

DE PERE®



**“DEEPER ROOTS”**

**Housing and Affordable Housing Stock  
Improvement Loan Program**

**City of De Pere, Wisconsin**

**Development Services Department  
June 2023**

**A. Summary Description**

The City of De Pere’s Deeper Roots Housing Stock Improvement Program intends to modernize and improve the housing stock in De Pere while maintaining affordability for homeowners and buyers. The program was created by the City of De Pere and is administered by the City of De Pere Development Services Department. This program will work to achieve the goals outlined in the City of De Pere Comprehensive Plan. Establishing such a program will work to achieve the Comprehensive Plan’s Housing Goal Statement by “Providing an adequate supply of affordable housing for individuals of all income levels throughout each community.”

Nearly 47% of De Pere’s housing stock was constructed before 1980 and although many homes have been well maintained, many of the older housing stock no longer meets the needs of today’s households, particularly young families with children. The program will make De Pere a more affordable option for existing owners by removing the cost burden of necessary upgrades and may attract homebuyers who are looking to use the upgrades as a way to customize the home to their specific needs and wants.

Funds from the program will be available in the form of a deferred second mortgage loan with 0% interest over the 10-year life of the loan. Program funds will be funded through the use of TIF funds from the closure of TID No. 6 and any future TIDs along with any funding made available from the City and City Partners. Important by-products resulting from home improvements made through this program include the sustaining of a school-age population of children, improving the energy efficiency of the city’s housing stock, stabilizing the city’s tax base, and building and enhancing community capacity and aesthetics.

The total funding allocation for the Deeper Roots Affordable Housing Stock Improvement Program is \$500,000, of which \$100,000 is funded through the City’s allocation of American Rescue Plan Act (ARPA) funding and \$400,000 from the Affordable Housing Fund.

**B. Eligibility Requirements**

Eligible applicants include those purchasing or residing in a home within the City of De Pere and looking to make substantial system or structural improvements to the home to enhance its efficiency and bring it to modern standards.

Owner-Occupied Single-Family Home:

Homes must be occupied by the funding applicant as the owner for no less than two (2) years after the time improvements are made and the program is limited to those making 100% or less than the area county median income reported by US Department of Housing and Urban Development (HUD). The household’s housing costs may not exceed 30% of household income and the total loan-to-value for all mortgages shall be less than 90%.

2023: Brown County Median Qualifying Incomes (100% of County Median Income)

1 Person: \$66,690	5 Persons: \$103,200
2 Persons: \$76,400	6 Persons: \$110,800
3 Persons: \$86,000	7 Persons: \$118,500
4 Persons: \$95,500	8 Persons: \$126,100

**C. Eligible Properties**

Properties must be located within the City of De Pere, with preference given to homes constructed prior to 1980. Homes eligible for improvements under this program include owner-occupied homes in the City of De Pere whose most recent assessed value is at or below 100% of the median assessed value of single-family residential property in the City. Furthermore, eligible homes include those in the City of De Pere being purchased whose sale price is valued at or below 100% of the median assessed value of residential property in De Pere. This determination will be based on the most recent figure, at the time of the loan application, from the City of De Pere assessment data or the US Census Bureau. For example, on January 1, 2023, the median assessed value of an owner-occupied single-family residential property was \$250,400.

#### **D. Eligible Uses of Loan Funds**

Many of the older existing homes in the near downtown neighborhoods in the City of De Pere are smaller in size and could be considered less desirable to new home purchasers looking for more living space. Therefore, program funds may be used for the addition of living space. Please note that funds may only be used for improvements made on the primary housing structure and not any accessory structures on a particular lot unless adding an accessory dwelling unit or backyard cottage to a structure. Work on garages where the primary use is parking cars used by the resident household is an eligible use of loan funds; however, higher priority will be given to attached garages or garages where the primary use is parking cars – other accessory garages do not qualify.

