



Legislation Details (With Text)

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Title: Adopting Underwriting Guidelines for Community-Development assisted properties at Initial Sale, and authorizing the CDBG Commission to make additional changes as needed

Sponsors: Cindy Thomas, Austin W. King, Brian Benford

Indexes:

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| 6/13/2013 | 1 | Clerk's Office | RECOMMEND TO COUNCIL TO PLACE ON FILE - REPORT OF OFFICER | |
| 5/3/2005 | 1 | CDBG Office | Fiscal Note Required / Approval | |
| 5/3/2005 | 1 | Finance Dept/Approval Group | Refer | |

Fiscal Note

This resolution does not commit any funds; but establishes guidelines for the sale of CD Office funded properties on the initial sale to qualified households. The guidelines do not affect expenditures under the State expenditure restraint program.

Title

Adopting Underwriting Guidelines for Community-Development assisted properties at Initial Sale, and authorizing the CDBG Commission to make additional changes as needed

Body

WHEREAS the Community and Neighborhood Development program provides some funds for community-based agencies to purchase, construct, or renovate housing for sale to eligible homebuyers as part of its overall strategy for community development,

WHEREAS the experience of the Program with these projects have been positive and exemplary in terms of moving people into ownership positions, and helping them retain permanent affordable housing, and resulted in national recognition for such innovative approaches to homeownership as the Operation Fresh Start program, the Madison Area Community Land Trust, Habitat for Humanity, the Common Wealth Lease-Purchase program, the Urban League rent-to-own program, and the Movin' Out program,

WHEREAS the emergence of certain loan originators that emphasize short-term results over long-term financial planning suggests a need for prudent action to protect both the program's public investment and eligible households' positions, THEREFORE BE IT RESOLVED, that the Common Council of the City of Madison hereby adopts the attached underwriting guidelines for Community Development-assisted properties at initial sale, authorizes the CDBG Commission to make any needed changes to these guidelines as it monitors their effect, and directs the Mayor and Staff to incorporate these guidelines into contractual terms with community-based agencies in future projects.