



Legislation Text

File #: 12490, **Version:** 1

Fiscal Note

The Resolution provides for the expenditure of \$50,000 in Federal Home Match funds and \$50,000 from the City Affordable Housing Trust Fund. The 2008 City Adopted Operating budget authorizes a total fund distribution of \$353,695 in 2008. A total of \$206,000 has been previously committed via two authorizing Resolutions. The current balance of the fund is \$4,090,559.

Title

Authorizing the provision of \$50,000 of Federal HOME Match funds and \$50,000 of City Housing Trust funds to assist Common Wealth Development, Inc to acquire and develop the East Wilson Homeownership Program in ways that address City, Community and Neighborhood Development Objectives;

Body

AGENCY

Common Wealth is a community-based agency established by residents of the Wil-Mar neighborhood to undertake housing and economic development projects that enhance the quality of life within the area.

During their 30-year history, Common Wealth has sponsored many development activities, including the construction of affordable rental and for-sale housing, and the development and operation of two successful business incubators.

PROJECT

Common Wealth seeks HOME Match funds to acquire and rehabilitate 2 existing units of owner occupied affordable housing on East Wilson Street. These housing units will be sold at market rate if they are not purchased by Common Wealth. The funds would be used to acquire the two units, rehabilitate them and sell them using Common Wealth's shared equity lease purchase program. The affordability of both units for low or moderate households would therefore be maintained by Common Wealth.

ACTIONS

Whereas, the HOME program, as amended, and its implementing regulations located at 24 CFR 92.400 ff, permit the City of Madison to help community agencies in the provision of housing assistance;

Whereas, CDBG staff and the CDBG Commission have reviewed this proposal and find that it furthers the goals expressed in the 2007/2008 CDBG Program Framework, the Five-Year Community and Neighborhood Development Plan, and contributes to the affordable housing unit benchmark expressed in "Madison Measures";

Now, therefore be it resolved, that the Common Council approve the loan of up to \$50,000 of HOME Match funds and \$50,000 of City Housing Trust Funds for the acquisition, rehabilitation and development costs of 2 units of affordable owner occupied housing,

Be it further resolved that the assistance be offered under the terms of Common Wealth's previously approved lease purchase, shared appreciation program. Further, Common Wealth must complete the project by December 31, 2009.