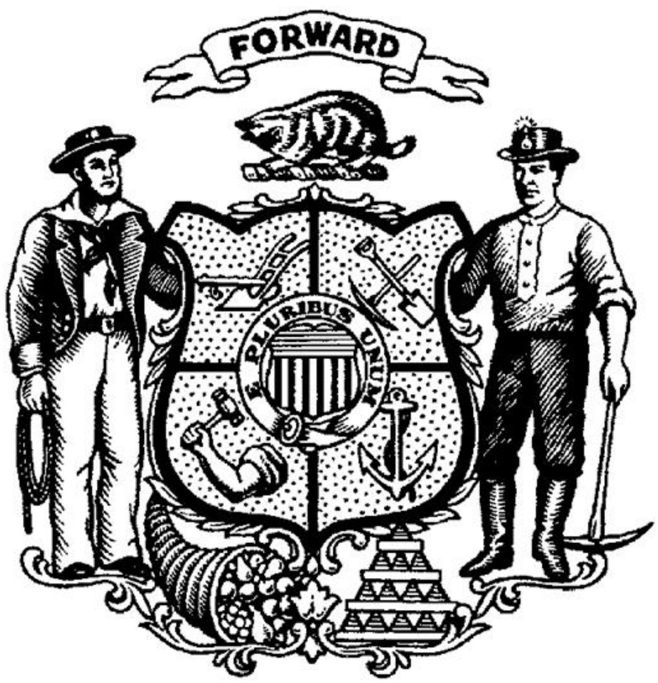
State of Wisconsin

Wisconsin Housing and Economic Development Authority



Agency Budget Request

2027 – 2029 Biennium

September 15, 2026

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To: Kathy Blumenfeld, Secretary, Department of Administration

From: Elmer Moore, Jr., CEO & Executive Director
Wisconsin Housing and Economic Development Authority

Date: September 15, 2026

Subject: WHEDA proposes budget action on affordable housing financing in the "Year of the Neighbor"

The mission of the Wisconsin Housing and Economic Development Authority (WHEDA) is to expand access to affordable housing choices across the state in our rural communities, our cities, and everywhere in between. WHEDA accomplishes this mission through a variety of financial products and services to support the creation and preservation of multifamily housing and to finance single-family home purchases.

During his State of the State address, Gov. Tony Evers declared 2026 the "Year of the Neighbor," highlighting the importance of community and togetherness during divisive times and celebrating the neighbors who make Wisconsin a great place to call home. It is a theme that highlights the importance of safe, stable, affordable housing.

WHEDA requests the Governor utilize his 2027-2029 Biennial Budget to increase the efficiency and security of WHEDA's products and financial resources, while creating opportunities to expand WHEDA's impact across the state. **These actions will have the positive impact of eliminating barriers to housing and reducing costs for renters and homeowners across Wisconsin.**

As the Authority on Housing in Wisconsin, WHEDA believes that a strong partnership with the Governor and the State Legislature is imperative to addressing the housing crisis in Wisconsin. We thank our partners and look forward to continuing our important work in collaboration with you and others, so that together we may accomplish more for the people we are dedicated to serving.

Contact:
Samantha Linden, Legislative Liaison
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AGENCY DESCRIPTION

The authority is governed by a 12-member board of directors composed of public, legislative and ex officio members. Six public members are appointed by the Governor with the advice and consent of the Senate. The chief executive officer of the Wisconsin Economic Development Corporation and secretary of the Department of Administration serve by virtue of their governmental positions. One senator and one representative of each party are appointed by their respective legislative houses.

The authority is organized into twelve units: People Strategy & Experience, Marketing & Communications, Community & Economic Development, Executive, Finance, Information Technology, Legal Services, Commercial Lending, Commercial Loan Servicing, Multifamily Compliance, Research & Data, and Single Family Housing. The authority's primary functions include financing for home ownership, rental housing and business development. In addition, the authority allocates federal Low-Income Housing Tax Credits, as well as oversees the U.S. Department of Housing and Urban Development Section 8 contract administration in Wisconsin.

MISSION

We help Wisconsin thrive by expanding access to affordable housing choices.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Note: Goals, objectives and activities have been revised.

Program 3: Homeownership Mortgage Assistance

Goal: Continue to grow as a trusted provider of innovative single-family home loan products and services to expand affordable housing options.

Objective/Activity: Through outward bound sales activity and "features and benefits" marketing, increase the lender network statewide. Continue to innovate the internal process to guarantee top tier lender partnerships and service levels. Locate new sources of funding to ensure a steady stream of down payment assistance will be readily available for first-time home buyers. Through strategic planning, seek new sources of funding to support new products designed to fill gaps in the standard secondary market offerings.

