



Legislation Text

File #: 79129, **Version:** 1

Fiscal Note

The proposed resolution authorizes awarding funding up to \$130,000 to Madison Community Cooperative for capital improvements at their residential property through the Capital Improvements for Non-profit Housing Program. The resolution also authorizes the Mayor and City Clerk to execute the contract. The Community Development Block Grant (CDBG) Committee approved the application. The proposal is consistent with the City's 2020-2024 Five-Year Consolidated Plan. Funding for the projects is included in the Community Development Division's 2023 adopted budget through Community Development Block Grant (CDBG) funds. No additional appropriation is required.

Title

Approving the award of up to \$130,000 in Community Development Block Grant (CDBG) funds through Community Development Division's (CDD) Capital Improvements for Non-profit Housing (CINH) Program to Madison Community Cooperative, and authorizing the Mayor and City Clerk to enter into an agreement with the non-profit agency to implement the specified rehabilitation projects. (District 2)

Body

Background

The Community Development Division (CDD) heard from nonprofit agencies that own and operate housing properties that serve low-to moderate-income households about the negative impacts that the COVID-19 pandemic has had on their maintenance reserves. Some of their tenants experienced financial hardships during the pandemic and struggled to pay for housing. That deprived the non-profits, who already operate on a tight margin, of funds needed for routine repairs and building maintenance.

On April 30, 2023 the Community Development Block Grant Committee approved the program guidelines and the use of up to \$2 million of Community Development Block Grant (CDBG) funds to support the Capital Improvements for Non-profit Housing (CINH) Program. The program makes funds available to non-profit housing providers to help finance certain improvements to residential properties serving households at or below 80% of the Dane County Median Income (CMI). Funds were offered through a monthly application cycle. As of July 25, 2023, three application cycles have occurred. The first awarded approximately \$1.85 million of CDBG funds to six different non-profit agencies (RES-23-00464) and, in June, Movin' Out was awarded \$20,000, leaving \$138,816 remaining in the CINH Program. The third application deadline was July 15th and CDD received a request from 1 agency, Madison Community Cooperative, seeking \$130,000 to support rehabilitation work at 2 different properties.

Action

WHEREAS, on April 30, 2023 the Community Development Block Grant Committee approved the use of Community Development Block Grant (CDBG) funds to support the Capital Improvements for Non-profit Housing (CINH) Program; and,

WHEREAS, the Community Development Division received a request for housing rehabilitation activities from Madison Community Cooperative, a non-profit housing provider, by the July 15th deadline, totaling \$130,000,

and,

WHEREAS, the proposal is consistent with the Capital Improvements for Non-profit Housing (CINH) Program and with the goals and requirements set forth in the City's 2020-2024 Five-Year Consolidated Plan, formally adopted by the Common Council on February 25, 2020, which guides the use of U.S. Department of Housing and Urban Development (HUD) funds; and,

WHEREAS, any agency awarded funds will need to follow all CINH Program guidelines including, for example, federal regulations such as Davis Bacon Labor Standards; and,

WHEREAS, these funds are proposed to be offered to agencies in the form of grants; and,

WHEREAS, staff have determined the activities for which Madison Community Cooperative is seeking CINH funds are eligible for assistance under the Program and recommend offering up to \$130,000 to meet that request.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council hereby approves the funding allocation recommended by CDD staff and the CDBG Committee to Madison Community Cooperative of up to \$130,000 through the Capital Improvements for Non-profit Housing (CINH) program; and,

BE IT FURTHER RESOLVED, that the Council authorizes the Mayor and City Clerk to enter into a contract with Madison Community Cooperative and execute, deliver, publish, file and record such other documents, instruments, notices and records, and take such other actions as shall be deemed necessary or desirable to accomplish the purpose of this Resolution, and to comply with and perform the obligations of the City hereunder.