



Legislation Text

File #: 06983, **Version:** 1

Fiscal Note

The project cost is estimated at \$308,000. \$26,250 will come from the City Affordable Housing Trust Fund, as authorized in the 2007 Adopted Operating budget. The remaining funds are Federal HOME/match funds available within the Housing Development Fund.

Title

Authorizing the provision of HOME/Match and Housing Trust funds to assist Interfaith Hospitality Network to acquire rental housing to serve families in ways that address City, Community and Neighborhood Development Objectives.

Body

AGENCY:

Interfaith Hospitality Network (IHN) is a local community-based agency established to serve homeless families with children unable to succeed within the traditional homeless system. The organization initially used volunteers and the spare space of religious organizations to provide support, basic shelter, and referral. They now serve approximately 60 families each year, coordinating the contributions of over 50 religious and community organizations.

PROJECT:

IHN has partnered with several private rental property owners and religious organizations to place its families in vacant apartments, and to provide support services for up to twenty-four months. Now the organization intends to secure more permanent housing for its families by acquiring four scattered site buildings (approximately 32 units). IHN would provide the units and the supportive services. Meridian Group would provide the property management. These HOME and other funds would be applied to the acquisition of the four buildings, and leverage other privately donated funds to complete the development costs.

ACTION:

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 assistance;

WHEREAS, CD staff and the CDBG Commission have reviewed this proposal and finds 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 an agreement with:

Interfaith Hospitality Network or a related affiliate for up to \$308,000 in HOME, HOME Match, Housing Trust Funds or Scattered Site funds toward acquisition of sixteen apartment units;

BE IT FURTHER RESOLVED that the assistance be offered on terms adopted in the 2007-2008 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 either the HOME, Home Match, or other funds invested in the property or the percent of appraised value that the funds represent in the value of the property.

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