



Legislation Text

File #: 41214, **Version:** 1

Fiscal Note

Sufficient federal CDBG, HOME and/or HOME Match funds are available for allocation to this project within the Community Development Division's Housing Development Reserve Fund, the authorization for which was approved as part of the City's 2016 Adopted Operating Budget. No additional appropriation is required, and approval of this Resolution will have no impact on the City levy.

Title

Authorizing an allocation of up to \$144,000 in CDD Housing Development Reserve Funds to provide additional down payment assistance to qualified low- to moderate-income homebuyers through Movin' Out, Inc.

Body

BACKGROUND

Movin' Out, Inc. offers a significant amount of support and coaching to its homebuyer assistance clients throughout the purchase transaction. Agency staff effectively matches homeowners with other available down payment funding sources, leveraging the City of Madison's Community Development Division (CDD) funds to create an affordable mortgage payment for LMI families. Its counselors also work in collaboration with a diverse array of organizations (as well as the lender) on behalf of the household, to provide the essential coordination among parties (including the realtor, human services, housing authorities, family, support staff, etc.) to effectively navigate the home-buying process.

During the CDD 2014 RFP process for 2015-2016 funding, Movin' Out submitted a proposal for up to \$360,000 to provide homebuyer assistance. The organization was successfully awarded \$180,000 in HOME funds for its 2016 program. That contract allocation, plus an additional \$42,188 in program income, will permit Movin' Out to serve up to seven households in 2016.

Over the past 18 years of its CDD-funded program, Movin' Out has been able to assist an average of 10-13 households annually. The supplemental \$144,000 being requested, if approved, would permit the agency to serve an additional 4-5 clients during the year, providing up to 12 eligible households with down payment assistance in 2016.

ACTION

WHEREAS, the CDD staff and CDBG Committee have reviewed Movin' Out's submitted proposal, and find that it furthers the affordable housing goals expressed in the 2015-2019 City of Madison Consolidated Plan; and,

WHEREAS, the agency's homebuyer assistance program meets the eligibility criteria set forth under Objective 1.2 ("Housing Assistance") of the 2015-2016 Community Development Program Goals and Objectives; and,

WHEREAS, sufficient funds exist within the CDD Housing Development Reserve Fund to provide the requested additional program support;

NOW, THEREFORE, BE IT RESOLVED, that the Common Council hereby approves the provision of up to \$144,000 in additional funding to Movin' Out., Inc., and authorizes the Mayor and City Clerk to execute an amendment to the 2016 agreement with Movin' Out, Inc. to reflect the terms of this Resolution.

