

2023

Strong Neighborhoods Menasha

A Housing Renovation Initiative



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INTRODUCTION

Overview

Strong Neighborhoods Menasha is an initiative developed by the City of Menasha to help increase the attractiveness and affordability of Menasha's housing stock. Strong Neighborhoods aims to work with citizens to invest in both them and their homes. Currently the City runs a Community Development Block Grant (CDBG) program. The Strong Neighborhoods Initiative will combine this program along with other programs, Curb Appeal, Major Renovation, and Property Acquisition. These programs will be financed through a Tax Increment Financing (TIF) law known as the "Affordable Housing Extension" that allows the extension of a TIF to benefit a municipalities housing stock. Funds for these programs will be available in the form of grants and loans. Investing in the city's housing stock will result in a ripple effect that will benefit everyone within the City.

Goals and Objectives

Strong Neighborhoods Menasha is aimed at updating the City's residential homes. Two main goals have been proposed; with a number of objectives to help us measure and define what success looks like. These goals are based upon the findings in Appendix (A).

Goal One: Increase the quality of Menasha's housing stock.

1. Increase median property values within the city from \$118,400 to \$120,000 by 2025
2. See a downward trend in property survey violations.

Goal Two: Increase home ownership stability.

1. Return an average of two historically single family homes, that were converted to multi-family homes, back to single family homes per year by 2025.
2. Decrease the number of home changes per year.
3. Increase the percentage of students who start in Menasha School District and graduate from Menasha School District by 5% by 2025.

Administration

The Community Development Department will administer the Strong Neighborhoods Initiative. Administration includes, but is not limited to, promoting and advertising the program, accepting and reviewing completed applications, interpreting program guidelines, approving or disapproving property acquisitions, and reviewing reimbursement requests.

Any grant funds that were allocated but not used in full by an approved applicant and/or any unused funds within the calendar year will either be reprogrammed to another grant application with an eligible project(s) or will be carried over to the next calendar year's budget.

Approving or disapproving applicants, loans, and grants for Curb Appeal will be reviewed as applications are submitted and Major Renovation will be done on a bi-monthly basis. Qualified projects will be approved on a first come first serve basis. The Menasha Housing Authority will have final determination on amount and who receives funds from the Major Renovation program.

The budget for the program will be set on an annual basis and be included in the City of Menasha's Operating Budget.

Program Summary

The Housing Initiative's wide range of programs intend to rebuild the City's aging housing stock and increase home ownership and stability. The following is a list of programs administered through this initiative:

1. **Curb Appeal:** Major program to assist in the repair and replacement of various exterior housing improvements. Administered by Community Development Department.
 - a. Up to \$5,000 reimbursable grant – minimum \$2,000 project.
 - b. 1:1 match for owner occupied – 1:2 match for non-owner occupied.
2. **Major Renovation:** Program designating funds for large exterior and interior home improvement projects. Administered by the Community Development Department and the Housing Authority.
 - a. Up to \$10,000 Forgivable Loan – minimum \$15,000 comprehensive project.
 - b. 1:1 match for exterior projects – 1:2 match for interior projects
 - c. Applicants may be eligible for an additional \$10,000 for conversions from historically single family homes back to a single unit. Conversions are a 2:1 match whereby the City would contribute \$2.00 for every \$1.00 private dollar.
3. **Property Acquisition:** Program designated to assist the City in the acquisition, demolition, or rehabilitation of blighted properties or to create new affordable housing. Administered by the Community Development Department and the Common Council.

Other programs offered by the City of Menasha include the following:

1. **Community Development Block Grant (CDBG):** Low to Moderate Income (LMI) restricted program to assist in the repair and replacement of roofs, doors, windows, plumbing, electrical, HVAC, siding, accessibility. Administered by Housing Specialist.
 - a. Deferred loan due at the time of sale
2. **Lead Lateral Replacement:** Program designed to assist property owners in replacement of lead laterals servicing the home. Administered by Menasha Utilities.
 - a. Up to \$2,000 Grant
 - b. 33% match from property owner

PROGRAM DETAILS

Curb Appeal Program

The curb appeal program is a reimbursable grant program to help eligible single and two-family homes increase the curb appeal of their home. The program is a reimbursable grant and will provide funds of up to \$5,000 for eligible expenses.

