

La Crosse Promise Neighborhood Revitalization Program Guidelines and Policy (V5.3)

La Crosse Promise attracts conscientious, education-minded, success-driven families to the City. We seek to reverse the decades-long trend of declining enrollment in the School District of La Crosse and simultaneously rejuvenate the housing market in the City of La Crosse. We welcome families, individuals, and builders/contractors to participate in the La Crosse Promise Neighborhood Revitalization Program. LP encourages participants to work with us to help ensure a smooth process and a great outcome. We have several experts in the building industry who serve on our board and as committee advisors. Please contact us at 608-789-2049 or at **info@lacrossepromise.org** so we can help you get started on your project. The La Crosse Promise Neighborhood Revitalization Program consists of a New Build Program and a Renovate Program for qualified projects within the Powell-Poage-Hamilton (PPH) and Washburn Neighborhoods. The **New Build Program** encourages a prospective homeowner family to build a new (custom) home, or to buy and be the first occupying family of a newly built single family (spec) home. The **Renovate Program** encourages a property owner or developer/builder to invest in a significant (custom) renovation of that property or to buy and be the first occupying family of a newly remodeled single family (spec) home. Guidelines for the programs are as follows:

1. The property must be a residential property located within the PPH or Washburn Neighborhood. This area is bounded on the north by Main Street; on the east by West Avenue; on the south by Green Bay Street and South Avenue; and on the west by Fourth Street.
2. Before construction is initiated, the La Crosse Promise must issue approval of the design of the new home or renovation project.
3. The La Crosse Promise Revitalization programs are designed to encourage single family owner-occupied homes. Therefore the “home owning” family must live in the home. No rental activity is permitted.

A. La Crosse Promise (LP) New Build Program - Options and Requirements:

1. The LP **New Build** Scholarship Program supports construction projects resulting in a final appraised value of at least \$175,000 (including land), and the family or developer/builder contribution shall be a minimum of \$175,000 of personal investment/cash and/or first mortgage. Upon application acceptance a qualified LP New Build Family will be awarded a \$50,000 (maximum) Scholarship.
2. A prospective LP Family may participate in the New Build Program either by contracting to have a new custom home built, or by purchasing a newly built LP eligible spec home and being the first family to occupy the home.

3. LP requires conformance with the City single family design guideline:
<https://www.cityoflacrosse.org/home/showpublisheddocument/3981/637322247436800000>
4. To improve the home's marketability, LP will allow a one-time transfer of the scholarship asset (untapped scholarship) to the next qualified buyer of the home, subject to program rules. An untapped scholarship means no scholarship disbursements have been made.
5. LP Families are asked (but not required) to allow LP to take photos to record progress of the project for the purpose of documenting and illustrating the program's impact.
6. The LP incentive is available only for single-family owner-occupied properties. If at any time the home becomes a rental property, the applicant will forfeit any and all scholarship incentives. In a case where an LP home becomes a rental and Promise scholarship payments have already been made, the LP applicant will be responsible for returning the scholarship dollars to the LP.

B. La Crosse Promise New Build Program - Process Steps:

1. Submit a preliminary application. The LP Committee will determine eligibility and evaluate if the application meets the program's eligibility criteria. Applicants will be notified of their conditional approval within 30 business days of submission. LP will hold the scholarship until the applicant completes the remaining requirements in the stated timeline.
2. Within four months of conditional approval, the LP Build Family must provide a copy of the blueprint/construction appraisal, supporting contractor bids, and/or a copy of a signed contract with a builder/general contractor for the home.
3. Construction must be completed within one year of conditional approval. Upon completion, the LP Build Family must provide proof of long-term financing along with recertification of the home's value, or a second appraisal.
4. If purchasing an LP eligible spec-home from a contractor, the family must provide LP with an LP application, a copy of the deed, and proof of long term financing. The applicant must apply within 60 days of closing on the property.
5. When All of the above documents have been submitted and approved, the family will receive a letter confirming their status as an LP Scholarship Family. Scholarship(s) will be awarded after all LP policies have been met.

C. La Crosse Promise Renovate Program - Options and Requirements

1. Invest \$30,000-\$59,999 in a qualified renovation of a home located in PPH or Washburn Neighborhoods to obtain a \$25,000 scholarship; or, invest \$60,000 or more in a qualified renovation of a home located in the PPH or Washburn Neighborhood to obtain a \$50,000 scholarship.