Funds may also be used to make upgrades to home systems including electrical, plumbing, mechanical, or other systems or functionally outdated systems, to bring them into compliance with current standards and codes, or to modernize them to current quality, efficiency, and performance levels. Replacement or maintenance of home components that are expected to be replaced periodically such as water heaters and fixtures will not be funded. Repayment of any loan application fees incurred as part of this program is an eligible use of loan funds received. All systems (listed above) impacted by improvements shall be brought into full code compliance prior to receiving an occupancy permit. In addition to home system upgrades, loan funds may also be used for sump pump connection, window replacement and insulation improvements, or other measures that will increase the heating and cooling efficiency and overall performance of the home.

All decisions regarding loan fund disbursements, loan eligibility, and the uses of loan funds will be made by the City of De Pere in its sole discretion.

Applicants must obtain up to three quotes from contractors for the proposed scope of work. The property owner will select which contractor they would like to complete the project and the final paperwork must be signed by all parties prior to work commencing. The owner is not required to select the lowest bidding contractor.

#### **E. Loan Terms and Conditions**

Loans will consist of 0% interest over the 10-year life of the loan, and act as a deferred second mortgage with no principal or payments due until after five (5) years following the award of the loan, at which the monthly loan amortization payment would initiate until the close of the loan or at sale (or refinancing) of the home, whichever comes sooner. The expectation is that the borrower will preserve sufficient equity to allow for the repayment of the De Pere Housing Stock Improvement loan after the initial 5 years. At the end of the loan term, the amount of the loan must be repaid in full. The City will notify the applicant 1-year prior to the first loan payment date.

The maximum amount of any loan award will be \$20,000 or 50% of the total improvement cost, whichever is less.

Applicants may work with financial institutions to cover the balance of home improvement costs not covered by the loan. Construction on improvements must begin within thirty (30) days of loan approval and shall be completed within 1 year of the start of construction. The applicant shall submit documentation of all mortgages or liens on the property with their formal application. The City of De Pere staff or designee will keep a record of the dates of loan approval and the start of construction. The De Pere City staff shall provide a letter authorizing the subordination of this improvement mortgage to the existing mortgage holders in the event the homeowner/applicant wishes to refinance. The De Pere City Staff reserves the right to take and use photographs, as well as develop project summaries of improvements for publicity purposes.

#### **F. Process**

1. Submit the completed application form, with necessary attachments, to the Development Services Department. The Redevelopment Authority will act on complete applications within sixty (60) days. Depending upon the project, the applicant may need to also seek Zoning Administrator and/or Plan Commission design review concurrent with Redevelopment Authority review. A separate application form must be completed if a site plan or design review is necessary for a project. Applications that include exterior work must apply for a Certificate of Appropriateness from the Historic Preservation Commission (HPC) if the home is located within a historic district or is designated as a historic structure. The Senior Planning/Zoning Administrator and/or Building Inspection Division may be consulted to determine whether a design review and/or Certificate of Appropriateness is required.
2. Upon all necessary committee and staff approvals, the applicant or contractor prepares final plans, cost estimates, and construction schedules, which must be submitted to the Building Inspection Division for review and issuance of a building permit. All applicants must submit a signed statement certifying availability and source of matching funds. If the final plans are not substantially similar to plans approved by staff or any necessary committees additional review will be required.
3. The Building Inspection Division will send a letter or permit to the applicant upon approval of the building plans.
4. Upon commitment of the applicant's matching funds, the property owner enters into an agreement with the contractor to do the work and the contractor obtains the necessary permits (application approval does not release the applicant from obtaining all relevant building permits).
5. The Common Council and applicant approve the loan agreement outlining the terms of the agreement including the proposed scope of work approved by the Building Inspection Division.
6. Appropriate documentation, such as invoices, must be submitted to the Development Services Department for documentation.
7. The City and the Applicant complete the loan approval and transfer funds.

The City reserves the right to amend the process for large renovation projects that could require multiple months with contractor draw requests.

**G. Questions and Contacts**

City of De Pere  
ATTN: Daniel J Lindstrom  
335 S. Broadway  
De Pere, WI 54115  
Email: [dlindstrom@deperewi.gov](mailto:dlindstrom@deperewi.gov)