Home Type	Total Project Amount	City Match	Private Match	Eligible Landscape Expenses
Owner Occupied	\$5,000	\$2,500	\$2,500	\$250
Non-owner	\$5,000	\$1,667	\$3,333	\$167.70
Owner	\$15,000	\$5,000	\$10,000	\$500
Non-owner	\$15,000	\$5,000	\$10,000	\$500

- A. **Eligible Properties:** Properties that meet the following criteria may apply for up to \$5,000 grant, 1:1 matching for owner occupied and 1:2 for non-owner-occupied units:
- Single Family or Two-Family Residence use properties.
 - Properties that meet the income requirement under *Additional Program Details*.
 - Minimum project value of \$2,000.
- B. **Ineligible Properties:** *See Additional Program Details*
- C. **Eligible Projects:** *See Additional Program Details*
- D. **Grant Guidelines:**
- The applicant must submit a completed application packet, including before photos, prior to any work being completed in order to be considered for loan program.
 - Before photos shall be submitted digitally in jpeg, pdf, or png file format. Along with images of the area of work, a “master” photo must be submitted that displays the entire house from the street.
 - A project timeline must be submitted to the Community Development Department.
 - This program is a reimbursement grant. The applicant is required to pay all expenses related to their approved project and then submit for reimbursement from the City.
 - Must provide 100% matching funds if owner occupied and 200% if non-owner occupied.
 - The homeowner must agree to obtain all necessary permits (e.g. building, plumbing, electrical, roofing, driveway, excavation, etc.).
 - All work must meet local, state and national standards including but not limited to lead and asbestos.
 - Projects must be substantially completed within six (6) months of grant approval.
 - Properties may receive a grant, not to exceed \$5,000 for home improvements.
 - For painting or staining projects, applicants are required to scrape and prime all surfaces prior to painting or staining. Photo documentation of the finished prep work is required.
 - Up to 10% of the total project grant reimbursement can be for trees and shrubs planted in the front yard.

- E. **Ineligible Grant Expenditures:** Items/projects that are not eligible for reimbursement under the Program include, but are not limited to, the following:
- a. The repair or replacement of dog houses or any other structure for animals.
 - b. Any interior projects to the detached garage or accessory building.
 - c. Rental companies or other organizations may not use this program to reimburse their own staff's labor expenses to complete their project.
 - d. Materials that have been purchased or projects that are completed or underway prior to issuance of a signed Contract for Services and Award Letter by Community Development Staff.
 - e. The purchasing of permanent equipment or tools (ladder, paint sprayers, etc.) is not an eligible expense.
 - f. Proposed projects that are solely demolition.
 - g. Project costs that demolish a structure or part of a structure and do not replace the structure in kind to protect the character of the home and neighborhood.
- F. **Reimbursement Procedures:**
- a. A completed Final Reimbursement Form/Worksheet. This form must include a description of the proposed project(s) and the final cost for each project. Any items for projects not listed on the Pre-Documentation Form are not considered for reimbursement.
 - b. Copies of receipts/paid invoices showing proof of purchase of the approved/ completed items/materials for each project. The applicant is required to mark on their receipt which item(s) is/are being requested for reimbursement and what project they were for.
 - c. Final photo documentation of the complete project. ("After" Photos). Photos shall be taken in a similar manner to the "Before" photos.
 - d. After the applicants submit all of the required information for reimbursement, the Community Development Department shall review all information submitted to ensure it is eligible for reimbursement and will determine the amount awarded, if any, to the applicant.
 - e. Once the request is complete, copies are made of the reimbursement form and all receipts and/or paid invoices are forwarded to the City of Menasha's Finance Department and the dollar amount to be reimbursed back to the applicant.

