

**2009 STAFF REVIEW OF PROPOSALS FOR
COMMUNITY/NEIGHBORHOOD DEVELOPMENT RESERVE FUNDS
(Housing Development Funds, Affordable Housing Trust Funds, Facility Acquisition/Rehab Funds, Futures
Funds)**

1. **Project Name/Title:** North Lawn and Stonebridge Projects
2. **Agency Name:** Movin' Out, Inc.
3. **Requested Amount:** No new funds
4. **Project Type:** New or Continuing

5. **Framework Plan Objective Most Directly Addressed by Proposed Activity:**

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

6. **Product/Service Description:**

Movin' Out is in the process of building two units of affordable rental housing and making accessibility and other improvements to a rental property they own at 402 North Lawn Ave. They are also in the process of acquiring at least 11 condominium units for use as affordable, rental housing for people with disabilities at Stonebridge Condominiums.

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

This project will provide up to 15 units of permanent, affordable rental housing for very low-income people with disabilities.

8. **Staff Review:**

Movin' Out is requesting waivers to two of the requirements in the 2009-2010 Program Funding Framework to allow the previously approved North Lawn and Stonebridge projects to move ahead. No new funds are being requested.

Loan-to-Value Waiver

The building project at 402 North Lawn and the acquisition project at Stonebridge will both require waivers to the framework limit of 115% loan-to-value for properties. Movin' Out is anticipating that the appraised value at both properties will be lower than originally assumed. The loan amounts at the properties will remain the same; at North Lawn because of the extent and cost of construction including accessibility improvements and the existence of a junior mortgage from the original seller. And at Stonebridge because of the cost of accessibility improvements. Although the final appraisals are still pending, Movin' Out believes a loan-to-value limit of up to 140% loan-to-value should be sufficient.

Per Unit Waiver for One Unit at Stonebridge

The CDBG Commission authorized Movin' Out to set aside \$160,000 in previously approved HOME funds for use in combination with HUD 811 funds to acquire 11 condominium units at Stonebridge. The amount of HUD 811 funds they received was more than they needed. Because of this excess funding, MOI can parlay the City HOME funds into an additional unit so they will have 12 condominiums instead of the original 11. However, they expect to exceed the per unit framework limit of \$60,000 for the additional unit by \$5,000. The average investment of HOME funds per unit for all 12 units (\$13,333) will still be well below the per unit limit.

Total Cost/Total Beneficiaries Equals:

No new funds

CD Office Funds/CD-Eligible Beneficiaries Equals:

CD Office Funds as Percentage of Total Budget:

9. **Staff recommendation:**

Authorize Movin' Out, Inc. to exceed the 2009-2010 Program Funding Framework Loan-to-Value limit and allow a loan-to-value limit of up to 140% for both the North Lawn and Stonebridge projects. And, authorize Movin' Out, Inc. to exceed the 2009-2010 Program Funding Framework per unit limit to allow up to \$65,000 for one unit of rental housing at Stonebridge Condominiums.

Technical and Regulatory Issues	Project information
Within unit, capital, mortgage limits	Yes
Within Subsidy layering limits/ analysis	Yes
Environmental Review issues	No
Eligible project	Yes
Conflict of interest	No
Church/State issues	No
Accessibility of program	Yes
Accessibility of structure	Yes
Lead-based paint issues	None known
Relocation/displacement	Temporary relocation for existing tenant at North Lawn
Zoning restrictions	No
Fair Labor Standards	Yes
Vulnerable populations	Yes
Matching Requirement	Yes
Period of Affordability for HOME funds	20 Years for new construction, 5 Years for others
Site and neighborhood Standards	ok
IZ Enhancement Benefits or issues	No
Supplanting issues	No
Living wage issues	No
B.A.D. building process	No
MBE goal	20% at North Lawn
Aldermanic/neighborhood communication	Yes – previously approved
Management issues:	No