

**2010 STAFF REVIEW OF PROPOSALS FOR
COMMUNITY/NEIGHBORHOOD DEVELOPMENT RESERVE FUNDS
(Housing Development Funds, Affordable Housing Trust Funds, Facility Acquisition/Rehab Funds, Futures
Funds)**

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1. **Project Name/Title:** 2010 Rental Acquisition
 2. **Agency Name:** Housing Initiatives, Inc.
 3. **Requested Amount:** \$432,000
 4. **Project Type:** New or Continuing
 5. **Framework Plan Objective Most Directly Addressed by Proposed Activity:**

D: Rental Housing: Expand the number of affordable rental units and/or improve the quality and/or diversity of units available to lower income individuals throughout the community.

6. **Product/Service Description:**

Housing Initiatives (HII) develops and manages permanent, affordable rental housing for people who are homeless and are also disabled through chronic mental illness. HII acquires and rehabilitates the housing, provides property management, secures rent subsidies for the tenants and ensures the tenants receive case management services.

7. **Anticipated Accomplishments (Numbers/Type/Outcome):**

Funds will provide for the development of additional units of affordable, rental housing for people who are homeless and disabled through chronic mental illness.

8. **Staff Review:**

HII has not selected a site for this project yet. Their preference is to acquire four-unit or duplex units. If they are able to locate a foreclosed property that will be compatible with their program, they may be able to use funds available through the Neighborhood Stabilization program administered through the CDBG Office.

HII has been very successful in managing this type of project and obtaining federal Shelter + Care funds to assist their tenants. They have a waiting list of 200 people who are disabled through chronic mental illness and who are homeless or at risk of becoming homeless. Almost all of Housing Initiatives tenants have incomes below 30% Area Median Income.

Housing Initiatives has applied for \$432,000 in HOME funds to acquire 8 units of housing. Unfortunately the City is only able to provide \$216,000 in HOME funds at this time.

This project would be considered a CHDO activity and make use of the required 15% set aside of HOME funds.

Federal, State and local accessibility requirements apply to construction and rehabilitation of any units.

Total Cost/Total Beneficiaries Equals:

CD Office Funds/CD-Eligible Beneficiaries Equals: \$216,000/approx. 4 = about \$54,000 per unit

CD Office Funds as Percentage of Total Budget:

Staff recommendation:

9. Provide \$216,000 in HOME funds towards the acquisition and/or rehabilitation of at least 4 units of affordable rental housing under the terms of the 2009-2010 Program Funding Framework.

Technical and Regulatory Issues	Project information
Within unit, capital, mortgage limits	Not known
Within Subsidy layering limits/ analysis	Not known
Environmental Review issues	Not known
Eligible project	Yes
Conflict of interest	No
Church/State issues	No
Accessibility of program	Yes
Accessibility of structure	Not Known
Lead-based paint issues	Not known
Relocation/displacement	No
Zoning restrictions	Not known
Fair Labor Standards	No
Vulnerable populations	Yes
Matching Requirement	HOME match
Period of Affordability for HOME funds	Est. 15 years
Site and neighborhood Standards	Not known
Supplanting issues	No
Living wage issues	Yes
B.A.D. building process	N/A
MBE goal	No
Aldermanic/neighborhood communication	Not known
Management issues:	No