Major Renovation Program

The Major Renovation Program will help eligible homes increase their value and assist with needed upgrades. The program provides matching funds in the form of a forgivable loan of up to \$10,000. Any project that reduces the number of residential units to one (1), is eligible for an additional \$10,000 of funding. The forgivable loans will act as a deferred second mortgage with no principal or payments due until the sale of the house. If the applicant lives in the home for five (5) consecutive years, the entire loan is forgiven.

Home Type	Total Project Amount	City Match	Private Match	Eligible Landscape Expenses
Exterior	\$15,000	\$7,500	\$7,500	\$1,500
Exterior	\$20,000	\$10,000	\$10,000	\$2,000
Interior	\$15,000	\$5,000	\$10,000	\$1,500
Interior	\$20,000	\$6,666.66	\$13,333.34	\$2,000

Comprehensive Project: All Major Renovation Loans must be tied to a comprehensive project. A comprehensive project is a project that has one area of the home or a singular goal for renovation. For example, a kitchen remodel or home addition would be examples of a comprehensive project. Projects that cover many areas of the home and do not achieve a singular home renovation goal shall not be allowed.

Project Matching:

- Exterior Projects: 1:1 match (\$1.00 City dollar for every private \$1.00)
- Interior Projects: 1:2 match (\$1.00 City dollar for every \$2.00 private contribution)
- Conversions: 2:1 match and eligible for an additional \$10,000 (\$2.00 City dollars for every private \$1.00)

A. Eligible Properties: Properties that meet the following criteria may apply for the Major Renovation Program:

- Single Family or Two-Family Residence use properties
- Homes that are or will be owner occupied within one (1) year from the completion of the project.
- Properties that meet the income requirement under *Additional Program Details*.
- Minimum project value of \$15,000.

B. Ineligible Properties: *See Additional Program Details*

C. Eligible Projects: *See Additional Program Details*

D. Loan Guidelines: *In addition to below, see Loan Guidelines under Curb Appeal.*

- The applicant must submit a completed application packet, including before photos, prior to any work being started in order to be considered for loan program.
- Before photos shall be submitted digitally in jpeg, pdf, or png file format. Along with images of the area of work, a “master” photo must be submitted that displays the entire house from the street.
- A project timeline must be submitted to the Community Development Department.
- Loans will consist of a 0% interest over the life of the loan, and act as a deferred second mortgage. After five consecutive years of living in the home that received the loan funds, the loan will be 100% forgiven.
- If the property owner sells before the five year time period or is no longer the primary place of residence, the loan is required to be paid back in full.
- The homeowner must agree to obtain all necessary permits (e.g. building, plumbing, electrical, roofing, driveway, excavation, etc.).

- g. All work must meet local, state and national standards including but not limited to lead and asbestos.
 - h. Projects must be substantially completed within twelve (12) months of loan approval.
 - i. Properties may receive a loan, not to exceed \$10,000 for home improvements and \$20,000 for home improvements that reduce the number of livable units to one (1) on an existing multi-unit property.
 - j. The loan can be transferred to a new owner one (1) time over the life of the loan and must be transferred within one (1) year from the completion of the project. If an individual does not use the home as their primary residence after the one (1) year period the loan is required to be paid back in full.
- E. **Ineligible Loan Expenditures:** *See Ineligible Loan Expenditures under Curb Appeal.*
- F. **Disbursement Procedures:** The City of Menasha shall be last dollars into the project and final payments shall be made directly to the contractor.
- a. Upon completion of the project the Applicant shall submit the following:
 - i. Documentation of paid invoices and a final invoice for the City's portion from the contractor or supplier. Copies of receipts/paid invoices shall show proof of purchase of the approved/ completed items/materials for each project.
 - ii. Final photo documentation of the complete project ("After" Photos). Photos shall be taken in a similar manner to the "Before" photos.
 - b. After the applicant submits all of the required information for disbursement, the Community Development Department shall review all information submitted to ensure it is eligible for funding and will determine the amount awarded, if any, to the applicant/contractor.
 - c. Once the review of the request is complete, documentation shall be forwarded to the City of Menasha's Finance Department and the dollar amount to be disbursed.

