



Legislation Details (With Text)

File #: 30694 **Version:** 1 **Name:** Homebuyers Assistance Budget Amendment
Type: Resolution **Status:** Passed
File created: 6/24/2013 **In control:** BOARD OF ESTIMATES (ended 4/2017)
On agenda: 7/16/2013 **Final action:** 7/16/2013
Enactment date: 7/22/2013 **Enactment #:** RES-13-00548

Title: Amending the budgets of SR56 Housing Rehabilitation Services Fund and SR51 Home-Buy Fund to transfer \$150,000 from SR56 Housing Rehabilitation Services Fund to SR61 Homebuyer's Assistance Fund.

Sponsors: Paul R. Soglin, Sue Ellingson, Scott J. Resnick

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
7/16/2013	1	COMMON COUNCIL	Adopt - 15 Votes Required	Pass
7/8/2013	1	BOARD OF ESTIMATES (ended 4/2017)	RECOMMEND TO COUNCIL TO ADOPT (15 VOTES REQUIRED) - REPORT OF OFFICER	Pass
7/2/2013	1	COMMON COUNCIL	Refer	Pass
6/24/2013	1	Economic Development Division	Referred for Introduction	

Fiscal Note

This resolution amends the budgets of two Special Revenue funds, which are presented annually in the City operating budget, to transfer \$150,000 between the funds to allow each sufficient funding to meet anticipated demand through 2013. The 2013 operating budget provided originally for a transfer of \$150,000 from the Housing Rehabilitation Services Fund (SR56, p. 29 of the 2013 adopted operating budget) to the Home-Buy Fund (SR51, p. 28) as it was anticipated the Home-Buy Fund lacked sufficient funding for anticipated 2013 activity. However, a State Grant award supporting the Home-Buy Fund programs in 2013 is \$110,000 higher than anticipated in the original budget, such that the \$150,000 from the Housing Rehabilitation Services Fund may be reallocated in support of the Homebuyer's Assistance Program Fund, which is essentially depleted of its funding and will have to cease loan activity in 2013 without additional funding. The transfer of \$150,000 should allow the Homebuyer's Assistance Program to function through 2013.

More broadly, funding for the various housing rehabilitation and down payment loan programs is diminishing, such that the Funds cannot be sustained without a longer term plan for additional funding or a modification of the programs, or some combination thereof. (The Economic Development Division anticipates a report on the condition of the Funds, options and recommendations will be released soon.)

The relocation of the transfer of \$150,000 from the Housing Rehabilitation Services Fund to the Homebuyer's Assistance Fund rather than to the Home-Buy Fund has no impact on the City levy.

The budget amendment and entry necessary is as follows:

- SR61-57424 \$150,000 - Increase Homebuyer's Assistance Fund Loan Expenditures
- SR61-79423 (\$150,000)- Increase Homebuyer's Assistance Fund Revenues

SR51-57424 (\$150,000) - Reduce Home-Buy Fund Loan Expenditures
SR51-79423 \$150,000 - Reduce Home-Buy Fund Revenues

Title

Amending the budgets of SR56 Housing Rehabilitation Services Fund and SR51 Home-Buy Fund to transfer \$150,000 from SR56 Housing Rehabilitation Services Fund to SR61 Homebuyer's Assistance Fund.

Body

The 2013 EDD operating budget authorized \$150,000 be transferred from SR56 Housing Rehabilitation Services Fund to SR51 Home-Buy Fund. In 2013 the City was awarded a \$310,000 contract from the State Division of Housing to fund the Home-Buy program. The division anticipated an award of \$200,000 in the 2013 budget. Due to this increased funding for Home-Buy, this resolution would reallocate the transfer of \$150,000 from SR56 Housing Rehabilitation Services to SR61 Homebuyer's Assistance Fund rather than SR51 Home-Buy Fund.

The Homebuyer's Assistance program is seeing increased demand as it is the only loan program the City offers that assists in purchasing and rehabilitating properties in the City of Madison. Also due the number of properties that are in foreclosure in the City has added to demand for this program.

WHEREAS, the 2013 budget provided a transfer of \$150,000 from SR56 Housing Rehabilitation Services Fund to SR51 Home-Buy Fund, and

WHEREAS, a State grant award of \$310,000 provides sufficient funding such that a transfer from SR56 Housing Rehabilitation Services Fund to SR51 Home-Buy Fund is no longer required, and

WHEREAS, SR61 Homebuyer's Assistance Fund is projected to exhaust it's funding during 2013,

NOW, THEREFORE, BE IT RESOLVED that the budgets of SR56 Housing Rehabilitation Services Fund and SR51 Home-Buy Fund be amended to transfer \$150,000 from SR56 Housing Rehabilitation Services Fund to SR61 Homebuyer's Assistance Fund.