024 and before September 26, 2024** for 2025 Housing Increment Collection
- Generated ~\$2.5 Million for new Housing Increment Fund collected in 2025

2024 HOUSING STUDY

- City conducted a 2024 housing study using Capital Fund Balance – Reimbursed by TID#4 Remainder Distribution (Not Housing Increment)
- Study conducted by Redevelopment Resources
- Results:

(Rental Demand Table)

	Affordable/ Workforce	Market Rate	Total
Studio	40	22	62
1-Bedroom	56	85	141
2-Bedroom	109	90	199
3-Bedroom	99	40	139
Total	304	237	541

This demand forecast includes units already known to the city, or in process, permitted or planned.

(Owner-occupied Demand Table)

	Affordable/ Workforce	Market Rate	Total
1-Bedroom	15	10	25
2-Bedroom	133	50	183
3-Bedroom	147	60	207
4+Bedroom	15	10	25
Total	310	130	440

This demand forecast includes units already known to the city, or in process, permitted or planned.

STUDY RECOMMENDATIONS

- More specific recommendations in the report related to location, timing, partners.... In general, it was what was expected:
 - Facilitate development of new single-family, owner-occupied homes
 - Facilitate development of new multifamily units
 - Promote SCEDC Projects
 - Plan for what's next for remaining housing increment fund

FORWARD FUND

- \$10,000,000 total from 4 Local Family Run Businesses (Sargento, Masters Gallery, Johnsonville, Kohler) and Sheboygan County (ARPA)
- Goal to Develop Workforce Single Family Homes
- First Subdivision project in Sheboygan Falls (Typical Pay-Go TID)



**FOUNDERS' POINTE
SUBDIVISION**

SHEBOYGAN FALLS



**FOUNDERS' POINTE
NEIGHBORHOOD**

SHEBOYGAN FALLS



**PLYMOUTH
DEVELOPMENT**

PLYMOUTH

THE PLYMOUTH PROJECT

- WHEDA Infrastructure Access Loan Becomes Available (1% Loan)
 - No Active TID Funding Currently Allowed
 - WHEDA Confirmed Affordable Housing Increment permitted to be used
- Development Agreement with SCEDC
 - Plymouth to use \$2,000,000 from Housing Increment Fund
 - \$3,400,000 WHEDA Infrastructure Access Loan
 - Remaining Funding From Forward Fund
 - SCEDC monitors income requirements for housing based on their outlined homeowner selection process to meet affordable housing extension requirements.

WHERE ARE WE NOW

- Construction slated for spring/summer this year

OTHER CONSIDERATIONS

- Assembly Bill 194