Property Acquisition

The Property Acquisition Program is a tool the City of Menasha can use to help remove blighted properties within the city. The intent of the property acquisition program is to acquire strategically located or blighted properties. The acquired properties would then be demolished or sold to a qualified contractor that would work with the City of Menasha to rehabilitate the property. All costs associated with acquiring the property and rehabilitating the site is eligible under this program.

- A. **Eligible Properties:** Properties deemed eligible by the Community Development Director shall be presented to the Menasha Common Council. It is the discretion of the Menasha Common Council on which properties to acquire. Properties that meet the following criteria may be considered by the Menasha Common Council for acquisition through the Property Acquisition Program:
- a. Any properties that are blighted or in disrepair.
 - b. Properties that present an economic benefit to acquire.
 - c. Properties, that when acquired, will further the goals of the City of Menasha Comprehensive Plan.

- d. Properties, that when acquired, will further the goals of the City of Menasha Downtown Vision Plan.
- e. Properties that have an active raze order.
- f. Any property that will benefit the City of Menasha's housing stock.

B. Eligible Expenditures:

- a. Property acquisition.
- b. Demolishing/razing costs.
- c. Costs associated with the sale of a property.
- d. Costs associated with the maintenance of a property.
- e. Utility costs.
- f. Any costs associated with ensuring the house is not a health or sanitation risk, including but not limited to: asbestos removal, well abatement, removal of hazardous material, and lead removal.
- g. Safety costs.
- h. Bringing non-compliant features up to code.

C. Special Projects:

- a. Acquire roughly 23 acres of vacant land in Calumet County, north of the conservancy, to establish roughly 24 new affordable housing lots and assist in the costs of infrastructure and connectivity of the entire community through vehicular and pedestrian transit.

ADDITIONAL PROGRAM DETAILS

Income Requirements

All properties assessed at or below the Menasha Affordable Assessed Value (MAAV) shall be considered eligible for a loan or grant. This MAAV Rate shall be calculated on an annual bases using the US Department of Housing and Urban Development's (HUD) HOME Homeownership Value Limits to meet the criteria of the Wisconsin State Statutes 66.1105(6)(g).

For properties that do not meet the MAAV Rate and are owner occupied, no loan or grant shall be given to an individual who does not meet the state requirement of affordable housing as defined in section 66.1105(2) (ab). No more than 30% of the household's gross monthly income can be spent on housing related expenses. Housing related expenses include: mortgages, property taxes and home insurance. (\$5,000 Gross Monthly Household Income = \$1,500 maximum amount spent on housing costs)

Housing Standards

In order to maintain the historic character and quality of Menasha's older homes, all houses that use program funds must abide by the guidelines set forth in Appendix (B).

Ineligible Properties

A property which has any one or more of the following conditions is ineligible for the rehabilitation program:

- A. A property is not located within the corporate limits of the City of Menasha.
- B. Any property where the owner of that property is delinquent on any debt it owes to the City of Menasha.
- C. Properties owned in part or in whole by a tax exempt entity.
- D. A property that has an open or issued Correction Notice. Applications that are submitted for projects that will close a Correction Notice may be considered on a case by case basis.
- E. Property that has received past housing funds, excluding the Community Development Block Grant Program, in the previous 5 years or has a Major Housing Renovation Loan open with the City of Menasha.
- F. Projects that do not employ professional labor, except for painting, staining or landscaping projects.

