



WHEDA

# Housing and Infrastructure

## NEW RESOURCES

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# WHAT WHEDA DOES

- Provide mortgages to homebuyers
- Manage policy and regulatory compliance for HUD properties
- Administer federal and state Housing Tax Credit programs
- Provide financing to support housing and economic development strategies

# INCOME VS. HOUSING COSTS

The 2023 median household income in Wisconsin was \$74,631, a 9% increase over 2022's \$72,458.

The required annual income for a \$327,000 home, including taxes and insurance, is \$85,433.

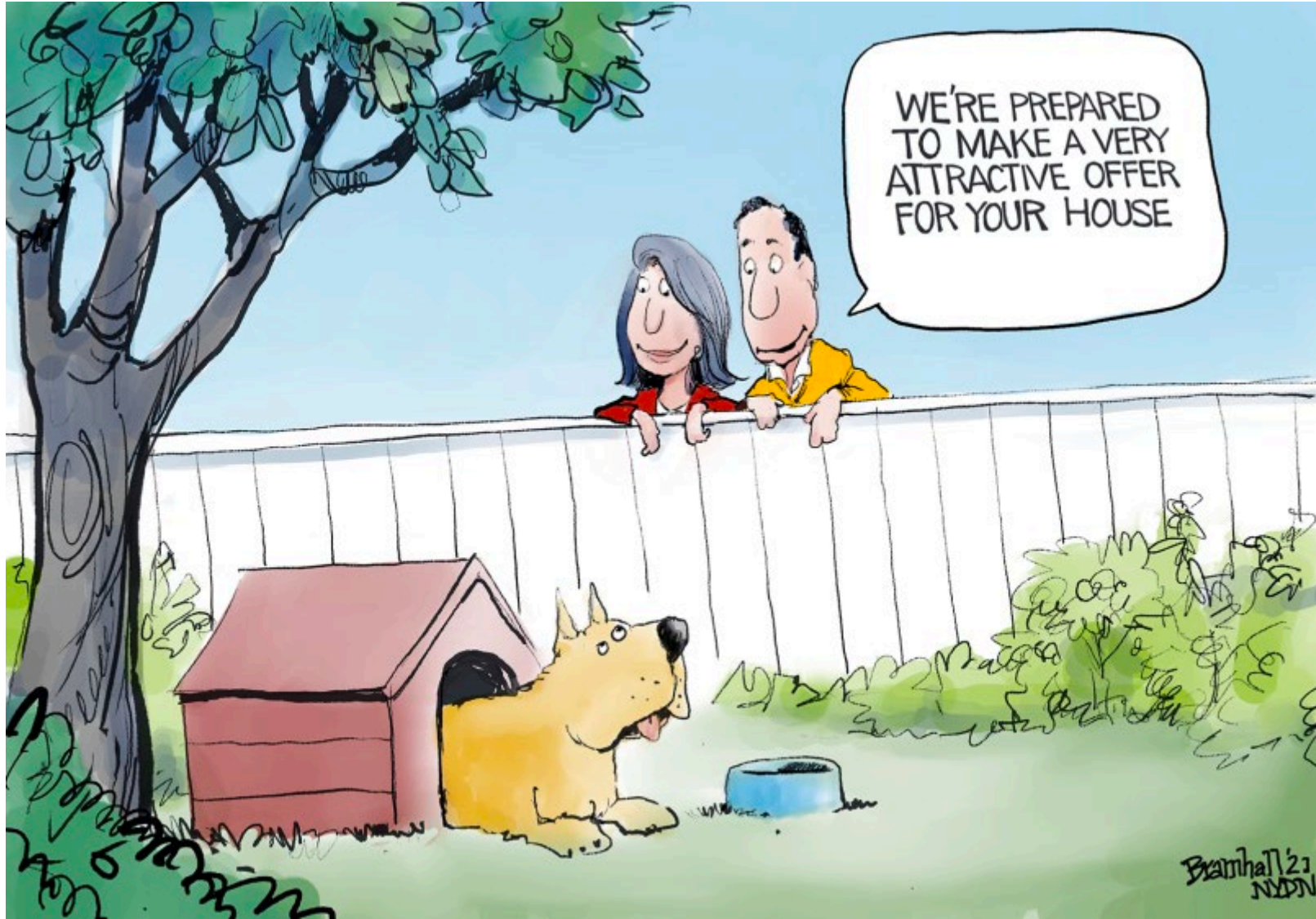
*Sources: U.S. Census Bureau, mortgagecalculator.org*



