



## Legislation Text

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**File #:** 02327, **Version:** 1

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### **Fiscal Note**

\$75,000 in Federal CDBG funds is available within the Acquisition/Rehab Fund to cover the cost for this project.

### **Title**

Authorizing the provision of CDBG Acquisition/Rehab funds to assist Omega School, Inc. purchase a building on West Badger Road for programming that addresses City Community and Neighborhood Development Objectives.

### **Body**

#### Agency:

Omega School is a community-based organization that provides tutoring and classes for low-income youth and young adults who need additional or special schooling in order to become more successful in job skills and employment. The organization serves over 600 individuals each year.

#### Project:

Omega seeks CDBG funds to leverage other private funds to acquire a building on West Badger Road currently owned by Centro Hispano. Omega would use the building as its primary office location and a site for classroom and tutorial instruction. The location of the school would complement other redevelopment activities in the area and provide Omega with almost double its current space without additional operational costs.

#### 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 that benefit lower income persons;

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:

Omega School, Inc. (or its related subsidiaries) for up to \$75,000 in CDBG Acquisition/Rehab funds toward the purchase and related costs of a building on West Badger Road.

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.