Eligible Projects

Eligible projects shall be comprehensive and may include the following items, but are not limited to:

- A. Bringing non-compliance features up to code.
- B. Replacing the roof.
- C. Repair/Replacing windows.
- D. Exterior masonry repair/replace.
- E. Front porch repair.
- F. Replace/repair existing siding.
- G. Install guards and handrails.
- H. Paving driveways that are currently non-conforming.
- I. Replace, repair, or install garage. (Not an eligible project within the Major Renovation Program)
- J. Demolition and removal of structures deemed dilapidated by the City Building Inspector as part of a larger project.
- K. Repair or replacement of gutters or trim as part of a comprehensive exterior renovation including but not limited to siding and/or roof.
- L. Repair or replacement of soffit and fascia as part of a comprehensive exterior renovation including but not limited to siding and/or roof.
- M. Lead and asbestos remediation.
- N. Shrubs and Trees within the front yard (not to exceed 10% of total project reimbursement).
- O. Other projects may be eligible for reimbursement upon approval of the Community Development Director.
- P. Additions or added architectural features that will enhance the character of the home.
- Q. Additional Projects Permitted for Major Renovation:
 - a. Foundation repair (Considered Interior Projects)
 - b. Interior Remodel
 - c. Upgrading electrical.
 - d. Upgrading plumbing.

- e. Upgrading mechanical systems.

Labor

Only projects that employ professional labor shall be eligible for the program. Projects done by non-professional labor shall not be considered for loan/grant dollars.

- A. All receipts or invoices must be submitted by or on behalf of the contractor selected for the project.
- B. Professional labor is considered work done by an individual who is trained and engaged in such work for a career. All work must meet the housing standards set forth in Appendix (B).
- C. Painting, staining, and landscape projects are exempt from the professional labor requirement.

Application Process

The Community Development Department shall ensure a complete application is submitted and then will process them.

- A. Administration and Approval:
 - a. Curb Appeal – Community Development Department review and approved.
 - b. Major Renovation – Community Development Department review and Housing Authority approval bi-monthly.
- B. A complete Pre-Documentation project Form. For renovation projects, this form must include an itemized description of the proposed project and an estimated cost for each item. Any item not listed on the worksheet will not be considered for reimbursement or a loan. If the project is being completed by a contractor, a copy of their estimate to complete the work must be attached.
- C. Submit a timeline outlining when the project will be completed.
- D. A completed W-9 Form. A completed W-9 form must be submitted in order to be eligible for the program.
- E. The Community Development Department determines whether the applicant owes money to the City and if there are any Correction Notices on the property.
- F. It is anticipated that an applicant will receive a response whether they are eligible or ineligible for the Program within 30 days from the date received.
- G. Before photos of the proposed project. Items will not be considered if before photos are not submitted. Before photos shall be submitted digitally in jpeg, pdf, or png file format. Along with images of the area of work, a “master” photo must be submitted that displays the entire house from the street.
- H. A signed Contract for Services Form. Submit a signed Contract for Services Form. If approved, a signed copy of the Contract from the City will be sent back to the applicant.
- I. Additional Requirements for Loan Programs that do not meet the Menasha Affordable Assessed Rate:
 - a. Written forms showing proof of income
 - i. Two (2) recent consecutive months of paycheck stubs.

- ii. Most recent retirement/financial asset statements
 - iii. Most recent Social Security statements
 - iv. Other forms acceptable by the Finance and Community Development Departments
- b. Last one (1) year full tax return (federal) and W2s and 1099s.
- c. Most recent checking/savings statement.
- J. Most recent mortgage loan statement (if any) and homeowner's insurance policy coverage page. Along with a statement of all current debt including home equity lines of credit.

Housing Authority Approval

The Housing Authority on a bi-monthly basis shall review and approve all applications for the Major Renovation Program. The Community Development Department will make a recommendation to the Housing Authority on all projects. The recommendation will be considered by the Housing Authority for approval or denial of the project. The following criteria will be taken into consideration by the Community Development Department and the Housing Authority:

- The applicant's financial history.
- History of the applicant and/or listed contractors including past ordinance violations and/or citations.
- The quality of work performed by the applicant in any other applicable home renovation.
- The Project quality.
- The neighborhood impact of the project.