Americans view the housing market with increasing hopelessness.

Nearly 3 in 4 renters (72%) say they'll *never* have enough money to own a home.

Source: [Homeownership in 2023: High Prices Erode the American Dream](#)





# 123,864

# of affordable housing units needed in Wisconsin

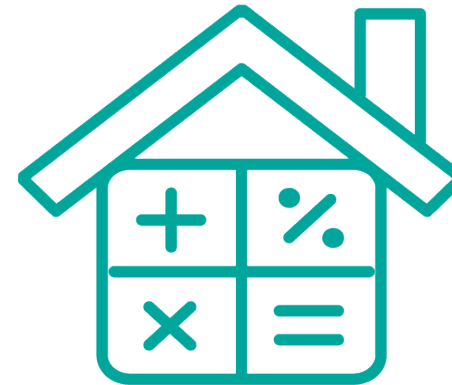


# MULTIFAMILY RESOURCES

# MULTIFAMILY AFFORDABLE HOUSING



**Housing Tax Credits**



**Multifamily Debt  
Financing**



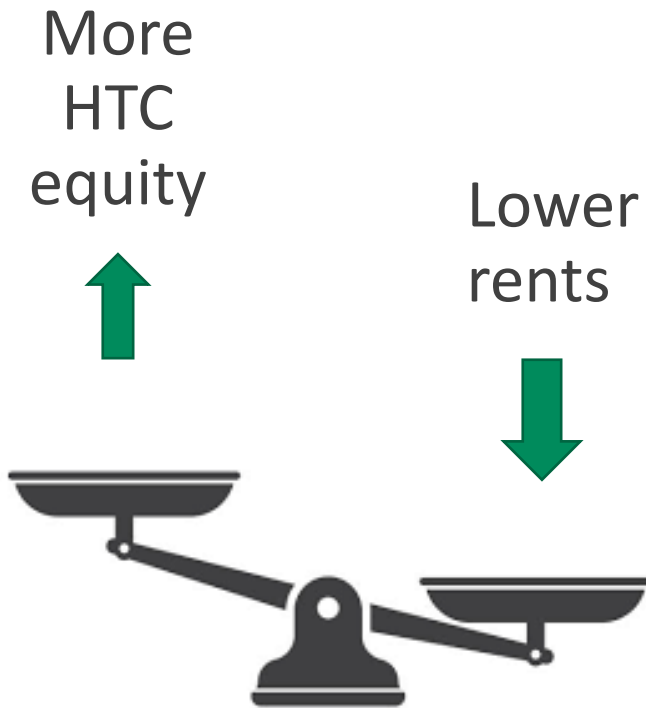


# HOUSING TAX CREDITS

- WHEDA allocates Wisconsin's Federal and State Housing Tax Credit programs
- \$32.6 million in 2024 tax credits awarded, creating more than 1,383 apartments
- 23 developments across 14 counties
- Creating homes for approx. 3,270 people



# HOUSING TAX CREDIT BENEFITS



- Residents pay rent they can afford
- The equity generated from the sale of tax credits allows the developer to build the property with a significantly lower debt load
- HTC equity may represent as much as 60-65% of the total development budget
- The less debt, the lower the rents
- For investors, dollar for dollar offset to federal tax liability
- WHEDA affordability requirements extend for 30 years