Program 5: Wisconsin Development Loan Guarantees

Goal: Increase and preserve the supply of multifamily housing for low- and moderate-income families, seniors, and veterans; connect affordable housing with services, including those who are homeless or at risk of becoming homeless; encourage housing development in areas of economic opportunity and rural locations; and coordinate housing development with community development plans.

Objective/Activity: With a variety of financing tools, tax credits and federal resources, the authority can prioritize resource allocations to meet its strategic goals.

Goal: Offer unique business financing programs designed to stimulate Wisconsin's economy, promote economic development in urban and rural areas, and maximize community impact through the creation and retention of living wage jobs.

Objective/Activity: Through loan guarantees, tax credits and other federal resources, create leverage to attract private capital investment for business expansion. Continue to use Wisconsin's allocation of state small business credit initiative funds from the federal government.

PERFORMANCE MEASURES

2025 AND 2026 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2025	Actual 2025	Goal 2026	Actual 2026
3.	Homeownership Mortgage Loan Program loan volume.	$580,000,000	$481,922,759	$509,500,000[1]	$355,940,627
3., 5.	Capital ratio.	24%	25.5%	24%	25.9%
5.	Commercial lending volume, including multifamily housing and economic development.	$328,500,000	$216,342,439	$328,500,000	$223,871,600

Note: Based on fiscal year.

[1]The goal for 2026 was revised due to the status of the financial markets.

2027, 2028 AND 2029 GOALS

Prog. No.	Performance Measure	Goal 2027	Goal 2028	Goal 2029
3.	Homeownership Mortgage Loan Program loan volume.	$371,000,000	$375,000,000	375,000,000
3., 5.	Capital ratio.	24%	24%	24%
5.	Commercial lending volume, including multifamily housing and economic development.	$138,557,900	$142,00,000	$142,000,000

Note: Goals are based on the authority's 2027 budget, as the 2028 and 2029 budgets are not completed until June 2027 and June 2028, respectively. Goals for 2028 and 2029 are subject to change and may be affected by the status of the financial markets.

Agency Total by Program

AGENCY TOTAL										0.00%

Decision Item (DIN): 2000 - Adjusted Base Funding Level

NARRATIVE

Adjusted Base Funding Level

Decision Item by Line

Decision Item (DIN): 2000 - Adjusted Base Funding Level

Line Number	Expenditure Items	1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	$0	$0
02	Turnover	$0	$0
03	Project Position Salaries	$0	$0
04	LTE/Misc. Salaries	$0	$0
05	Fringe Benefits	$0	$0
06	Supplies and Services	$0	$0
07	Permanent Property	$0	$0
08	Unallotted Reserve	$0	$0
09	Aids to Individuals & Organizations	$0	$0
10	Local Assistance	$0	$0
11	One-time Financing	$0	$0
12	Debt service	$0	$0
13		$0	$0
14		$0	$0
15		$0	$0
16		$0	$0
17	**TOTAL**	**$0**	**$0**
18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

Decision Item (DIN): 4000 - Increase Capital Reserve Fund Bonding Limit

NARRATIVE

An increase to the limit of outstanding bonds backed by the capital reserve fund from $1 billion to a proposed request of $2 billion is necessary to continue providing low-cost financing to affordable housing developments, meet current demand and address the state's ongoing housing shortage.

Amend Section 234.18 of State Statutes to increase the limit of outstanding bonds backed by WHEDA's capital reserve fund from $1.0 billion to $2.0 billion.

State Appropriation Ask: $0

The Wisconsin Housing and Economic Development Authority (WHEDA) operates as an independent financial authority and issues bonds to support the creation and preservation of multifamily housing and the purchase of single-family residences. The state has no liability on these bonds, and they are not a debt of the state.

WHEDA is requesting an increase to the limit of outstanding bonds backed by WHEDA's capital reserve to $2.0 billion to eliminate the need for future incremental increases.

Due to WHEDA's excellent fiscal stewardship, there has never been a deficiency in the capital reserve fund. However, the state provides a moral obligation to assist the fund if there ever were to be a deficit.

The total amount of bonds supported by the fund is limited to $1.0 billion under Section 234.18 of the state statutes. This increase is needed as WHEDA has been at risk of reaching the maximum amount of outstanding bonds backed by the capital reserve fund several times since the amount was last incrementally increased under 2023 WI Act 19.

An expansion of the bond limit now will preempt future requests by providing WHEDA the flexibility and autonomy to operate our bond program to the greatest extent allowable under the law.

At a time when the state is facing a significant housing shortage, this flexibility and autonomy are necessary for the authority to respond to changing market conditions and to continue providing low-cost financing to developers and single-family homebuyers.

WHEDA requests that this limit be increased in the 2027-2029 Biennial Budget, to continue providing low-cost financing to affordable housing developments, meet current demand and address the state's ongoing housing shortage.

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