



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**

Restore Main Street Eligibility

- The second and third-floor space has been vacant for one year or underutilized
- 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
- Municipality has reduced the cost of the eligible project by voluntarily revising ordinances or regulations applicable to the project on or after January 1, 2023
- Municipality has updated the housing element of its comprehensive plan within 5 years. The comprehensive plan must be compliant with Wisconsin Statutes

Restore Main Street – Set Asides

- 30% of funds set aside for projects in communities of 10,000 people or less.



Restore Main Street - Affordability

- Annual housing costs cannot exceed 30% of 100% of AMI
- Renter income cannot exceed 100% of AMI.
- Affordability is maintained for 10 years after initial occupancy.



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.



Timeline: Restore Main Street

September 2023	Loan term sheets available
Week of November 20, 2023	Competitive loan application available
December 29, 2023	Competitive loan applications due
January 2024	Funding allocation announced

Applications will be accepted in the same software system used for the Housing Tax Credit (Procorem). The system will open the week of Nov. 20.