# INVOLVED PARTIES

- Developer
- Municipality
- Investor
- Community leaders
- Wrap around service providers
- WHEDA
- And often, a syndicator



# 2025-25 Qualified Allocation Plan

## WHEDA's Strategic Priorities

We put people first

We do what only we were created to do

We protect housing as a core human need

## Core Pillars of the QAP

Increase supply of affordable housing

Employ place-based strategies

Encourage innovative ways to leverage capital

Increase economic opportunity



HOUSING TAX CREDIT PROGRAM





# NEW LEGISLATIVE LOAN PRODUCTS

# BIPARTISAN HOUSING LEGISLATION

In 2023, legislation expanded access to housing for all working families and seniors.

The Wisconsin Legislature made a bold and unprecedented bipartisan investment by funding the initiatives with a total of \$525 million as part of the 2023-2025 Biennial Budget.

This resulted in the creation of four loan programs.



# SNAPSHOT OF NEW LOAN PROGRAMS



**VACANCY-TO-VITALITY**

## Vacancy-to-Vitality Loan

Converts vacant and underutilized commercial properties to housing.



**INFRASTRUCTURE ACCESS**

## Infrastructure Access Loan

Covers the costs of installing, replacing, upgrading, or improving public infrastructure related to workforce housing or senior housing.



**RESTORE MAIN STREET**

## Restore Main Street Loan

Rehabs second and third-floor rental housing over commercial space.



**HOME REPAIR & REHAB**

## More Like Home Repair & Renew

Improves or restores single-family homes to a decent, safe, and sanitary condition.



# STATUS

## Vacancy-to-Vitality and Restore Main Street Loans

Three funding rounds completed in January, June and December 2024

- Awards total \$9.4 million, creating 733 new homes

## Infrastructure Access Loan

Two funding rounds completed in June and December 2024

- Awards total \$6.9 million, creating 396 new homes\*

## More Like Home Loan

Launched fall 2024





# Affordability Levels for Programs

## Multifamily

- Apartments are reserved for families earning up to 100% of AMI.
- Annual housing costs cannot exceed 30% of 100% of AMI.
- All apartments must meet requirements and remain affordable for 10 years.

## Single Family

- Homes are reserved for families earning up to 140% of AMI.
- Annual housing costs cannot exceed 30% of 140% of AMI.
- Homes must be owner-occupied and can't be sold within 10 years for more than the selling price plus inflation adjustments. All single family homes constructed must meet requirements.





**More Like HOME**  
**WHEDA Repair & Renew Loan**



**WHEDA**

# Overview

WHEDA is excited to share the **More Like Home™ Repair & Renew Loan**.

Because every house built before 1984 becomes more of a home when we care for its character, history and memories.

- For single-family homes 40+ years old
- Up to \$50,000 per loan
- For repairs by a Wisconsin-licensed, insured contractor
- Eligibility and loan amounts will be determined by WHEDA lender partners
- Ideal for homeowners who don't meet the criteria for traditional loan products
- To find a lender and learn more visit: [morelikehomeloan.wheda.com](https://morelikehomeloan.wheda.com)





# Vacancy-to-Vitality Loan

# Vacancy-to-Vitality Overview

Provides funding to help cover the cost of converting a vacant commercial building to workforce housing or senior housing.

- **Purpose:** Subordinate financing for converting vacant and underutilized commercial properties to housing through a competitive process.
- **Eligible borrowers:** Any developer other than a municipality that converts a vacant or underutilized commercial building to residential use.
- **Eligible uses:** To cover construction cost of housing, including demolition.



**VACANCY-TO-VITALITY**

# Vacancy-to-Vitality Eligibility

- The commercial building is vacant for one year or underutilized.
- 16 or more housing units.
- The land is currently zoned to permit residential use.
- Has not claimed state or federal historic rehab tax credits or received assistance due to active TID.
- Affordability and municipal requirements apply.