2. All applicants are required to show detailed and itemized proof of funds expended.
3. The property must have a minimum initial assessment of at least \$60,000 according to county tax records, and a maximum initial assessment of no more than \$175,000. An exception to the \$175,000 maximum may be issued in cases where a rental property is being re-purposed to single family owner occupancy.
4. To participate, the owner needs to obtain a home inspection by a certified home inspector. This report must be included in the LP Renovate application. Critical issues identified in the home inspection will need to be addressed as part of the scope of work. If the applicant is participating in the City Housing Renovation Loan Program or Housing Rehabilitation Program, they may use the City inspection in lieu of a paid inspection. Any repairs identified in the City inspection must be addressed and may not be counted as a qualified renovation.
5. Applicable expenses include project-related design, permit fees, contractor fees, and material costs. Cost for DIY owner-labor, loan fees, and loan interest do not count toward renovation cost.
6. LP requires a minimum of \$5,000 of the renovation investment to be allocated to upgrade the exterior facade of the home. Qualifying external improvements include (but are not limited to): exterior cladding, insulation, new windows, new doors, roofing, sidewalks and steps.
7. LP highly recommends hiring an architect, qualified designer, or qualified contractor to assist in planning the renovation work. Cost of design work (not to exceed 10% of the project) may be counted toward achieving the investment threshold.
8. If a family does not complete one of the above steps within the stated timeline, it loses its LP Renovate status. The applicant may reapply when ready to move forward to complete the steps. In case of demonstrated hardship, an appeal may be made to LP for an extension.
9. To improve the home's marketability, LP will allow a one-time transfer of an untapped scholarship to the home's next qualified buyer, subject to the program's rules. An untapped scholarship means no prior scholarship disbursements have been made.
10. LP applicants are asked to provide "before and after" photos of their renovation project upon request. In addition, LP applicants are asked (but not required) to allow LP to take photos and to record the progress of their project for the purpose of documenting and marketing the program.
11. LP makes this incentive available only for single family, owner-occupied properties. If at any time the home becomes a rental property, the applicant will forfeit any and all scholarship incentives. In a case where a Promise home becomes a rental and LP scholarship payments have already been made, the owner/applicant will be responsible for returning the scholarship dollars to LP.

D. La Crosse Promise Renovate Program - Process Steps

1. Submit a Preliminary Application. Attach a separate page explaining your intended

scope of work for both the interior and exterior of the home. Include a photo of the home's exterior, and a copy of a pre-qualification letter from your lending institution for the amount of the renovation cost that is less than six months old.

2. The LP Operations Committee will determine eligibility and evaluate whether the application supports the program's eligibility criteria. In some cases, outside realtors and appraisers will be asked to evaluate planned improvements to determine if the proposed project will sufficiently increase the home's value. In most cases, applicants will be notified of their selection as a conditionally approved application within 30 business days of submission. LP will hold the scholarship until the applicant completes the remaining requirements in the stated timeline
3. Within four months of being selected as a conditionally approved applicant, the LP Renovate Applicant directs their lending institution to provide LP with a letter confirming they have qualified for financing for that particular location. (If purchasing a newly renovated home, skip to step 5.) A copy of the blueprint/construction appraisal should be submitted to LP, along with copies of the cost break out for the improvements. In addition, supporting contractor bids and/or a copy of a signed contract with a builder/general contractor must be submitted.
4. The LP Renovate Applicant must complete the renovation project within one year of selection. Improvements completed prior to the application approval date will not be considered as part of the improvement costs.
5. Upon completion, the LP Renovate Applicant directs their lending institution to provide LP a letter confirming they have met their bank's requirements and have fulfilled their construction loan obligations. This can generally be completed through a mortgage verification. A copy of the recertification of value, or second appraisal by a licensed/certified source, must also be submitted to LP.
6. Families are also permitted to apply for the LP Renovate Scholarship if they purchase an LP eligible renovated home from a builder/contractor and are the first occupants of that LP Eligible home. If purchasing a newly renovated LP-Eligible home from a builder/contractor who has received LP Renovate Eligibility, the homeowner will provide LP with a Renovate application, proof of financing, and a copy of the deed.
7. When the above documents have been submitted and approved, the applicant will receive a letter confirming their status as a LP Scholarship Recipient. An applicant's scholarship will be awarded after the remaining scholarship and residency policies have been met.

