



Legislation Text

File #: 01651, **Version:** 1

Fiscal Note

Title

Approving a strategy to preserve housing in the Allied neighborhood triggered by a foreclosure action on a City-assisted property, approving the provision of up to \$400,000 in additional CD Office and CDA funds for this strategy, and authorizing the Mayor and the City Clerk to sign agreements to implement this project.

Body

WHEREAS the City Council approved two series of loans in 1992/93 and in 1997 to Friends Community Housing to help them initially purchase and later renovate two 8-units buildings on Allied Drive, and
WHEREAS they have provided over 13 years of affordable rental housing in this area, but are no longer able to sustain their operations, and have offered the buildings up for sale since last fall,
WHEREAS one of the three lenders, Associated Bank, with a \$17,000 mortgage on one property, has started foreclosure proceedings with a Sheriff's sale scheduled for August 16, and the second lender, WHEDA, has expressed interest in working with the City to provide for an orderly transfer of property in a way that will strengthen neighborhood improvement activities in the area, WHEREAS the CDA has expressed interest in owning and renovating these two properties in order to improve and stabilize the quality of existing housing in the Allied neighborhood,
WHEREAS the Mayoral, Planning, and CDBG staff and the CDBG Commission have reviewed the proposal and recommend Council adoption as a way to preserve quality affordable rental housing in the area,
NOW THEREFORE BE IT RESOLVED that the Common Council approve the provision of up to \$400,000 in additional CD Office and CDA funds for purchase and renovation assistance for two 8-unit apartment buildings on Allied Drive according to the terms adopted in the 2005-2006 CDBG Program Framework and authorize the Mayor and the City Clerk to sign an agreement with the CDA to implement this project to prevent the impending foreclosure of one of these properties.