Appeals

If a Curb Appeal Project is denied by staff, the Applicant may request an appeal to be considered at the next available Housing Authority meeting. A Property Owner must submit an appeals form to the City of Menasha. Any past or future continuation of a project will be considered in-eligible for approval. There shall be an appeals fee in the amount of \$50.00.

Project Extensions

Upon the request of a Property Owner of an approved project, the Housing Authority may consider granting one 6 month extension for which the project shall have substantial completion considering the following:

- A. A Property Owner must submit an extension form prior to the end of the allotted timeframe.
- B. Upon review, the Housing Authority shall consider the Applicant worked in good faith to start the project upon approval and actively pursued the completion of the project in a timely matter. If the project has not commenced, materials have not been ordered, and/or the applicant fails to show proper documentation among other support, the extension will be denied and the applicant must reapply for the program.
- C. Any project extension shall have a \$50.00 review fee.

Program Amendments

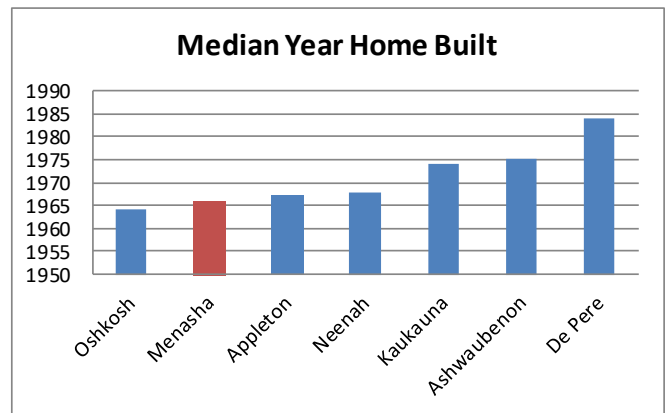
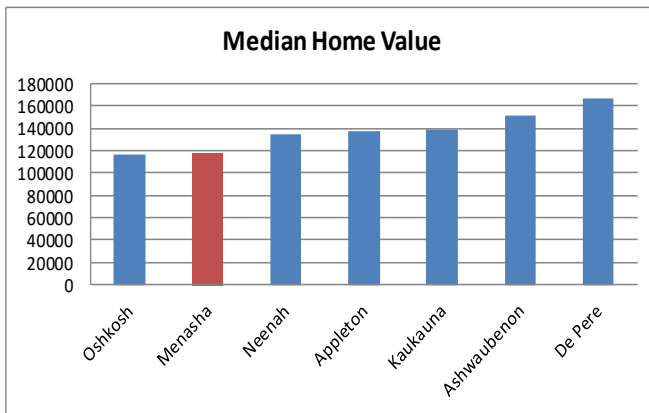
Any update clarifying the intent of the document and/or process that does not drastically change the program details or the programs intent may be made by the Community Development Department. Those changes that would alter the programs intent, drastically change the review and approval process, or alter a funding amount shall require consent of the Common Council.

Marketing Funds

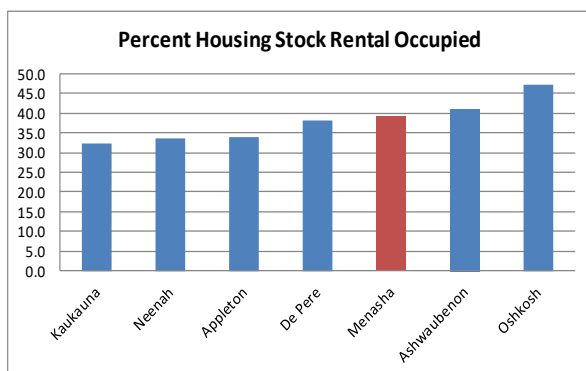
It is the expressed intent of this initiative that up to \$1,500 shall be budgeted per calendar year to market and advertise the initiative. The Community Development Department will determine how best to use the budgeted marketing funds to promote the initiative.

