



Legislation Text

File #: 44199, **Version:** 1

Fiscal Note

The proposed resolution authorizes the allocation of \$216,000 in HOME funds to Movin' Out, Inc. Authorization to use the Housing Development Reserve Fund was approved as part of the City's 2016 Adopted Operating Budget. The current balance of HOME funds in the CDD Housing Development Reserve Fund is \$1,418,917. The cost of the project is \$216,000. Should this resolution be approved, the new balance of HOME funds in the CDD Housing Development Reserve Fund would be \$1,202,917.

No additional appropriation is required.

Title

Authorizing an allocation of up to \$216,000 in CDD Housing Development Reserve Funds to Movin' Out, Inc. for the provision of additional down payment assistance to qualified low- to moderate-income homebuyers.

Body

BACKGROUND

Movin' Out, Inc. offers provides down payment assistance to low- moderate-income homebuyers that have disabilities as well as to families that include children with disabilities. The organization provides a significant amount of support and coaching to its homebuyer clients throughout the purchase transaction. Agency staff effectively matches homeowners with other available down payment funding sources, leveraging the City of Madison's Community Development Division (CDD) funds to create an affordable mortgage payment. Its counselors also work in collaboration with a diverse array of organizations and lenders on behalf of its clients, to provide the essential coordination among parties (including the realtor, human services, housing authorities, family, support staff, etc.) that is key to effectively navigating the home-buying process.

During the CDD 2014 summer funding cycle, Movin' Out submitted a proposal for up to \$360,000 to provide homebuyer assistance during the 2015 and 2016 calendar years. The organization was awarded \$180,000 in HOME funds for its 2016 program. That original contract allocation, plus an additional \$42,188 in program income, permitted Movin' Out to serve seven households in 2016. Subsequently, Movin' Out was awarded \$144,000 in HOME funds from CDD's Housing Development Reserve Fund to assist four additional households in 2016.

Over the past 18 years of its CDD-funded program, Movin' Out has assisted an average of 12-15 households annually. If approved, the current supplemental request for \$216,000 would permit the agency to serve an additional six clients during 2016.

ACTION

WHEREAS, the CDD staff and CDBG Committee have reviewed Movin' Out Inc's application for \$216,000 in Housing Development Reserve Funds to be used for down payment assistance, and find that it furthers the affordable housing goals expressed in the 2015-2019 City of Madison Consolidated Plan; and,

WHEREAS, the agency's homebuyer assistance program meets the eligibility criteria set forth under Objective 1.2 ("Housing Assistance") of the City's 2015-2016 Community Development Program Goals and Objectives; and,

WHEREAS, sufficient funds exist within the CDD Housing Development Reserve Fund to provide the

requested additional program support;

NOW, THEREFORE, BE IT RESOLVED, that the Common Council hereby approves the provision of up to \$216,000 in additional funding to Movin' Out., Inc., and authorizes the Mayor and City Clerk to execute an amendment to the 2016 agreement with Movin' Out, Inc. to reflect the terms of this Resolution.