



Legislation Text

File #: 16984, **Version:** 1

Fiscal Note

Cost of the projects and a portion of the program administration will be covered by the grant and administered through a segregated fund. The City will apply for \$645,000 on behalf of the agencies that are iterated, with a total of \$600,000 for acquisition and/or improvements of at least 10 units, with a maximum grant of \$60,000 per unit. \$45,000 will be retained by the City for administrative expenses.

Title

Authorizing the CDBG Office to submit an application to the State of Wisconsin Dept. of Commerce for Neighborhood Stabilization Program (NSP) Funds on behalf of specific agencies providing housing for lower income households and amending the 2010 CDBG adopted operating budget to recognize \$645,000 in additional expenditure and revenue authority.

Body

The City of Madison has worked closely with a Consortium of community-based non-profit agencies that provide affordable housing for low income households. This Consortium effort resulted in the City sponsorship and administration of a contract with the State of Wisconsin for Neighborhood Stabilization Program (NSP) funds for various projects targeted to foreclosed properties in Madison. The goal of these projects is to acquire foreclosed properties, rehabilitate them and either provide affordable rental homes for lower income families or re-sell the newly rehabilitated homes to lower income households at affordable prices. The State is accepting grant applications for additional funds to be granted to previous recipients who agree to meet similar goals. One part of the State funds will be awarded to a specifically designated region of the State that includes the City of Madison, and one part will be awarded, based upon an open competitive process, to Wisconsin communities which show an ability to utilize these funds for eligible purposes.

Agencies:

Ten of the cooperating agencies that were part of the original application for the NSP funds are interested in applying for these additional funds. The agencies include: The City of Madison, Dane County Housing Authority, Common Wealth Development, Habitat for Humanity of Dane County, Housing Initiatives, Madison Area CLT, Madison Development Corporation, Movin' Out, Operation Fresh Start, and Wisconsin Partnership for Housing Development:

Action:

WHEREAS, the Common Council has adopted a five-year Community and Neighborhood Development Plan which identifies the provision of first-time homebuyer assistance and affordable rental housing for households at less than 50% AMI (Area Medium Income) as critical issues within Madison and outlines a set of goals and strategies to address those issues; and

WHEREAS, the Common Council has supported the stabilization of neighborhoods through the provision of assistance to foreclosed properties as one means of addressing these housing goals; and

WHEREAS, the State of Wisconsin is requesting applications for NSP funds which will be provided as amendments to the existing NSP contracts; and

WHEREAS, the Common Council approved the application for, and acceptance of, State of Wisconsin Neighborhood Stabilization Program Funds in July 2009 which provided for acquisition and rehabilitation of

foreclosed properties in the City of Madison by Consortium members; and

WHEREAS, the CDBG Office staff has worked collaboratively with the members of the Consortium and has developed a list of projects to include in the application for State NSP funding; and

NOW, THEREFORE, BE IT RESOLVED THAT the Common Council approve the submission of an NSP application, acceptance of any awarded State NSP funds, and approve an amendment to the City's contract with State and the various implementing contracts with the members of the Consortium; and

BE IT FINALLY RESOLVED THAT the 2010 adopted CDBG operating budget be amended as follows:
\$645,000 SC01-54920-260000 (Expenditures: Community Agency Contracts)
(\$645,000) SC01-73213-260000 (Revenues: State Grants)

For Agency and Programs, see the attachment.