



Legislation Text

File #: 02328, Version: 2

Fiscal Note

The Resolution provides for expenditure of a maximum of \$128,000 of Federal HOME funds which are available within the Housing Development Fund to cover the cost of the project. There is no impact on the tax levy.

Title

SUBSTITUTE - Authorizing the provision of Federal HOME/~~Housing Trust Fund~~ funds to assist Tellurian UCAN develop housing in ways that address City Community and Neighborhood Development Objectives.

Body

Agency:

Tellurian UCAN is a community-based organization that provides case management, housing, and other supportive services to lower income homeless individuals. The group owns and operates the Willy Street SRO (single-room occupancy) building, which provides housing to 8 single men as well as offices for client counseling.

Project:

Tellurian seeks Federal HOME and ~~Housing Trust~~ funds to leverage other Federal housing monies to construct an addition to the existing Williamson Street building. The Council approved the provision of \$352,000 in HOMES funds in November 2003 for this project. Since then, while Tellurian has secured some HUD Supportive Housing Program funds for the project, the contractor has indicated that prices of materials have risen due to the aftermath of Hurricane Katrina, possibly forcing the deletion of such project components as a sprinkler fire alarm system and energy improvements.

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 the HOME program, as amended, and its implementing regulations located at 24 CFR 92.400ff, permit the City of Madison to help community agencies in the provision of housing assistance;

WHEREAS, CD staff and the CDBG Commission have reviewed these proposals and find that they further 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:

Tellurian-UCAN for up to \$128,000 in Federal HOME and ~~Housing Trust Fund~~ funds toward the added costs for development of 8 additional single-room occupancy dwelling units in a multi-unit building;

BE IT FURTHER RESOLVED that the assistance be offered on terms adopted in the 2005-2006 CDBG Program Framework, such that assistance to each 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 CDBG, HOME, and City match funds invested in the property or the percent of appraised value that the CDBG, HOME, and match funds represent in the value of the property.