E. Scholarship and Residency Policies for Dependent Children

1. The parent/guardian must reside in the LP home for at least four years before the oldest scholarship recipient can be eligible for a scholarship.
2. LP Scholars must be legal dependents of the home's owner.
3. LP Scholarship recipients must live in the City of La Crosse from grades 9 through 12, at a minimum.

4. The LP Scholar must be enrolled in one of La Crosse's public high schools, or Aquinas or Onalaska Luther High School during all four years of high school, as verified through school records. In the event that a student must withdraw from high school, a GED or HSED must be earned by the age of 21, providing that the student spent the majority of their high school years attending a qualifying high school.
5. If selling the home, the family must continue to remain a resident of the City of La Crosse until the youngest scholarship recipient has graduated from a qualifying high school.
6. If children are added to a family after the initial LP application was submitted, the parent or guardian should register the child with LP within one year of the child's first school attendance.
7. During their high school years, LP Scholars must meet with Future Center Advisors at least twice, complete the FAFSA, and apply for at least three other scholarships.
8. Scholarships must be used for a Federal financial aid eligible graduate or undergraduate program at an institution of post-secondary education in the United States that is regionally accredited.
9. Students must be enrolled full-time (as defined by the college attended).
10. The Scholar submits the Intent to Enroll form to LP upon making the college decision.
11. At the time of college enrollment, the parent or guardian will notify LP as to how their scholarship dollars should be distributed among their dependents. No one student may receive more than \$25,000 total in LP Scholarships.
12. LP Scholarships are designed to support students with up to four years of post secondary education programs. Students attending qualified two-year or four-year post secondary institutions can receive up to \$6,250 per year
13. Each term, LP will send scholarship dollars directly to the college where the LP Scholar is enrolled. The college's financial aid office will include the scholarship as part of the Student's financial aid package.
14. LP Scholars must remain in good academic standing with their college to receive future semester funding. Payments will be withheld until all required documentation is received.
15. Scholarships must be used within 8 years of enrollment. Exceptions include students whose active military duty in the armed forces of the United States interrupted their college attendance, or students who are requested to work for the Federal government during a national emergency. The service member must give notice of intent to return to college no later than 3 years after the completion of the period of service.
16. Scholarships will be set aside for each family for no more than 30 years from the date of the original acceptance letter.
17. The LP Board of Directors has designated the LP Operations Committee as the appeals board to review special circumstances regarding the above guidelines.

F. Scholarship and Residency Policies for Adult Scholarships

1. Adults may begin accessing scholarship dollars on a prorated basis after one full year of occupancy in the completed LP home.
2. The adults will only receive scholarship dollars while they are residing in the LP home. Residency requirements will be confirmed on an annual basis through various methods including city assessment records.
3. For the purpose of this program, an adult scholar is one of the following: at least 24 years old, married, a graduate or professional student, a veteran, a member of the armed forces, an orphan, a ward of the court, or someone with legal dependent other than a spouse, an emancipated minor, or someone who is homeless or at risk of becoming homeless.
4. Adult scholars must be listed on the deed of the LP home.
5. Adult scholarship applicants must have a high school diploma or equivalency.
6. Scholarships must be used for a Federal financial aid eligible graduate or undergraduate program at an institution of post-secondary education in the United States that is regionally accredited.
7. At the time of college enrollment, the adult scholarship applicant will submit the Intent to Enroll form to LP within 3 months prior to the start of the semester. Each term, LP will send scholarship dollars directly to the college where the LP Scholar is enrolled. The college's financial aid office will include the scholarship as part of the student's financial aid package.
8. LP Scholars must remain in good academic standing with their college to receive future semester funding.
9. No one student may receive more than \$25,000 total in LP scholarships
10. Semester (or session) scholarship disbursements will be calculated as (\$25,000) multiplied by (credits enrolled this semester) divided by (total credit hours required for the program), not to exceed the cost of actual tuition and fees for the semester.
11. Scholarships must be used within 8 years of enrollment. Exceptions include students whose active military duty in the armed forces of the United States interrupted their college attendance, or students who are requested to work for the Federal government during a national emergency. The service member must give notice of intent to return to college no later than 3 years after the completion of the period of service.
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