



Legislation Text

File #: 01056, **Version:** 1

Fiscal Note

\$150,000 in Federal CDBG dollars is available within the Acquisition/Rehab Fund to cover the cost for this project. The project will not impact cost controls.

Title

Authorizing the provision of CDBG Acquisition/Rehab funds to help Centro Hispano acquire property for a new office center facility in a project that addresses City, Community and Neighborhood Development Objectives.

Body

AGENCIES:

Centro Hispano is a community-based non-profit agency started to serve immigrants and other residents within the Madison area to locate or provide appropriate services for the Latino or Hispanic population. The agency has recently expanded the range of its services to address more of the housing and economic development needs of this population.

PROJECTS:

In 2002, the City provided Centro Hispano with \$75,000 to help purchase the former South Police District substation. Over the last several years the agency has grown and developed a number of partnerships with other agencies and businesses within the south Madison area, and has outgrown its current facilities. The agency intends to acquire a nearby building and convert it into office and programming space, as well as include a portion for partner agencies that provide compatible services.

ACTIONS:

WHEREAS, the Community Development Block Grant Program, as amended, and its implementing regulations located at 24 CFR 570.200 ff., permit the City of Madison to help community agencies which benefit lower income persons; and

WHEREAS, CDBG staff and the CDBG Commission have reviewed this proposal and find that it furthers the goals of the CDBG program 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 an agreement with the following agency for the designated activities:

Centro Hispano for up to \$150,000 in CDBG funds toward the acquisition and related development costs of a new site on the south side;

BE IT FURTHER RESOLVED that the assistance be offered on terms adopted in the 2005-2006 CDBG Program Framework, such that the assistance to both will be provided as a deferred payment loan with a pro-rated share of the appreciated value due on sale, or transfer of the property or change of use, and that any repayment of the original principle provided for the current site be applied to the new site in addition to the \$150,000. Any City share of the appreciated amount would be reprogrammed into the Acquisition/Rehab Fund for future projects involving other eligible agencies.

NOTE: The Proposal describing the above project and the CDBG Commission recommendations are available on file in the Council Office and in the CDBG Office.