

RESOLUTION

Resolution extending the life of Tax Incremental District (TID) #6 for one year for affordable housing and market rate housing programs.

WHEREAS, the City of La Crosse has developed the [5-Year Consolidated Plan](#) and [Analysis of Impediments to Fair Housing](#), which, through data analysis and extensive community input, identified housing quality and housing affordability as high priority needs and the plans identify allocating financial resources to addressing these concerns; and

WHEREAS, the City of La Crosse currently has over 2000 households that pay more than 50% of their income in rent and over 200 people experiencing homelessness on a given night; and

WHEREAS, improving the City's neighborhood and housing is critical to maintaining a healthy and sustainable community, this has also been documented in the City's Comprehensive Plan, Neighborhood Plans, the UW Extension Report: *Challenging Trends Facing Housing in La Crosse*; and

WHEREAS, the City of La Crosse Common Council priorities are to improve housing, with a preference towards mixed-use development and redevelopment; and

WHEREAS, with the COVID-19 pandemic and the loss of economic activity and with the large number of households already paying a large portion of their income in rent, affordable, safe housing is an even more pressing need; and

WHEREAS, the City of La Crosse has already successfully provided loans to affordable housing developments and also improved the City's housing quality through its Replacement Housing Program; and

WHEREAS, the Planning and Development Department has completed its research and is recommending that the City utilize the tax increment law to assist the City in revitalizing its neighborhoods, housing stock and tax base through the expenditure of approximately \$1,728,900 in positive tax increments for affordable housing and housing in the City of La Crosse; and

WHEREAS, the City of La Crosse created TID #6 on April 14, 1994, and has completed implementation of the Project Plan and has paid off the aggregate of all its project costs and debts; and

WHEREAS, State of Wisconsin Statutes require that a TID be terminated after all project costs have been paid off, except that under Wisconsin Statute Section 66.1105(6)(g), a TID may be extended for up to one (1) year to utilize the last year of tax increment to improve the city's housing stock, and that no less than 75% of the increment must be utilized for affordable housing and the remaining 25% of the increment may be used to improve the City's housing stock; and

NOW, THEREFORE BE IT RESOLVED, the Common Council of the City of La Crosse that it hereby extends the life of TID #6 for 12 months, pursuant to Wisconsin Statute Section 66.1105(6)(g) for the purpose of providing funds to capitalizing a revolving loan fund.

BE IT FURTHER RESOLVED, that the purpose of the revolving loan fund will be to provide loans and grants to non-profit and for-profit developers and to the City of La Crosse Replacement Housing program to create both affordable rental housing and owner-occupied housing.

BE IT FURTHER RESOLVED that 25% of the funds from TID #6 will be utilized to provide loans and grants to create market-rate housing in distressed neighborhoods in the City and 65% of the funds to incentivize both rental and/or owner-occupied housing that is affordable to households earning 120% of the County Median Income or less, City-Wide, 10% shall be allocated for program administration costs.

BE IT FURTHER RESOLVED that housing that includes units for individuals transitioning out of homelessness, with case management services, will be prioritized.

BE IT FURTHER RESOLVED that the Common Council hereby appropriates \$1,728,900 from the City's TID #6 Fund Balance to the revolving loan fund and these funds shall be allocated a share of the interest earned within the City's pooled cash and investments using the same allocation method as utilized by other city funds.

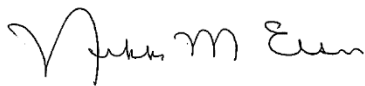
BE IT FURTHER RESOLVED, that the allocated funds may be used for all related costs to provide grants and loans to support the costs associated with housing redevelopment including but not limited to: property acquisition, clearance, asbestos removal, landfill tipping fees, site preparation, site improvements, boulevard trees and sidewalks adjacent to the sites, surveys, title work, legal costs, construction, engineering and architectural services, and contractor payments.

BE IT FURTHER RESOLVED, that all loan proceeds or sale proceeds as a result of expenditures of these aforementioned activities, be placed in said revolving loan account to further such activity.

BE IT FURTHER RESOLVED, that the Community Development Committee will have oversight of the revolving loan fund and an application process, policies and procedures will be developed by Planning Staff and approved by said Committee.

BE IT FURTHER RESOLVED that the Director of Planning, Development and Assessment, Director of Finance & Human Resources, and all other Departments are hereby authorized to take any and all steps necessary to effectuate this resolution, including but not limited to informing and filing paperwork with the Department of Revenue.

I, Nikki M. Elsen, certify that this resolution was duly and officially adopted by the Common Council of the City of La Crosse on February 11, 2021.



*Nikki M. Elsen, WCMC, City Clerk
City of La Crosse, Wisconsin*