# Vacancy-to-Vitality Terms

- **Loan Amount:** Maximum of \$1 million or 20% of the project costs, including land, whichever is less.
- **Rate:** 3% generally, or 1% for eligible projects in municipalities with a population of 10,000 or less. 1% for senior housing. Rate is determined per application round.
- **Term:** The term matches the senior debt.
- **Amortization:** The amortization term of the senior debt.
- **Set Asides:**
  - 25% of funds set aside for projects supporting senior housing.
  - 30% of funds set aside for projects in communities of 10,000 people or less.





# Restore Main Street Loan



# Restore Main Street Loan Overview

Designed to increase the supply of affordable apartments for working families, this program will have the added benefit of revitalizing vacant or underutilized floors that are one or two levels above the ground floor.

Financing will be provided by WHEDA through a revolving loan fund that is subordinate to other funding sources.

- **Purpose:** rehabilitation of second and third-floor rental housing over commercial space.
- **Eligible borrowers:** rental housing property owners.
- **Eligible uses:** improvements such as repairing an HVAC system, electrical, plumbing, walls, roofs, adding insulation, or remediating mold or lead paint.



# Restore Main Street Eligibility

- The second and third-floor space has been vacant or underutilized. At least 40 years old with no significant improvements in the last 20 years.
- The land is currently zoned to permit residential use.
- Has not claimed state or federal historic rehab tax credits or received assistance due to active TID.
- All other development funding must be secured, and all permits and approvals have been obtained.
- Affordability and municipal requirements apply.

# Restore Main Street - Terms

- **Loan Amount:** Max of \$20,000 per unit or 25% of the total housing rehab costs, whichever is less.
- **Rate:** 3%. 1% in municipalities with less than 10,000 population.
  - Rate is determined per application round.
- **Term:** The lesser of initial occupancy plus 10 years or the term of the senior debt.
- **Amortization:** The amortization term of the senior debt.
- **Set Asides:** 30% funds set aside for projects in communities of 10,000 people or less.





# Infrastructure Access Loan

# OVERVIEW

Allows a developer and a governmental unit to apply for a loan to help cover the cost of installing, replacing, upgrading or improving public infrastructure related to workforce housing or senior housing.

Financing will be provided by WHEDA through a revolving loan fund that is subordinate to other funding sources.

- **Purpose:** covers housing infrastructure costs.
- **Eligible borrowers:** developers and municipalities.



**INFRASTRUCTURE  
ACCESS**

# ELIGIBILITY

- Sewer or water service area plans have been amended, if necessary.
- The land is currently zoned to permit residential use.
- Has not claimed state or federal historic rehab tax credits or received financial assistance due to active TID.
- Affordability and municipal requirements apply.

# TERMS

- Developers can apply for the lessor of total infrastructure cost or **20%** of the total development cost, including land, of the homes supported by the project.
- Governmental units may apply for the lessor of the **public** infrastructure cost or **10%** of the total cost of development, including land, of the homes supported by the project.
- Rates:
  - 3%
  - 1% for small communities with fewer than 10,000 people
  - 1% for senior housing

# INFRASTRUCTURE DEFINITION

Housing infrastructure is that “portion of the installation, replacement, upgrade or improvement of public or private infrastructure in rural areas if transferred to public use.”

