



City of Waukesha
201 Delafield St. Waukesha, WI 53188
Tel: 262.542.3700
waukesha-wi.gov

Committee:
Redevelopment Authority

Meeting Date:
8/18/2025

Subject:
Review and act on a request by Habitat for Humanity of Waukesha, Jefferson & Rock Counties for an Affordable Housing Development Fund Construction Loan Agreement for the remaining lots at the Domenica Park Subdivision.

Details:
Habitat for Humanity is Requesting two construction loans from the City's Affordable Housing Development Fund. This fund was created to assist with development costs associated with creating and rehabilitating affordable housing units. To date, Habitat has had a total of 6 construction loans approved for this development, two of which have been repaid. Most recently in April 2025 the RDA approved loans for Lot 1 and 13, conditioned on other outstanding loans being paid in full. In total, the RDA currently has \$600,000 in outstanding loans committed to this development.

Habitat and City staff are proposing an agreement that will continue to provide these construction loans through the completion of Domenica Park, which is expected to be completed by the end of 2026. The loan agreement would allow Habitat for Humanity to continue to borrow from the Development fund, but without having to return to the RDA for approval of each loan. Staff is proposing capping this at the current \$600,000 that is already loaned out to Habitat in order to preserve remaining funds for other workforce housing developments. The proposed terms of the agreement would be as follows:

1. Habitat may utilize loan funds for any of the remaining undeveloped lots in the Domenica Park subdivision.
2. Habitat for Humanity shall have no more than \$600,000 in construction loans outstanding at any given time.
3. Loan funds can only be disbursed after a building permit has been issued, so long as condition 2 above is met.
4. Interest and principal shall become due upon sale to the selected Habitat family.

Options & Alternatives:
The Redevelopment Authority can adjust any aspect of the proposal, or deny the proposal.

Financial Remarks:
The Redevelopment Authority's Affordable Housing Development Fund has an uncommitted balance of \$1,481,780.62, which has already accounted for the outstanding \$600,000 in Domenica Park construction loans so this proposal would not have impact on this uncommitted balance.

Executive Recommendation:
Staff recommends approval of the proposed construction loan agreement between the Redevelopment Authority and Habitat for Humanity of Waukesha, Jefferson & Rock Counties