

**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:** Rental Acquisition 2009
2. **Agency Name:** Housing Initiatives, Inc.
3. **Requested Amount:** \$432,000
4. **Project Type:** X 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 will acquire and rehabilitate or construct eight units of housing to serve as permanent, affordable rental housing for individuals who are disabled through chronic mental illness and are homeless.

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

Provide permanent affordable rental housing for eight people who are disabled through mental illness.

8. **Staff Review:**

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

HII has not selected a site for this project yet, their preference is to acquire 2 four – unit buildings at different locations. They are in the process of applying for companion funds from WHEDA and through the Neighborhood Stabilization program. Receipt of NSP funds would limit site selection to foreclosed properties.

HII has been successful managing this type of project in the past. 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.

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

Total Cost/Total Beneficiaries Equals:	852,838/8 = 106,605
CD Office Funds/CD-Eligible Beneficiaries Equals:	432,000/8 = 54,000
CD Office Funds as Percentage of Total Budget:	51%

9. **Staff recommendation:**

Approve up to \$432,000 in HOME or Housing Trust Funds as a long term deferred loan under the terms of the 2009-2010 Framework with repayment to include a share of appreciated value. Require that HII identify specific sites by December 31, 2009.

Technical and Regulatory Issues	Project information
Within unit, capital, mortgage limits	TBD
Within Subsidy layering limits/ analysis	TBD
Environmental Review issues	TBD
Eligible project	Yes
Conflict of interest	No
Church/State issues	No
Accessibility of program	Yes. Federal, State and local accessibility requirements apply to construction and rehab.
Accessibility of structure	TBD
Lead-based paint issues	TBD
Relocation/displacement	TBD. Vacant buildings preferred.
Zoning restrictions	TBD
Fair Labor Standards	No
Vulnerable populations	Yes
Matching Requirement	Yes
Period of Affordability for HOME funds	Acquisition/Rehab = 15 years; new construction = 20 years
Site and neighborhood Standards	TBD
IZ Enhancement Benefits or issues	N/A
Supplanting issues	No
Living wage issues	Yes
B.A.D. building process	TBD
MBE goal	N/A
Aldermanic/neighborhood communication	TBD
Management issues:	No