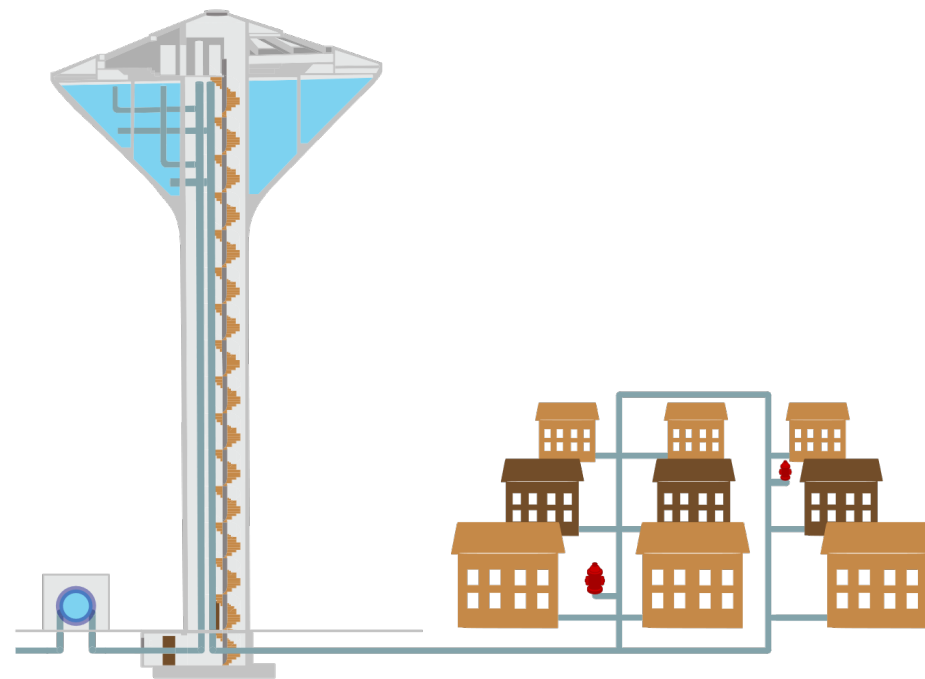
- Water distribution system
- Water treatment plant
- Wastewater treatment plant
- Sanitary sewer system
- Storm sewer system
- Stormwater sewer system
- Stormwater retention pond
- Lift or pump station
- Street, road, alley, or bridge
- Curb, gutter, or sidewalk
- Traffic device
- Street light
- Electric or gas distribution line





# SET ASIDES

- \$275 million total program.
- 30% of funds set aside for projects in communities of 10,000 or less.
- 25% of funds set aside for projects supporting senior housing.
  - One person in the home must be age 55 or older
- Areas served by regional planning commissions can receive up to 25%.



# HOW IT WORKS



An aerial photograph of a suburban neighborhood during the golden hour of sunset. The scene is filled with green trees, well-maintained lawns, and various residential houses. A central road or driveway runs through the middle of the frame. A semi-transparent white banner is overlaid across the center, containing the word "PROGRESS" in a bold, black, sans-serif font. The sky is a mix of orange, yellow, and blue, with soft clouds.

# PROGRESS



WHEDA

# Vacancy-to-Vitality Case Study

## The Canyons

- 60-unit complex in Dane County
  - 100% reserved for renters earning between 60%-100% of AMI
- Community Service Facility with supportive services
- Received \$1 million Vacancy-to-Vitality loan

## The Derby

- 70-unit complex in Dane County
  - 100% reserved for renters earning between 60%-100% of AMI
- Repurposed roller rink
- Received \$1 million Vacancy-to-Vitality loan



# DERBY APARTMENTS: COMPLETED



 LINCOLN  
AVENUE  
COMMUNITIES

**McSHANE**  
CONSTRUCTION

# SUCCESSFUL APPLICATIONS

- Think of the application as a checklist.
- Upload all supporting documentation.
- Using a WHEDA loan to replace a primary loan is not allowed.
- Read award plans and term sheets carefully, especially eligible fund uses.



# MUNICIPAL REQUIREMENTS

- Municipalities are critical to the success of new housing development.
- The cities, towns, and villages of Wisconsin can build on their efforts to increase affordable and workforce housing by meeting the requirements spelled out in legislative.



# ENGAGE WITH US

For questions and to engage with  
our Community and Economic  
Development Team:

[engage@wheda.com](mailto:engage@wheda.com)



**WHEDA**





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THANK YOU!