APPENDIX A

A person's home is their largest asset and thus the City's housing stock is its largest asset. Menasha's housing stock varies widely in style, age, and value. Much of the City's housing was built before 1950. The median age of a home in Menasha is 1966. In fact, compared to our neighbors Menasha has the second oldest housing stock. The City of Oshkosh had the oldest housing stock in the comparable Cities. When comparing median housing value, the City of Menasha also trends lower. Menasha's median home value is \$118,400, the second lowest in the study group. Oshkosh has the lowest median, \$116,900, home value and De Pere has the highest, \$167,400, in the study group.

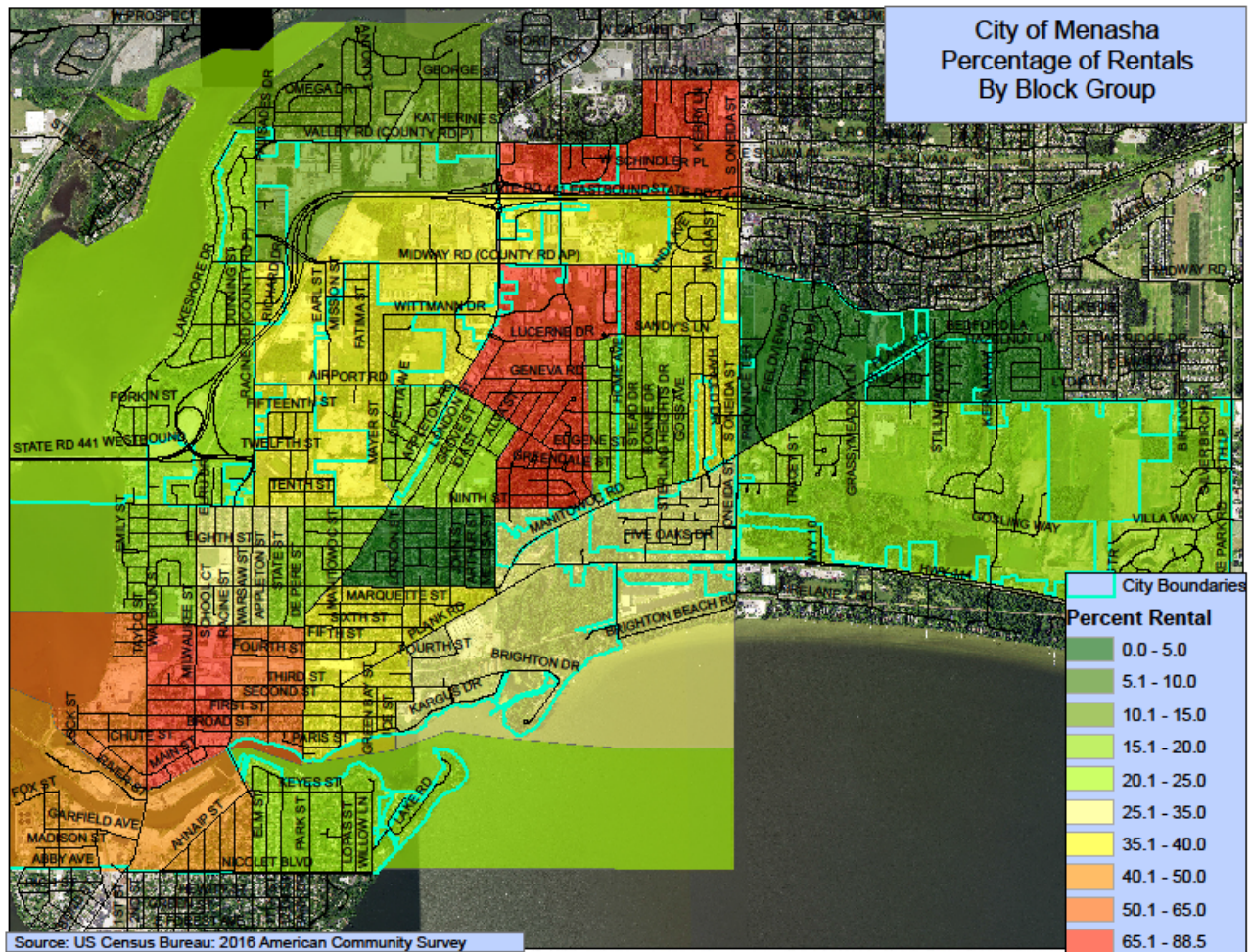
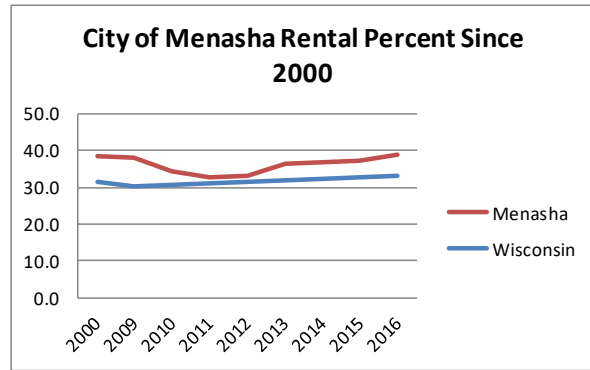


