



Legislation Text

File #: 13811, **Version:** 1

Fiscal Note

The proposed project funding is \$432,000, with up to \$392,000 to be funded with Federal HOME or HOME MATCH funds, and up to \$40,000 from Affordable Housing Trust funds. Federal funding is authorized in the CDBG 2009 Adopted Operating Budget, and a distribution of up to \$40,000 from the Affordable Housing Trust Fund is authorized in the 2009 Adopted Operating Budget for the Fund.

Title

Authorizing the provision of HOME, HOME MATCH, or Affordable Housing Trust funds to assist Housing Initiatives with a rental housing project in ways that address City, Community and Neighborhood Development Objectives.

Body

AGENCIES:

Housing Initiatives is a local community-based agency established to acquire, rehab or construct, and manage small scale, scattered site housing for very low income persons who are associated with supportive services. Housing Initiatives owns and manages about 40 units of housing.

PROJECTS:

Having completed its last round of acquisition, Housing Initiatives, is now ready to proceed with the acquisition and possible rehab or construction of 8 additional units of permanent rental housing.

ACTIONS:

WHEREAS, the HOME program, as amended, and its implementing regulations located at 24 CFR Part 92, permit the City of Madison to help community agencies in the provision of housing for low or moderate income households;

WHEREAS, CDBG staff and the CDBG Commission have reviewed this proposal and find that it furthers the goals expressed in the Five-Year Community and Neighborhood Development Plan;

NOW, THEREFORE BE IT RESOLVED, that the Common Council approve the provision of funds for the following project, and authorize the Mayor and the City Clerk to enter into agreements with:

Housing Initiatives or a related affiliate for up to \$432,000, with up to \$392,000 to be funded with Federal HOME or HOME Match funds, and up to \$40,000 to be funded from the Affordable Housing Trust Fund, toward acquisition and related development costs rehabilitation or construction of eight affordable units.

BE IT FURTHER RESOLVED that the assistance be offered on terms adopted in the 2009-2010 Framework for Community and Neighborhood Development, such that the assistance to the organization be offered in the form of a deferred payment loan payable upon change of use or sale, with repayment equal to the greater of the amount of HOME, Home Match or Affordable Housing Trust funds invested in the property or the percent of appraised value that the funds represent in the value of the property.

NOTE: The Proposals describing the above projects and the CDBG staff and CDBG Commission recommendation are available on file in the Council Office and in the CDBG Office.