

6.19 OTHER POLICIES

CDBG Housing Revolving Loan Fund

The City of La Crosse's CDBG Housing Revolving Loan Program shall be a separate revolving loan whose primary purpose is to improve existing housing and build new housing in the City of La Crosse. This revolving loan shall fund the following activities:

1. Provide low-interest loans to homeowners to make repairs on their homes (see Housing Rehabilitation Guidelines)
2. Provide low-interest loans to Landlords to make repairs on their rental properties
3. Fund the acquisition and demolition of dilapidated or blighted homes and facilitate future redevelopment of single-family housing in its place, both market-rate housing (in Neighborhood Revitalization Strategy Areas) and affordable single-family housing.
4. Provide low-interest loans in the support of multi-family affordable housing development.
5. Fund the administration costs of these programs (staff time and oversight)

This revolving loan fund shall be funded through the following re-payments:

1. Payment of loans from the Housing Rehabilitation Program
2. Payments from the sale of City-owned property purchased with CDBG funds
3. Payment from the sale of land or property by non-profit or for-profit organizations whose project was funded by CDBG funds
4. Re-payment of low-interest loans for multi-family affordable housing development

If the activity is funded by multiple sources of funding (TIF, NSP, ect), City staff shall calculate the pro-rated amount of Program Income due to the Housing Revolving Loan Fund. The amount shall be based on the percentage of total development costs paid for by CDBG Housing Funds.

The funds generated by these activities shall be used to fund other housing development or housing rehabilitation loan activities. Oversight of the program shall be by the Community Development Committee.

If there are CDBG Housing Revolving Loan funds available, they shall be used to fund or be encumbered to the next planned eligible CDBG Housing Revolving Loan activity. If there are no revolving loan funds available, entitlement funds will be allocated to an activity. Therefore, depending on the timelines for various projects, it may occur that Housing Revolving Loan funds will be drawn on from the US Treasury before all Revolving Loan funds are expended because the Revolving Loan funds will already be encumbered to different activities but not yet spent.