The final metric gathered was rental percentage. Menasha's rental percentage has remained fairly steady since 2000 and the non-owner occupied ratio is not out of line with similar communities. Menasha's current rental rate is 38.5%. De Pere, Menasha, Ashwaubenon, and Oshkosh all have a rental rate right around 40%. Appleton, Neenah, and Kaukauna have a rental rate around 33%. The State of Wisconsin's rental rate as a whole is 33%. A mix of homeowner and tenant occupied units is considered healthy for a city. A rental rate of 35% is considered to be a healthy ratio for a city. While Menasha does not have an inordinate number of tenant occupied units, it does have a significant concentration of rental units in certain areas. Both the downtown and the north central part of the city have higher than average rates.



The north central block group has an elevated rental rate because a number of apartment complexes are in this area. These apartment complexes artificially elevate the regions rental rate. The second area with an elevated rental rate is the downtown. This region is split between three different block groups. The rental rate in the downtown is the highest in the City at 78%. While the city overall has only a slightly elevated rental rate, these key areas of majority tenant occupied units need to be addressed.

These issues must be addressed. Home quality must be increased and rental rates in the center city must be reduced. Menasha may have older homes with lower home values but with proper investment by the City, these homes can be fixed up and become a healthy vibrant part of our community and Menasha will become a place every wants to live.



APPENDIX B

The City's housing programs are primarily aimed at renovated existing homes. These homes have a character that is unique and should be preserved and enhanced when at all possible. When a structure is renovated, with the use of City of Menasha funds, the purpose of the renovation is not to make an old house new but to improve or repair the existing features. The original home's design, structure, and style should be maintained when at all possible. The following is a design guideline to ensure that the aesthetics of existing homes are not lost with renovation projects.

A. Siding:

- When existing wood siding exists it is preferred that the existing siding is maintained opposed to replacing it with new siding.
- New siding shall be applied in a manner that preserves all existing distinguishing architectural features and ornamentation.
- Width of new siding is consistent with the type, age and style of the house.

B. Brick and other Exterior Masonry:

- When at all possible, all existing exterior masonry will be preserved and repaired. Only in cases of irreparable damage can the exterior masonry be removed.
- New masonry shall be applied in a manner that preserves all existing distinguishing architectural features and ornamentation.

C. Porches:

- Existing porches will be maintained and repaired. In no case should a salvageable porch be removed.
- Existing front porches will be maintained and repaired to original appearance and condition. Salvageable front porches will not be removed.

D. Windows and Doors:

- The style and design of any new window or door should match the original.
- The removal of a window or door shall not be permitted unless the removal of the window or door is vital to the completion of the project.
- The replacement of windows shall not destroy any distinguishing features or architectural ornamentation.
- A new window or door may not be smaller than the existing window or door.

E. Outbuildings:

- Any outbuilding, shed, garage or other structure will conform in style and color to the principal structure on the lot.