



Legislation Text

File #: 03427, **Version:** 1

Fiscal Note

\$363,000 in Federal HOME, HOME match, Federal EDI and City Housing Trust funds are available within the Housing Development Fund to cover the costs for this project. (\$25,000 of this amount will come from the City Housing Trust fund.)

Title

Authorizing the provision of HOME, HOME Match, EDI and Housing Trust funds to assist Habitat for Humanity of Dane County to develop housing in ways that address City Community and Neighborhood Development Objectives.

Body

AGENCY:

Habitat is a local community-based agency established to build affordable housing through the use of volunteers and sweat equity from lower income participants who become owners of the constructed housing. The organization is a locally incorporated entity, and affiliated with the international Habitat organization. The organization has constructed over 100 units of housing within the county since its' founding.

PROJECT:

Habitat seeks community development funds to help build 11 single-family detached housing units for income-eligible families. These homes are located in the Twin Oaks subdivision, will be constructed by volunteer teams and sponsoring groups and are in alignment with the original development plan for the area.

ACTIONS:

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; and whereas the City received a Federal EDI grant in 2003 for the development of affordable housing units and whereas M.G.O. 4.22 provides for Affordable Housing Trust funds to assist in the development of new affordable housing units;

WHEREAS, CD staff and the CDBG Commission have reviewed this proposal and find 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:

Habitat for Humanity of Dane County for up to \$363,000 in HOME, HOME Match, EDI and City Affordable Housing Trust funds toward the development of 11 owner-occupied single-family homes;

BE IT FURTHER RESOLVED that the assistance be offered on terms adopted in the 2005-2006 Framework for Community and Neighborhood Development, such that the assistance to the organization (and to the buyer) 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 HOME, Home Match, EDI and City Housing Trust 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.