



CITY OF LA CROSSE

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LEGISLATION STAFF REPORT FOR COUNCIL

File ID

23-0595

Caption

Resolution approving American Rescue Plan Funds (ARPA) for Affordable Housing Revolving Loan Fund P

Staff/Department Responsible for Legislation

Diane McGinnis Casey / Planning, Development and Assessment

Requestor of Legislation

Diane McGinnis Casey

Location, if applicable

Summary/Purpose

The purpose is to utilize ARPA funding to provide financial assistance to increase housing opportunities within the city. The City utilizes the Affordable Housing Revolving Loan Fund program to assist developers in building affordable housing. Currently all funding through this program has been committed to furthering projects within the city.

Background

New construction housing projects are difficult to cash flow for even market rate units. This makes it virtually impossible to develop units for households at or below 80% of the County Median Income because the construction cost is the same, but rents are capped at a lower level. In addition, the project expected to utilize these funds is making 13 units targeted for people exiting homelessness which is a critical need in our community. In addition, this project received WHEDA tax credits for 2023 that were awarded in May 2023 which will leverage over \$11 million for this project and the City of La Crosse.

Fiscal Impact

\$700,000 ARPA

Staff Recommendation

Approval