

Title

Approving an award of up to \$140,000 in Community Development Block Grant (CDBG) funds through the Community Development Division's Capital Improvements for Non-profit Housing (CINH) Program to Common Wealth Development, and authorizing the Mayor and City Clerk to enter into an agreement with the agency to implement the specified rehabilitation projects.

Background

The Community Development Division (CDD) heard from nonprofit agencies that own and operate housing properties serving low-to moderate-income households about the negative impacts the COVID-19 pandemic had on their maintenance reserves. Some of their tenants experienced financial hardships during the pandemic and struggled to pay their rents. That deprived the agencies, who already operate on a tight margin, of the funds needed for routine repairs and building maintenance.

On April 30, 2023, the Community Development Block Grant Committee approved program guidelines and authorized CDD to use up to \$2 million of federal Community Development Block Grant (CDBG) funds to support the Capital Improvements for Non-profit Housing (CINH) Program. The program offers funds to non-profit housing providers to help finance certain improvements to residential properties that serve households with incomes at or below 80% of the Dane County Median Income (CMI). Funds were offered through a series of monthly application cycles. To date, the program has awarded, and the Council approved, a total of \$1.87 million of program funds to seven non-profit agencies. The final application cycle yielded 1 application from Common Wealth Development seeking up to \$140,000 to support rehabilitation costs.

Action

WHEREAS, on April 30, 2023, the Community Development Block Grant Committee approved the use of up to \$2 million of federal Community Development Block Grant (CDBG) funds to support the Capital Improvements for Non-profit Housing (CINH) Program; and,

WHEREAS, the CINH Program is consistent with the goals and requirements set forth in the City's 2020-2024 Five-Year Consolidated Plan, formally adopted by the Common Council on February 25, 2020, which guides the use of U.S. Department of Housing and Urban Development (HUD) funds; and,

WHEREAS, any agency awarded funds must follow all CINH Program guidelines including, for example, federal regulations such as Davis Bacon Labor Standards; and,

WHEREAS, CINH funds are offered to agencies in the form of grants; and,

WHEREAS, Common Wealth Development, Inc, a non-profit housing provider, has requested up to \$140,000 in CINH funds to help pay for housing rehabilitation activities at properties it owns; and,

WHEREAS, staff have determined the activities for which Common Wealth Development is seeking CINH funds are eligible for assistance under the Program and recommend awarding up to \$140,000 to meet that request.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council approves the recommended funding allocation to Common Wealth Development, Inc. of up to \$140,000 from the Capital Improvements for Non-profit Housing (CINH) Program; and,

BE IT FURTHER RESOLVED, that the Council authorizes the Mayor and City Clerk to enter into a contract with Common Wealth Development, Inc. and execute, deliver, publish, file and record such other documents, instruments, notices and records, and take such other actions as shall be deemed necessary or desirable to accomplish the purpose of this Resolution, and to comply with and perform the obligations of the City hereunder.