



Legislation Text

File #: 01055, **Version:** 1

Fiscal Note

Approval would amend a Council approved resolution adopted in September 2004 and provide an additional \$20,000 in Federal ESG funds, available as part of the Housing Development Fund. Expenses will not be counted toward the State expenditure control limits.

Title

Approving additional Federal ESG funds to assist St. Vincent de Paul in completing a housing repair that will serve as transitional housing, and authorizing the Mayor and City Clerk to sign an agreement to implement the project.

Body

BACKGROUND:

Society of St. Vincent de Paul is a local not-for-profit associated with an international organization founded in 1833 and dedicated to charitable works. Services provided by St. Vincent de Paul locally include four thrift stores, giving away \$300,000 worth of furniture, clothing and household items, a service center and food pantry, providing transportation, utility assistance and prescriptions, Port St. Vincent, providing housing for 32 beds for single men, and St. Elizabeth Ann Seton House, providing 10 units for women and children.

PROJECT:

St. Vincent de Paul seeks additional ESG funds to help make some additional repairs for window replacement and siding in its recently acquired the building to better serve women and their children in need of transitional housing.

ACTION:

WHEREAS, the Common Council has adopted a five-year Community and Neighborhood Development Plan which identifies homelessness as a critical issue within the community, and outlines a set of strategies and priorities to address those problems using community-based groups;

WHEREAS, the Common Council authorized application for a portion of the ESG funds as part of the adoption of the year 2004 budget, but reserved some for specific rehabilitation projects to meet emerging needs throughout the year,

WHEREAS, the HOME Program, as amended, and its implementing regulations located at 24 CFR 92.200 ff., permit the City of Madison to help community agencies that create affordable housing for lower income persons; and

WHEREAS the Common Council approved a resolution in September 2004 that provide \$76,000 in HOME funds for acquisition and \$25,000 in ESG funds for repairs to a property to be owned by Port St. Vincent and used as a transitional housing facility for women, but

WHEREAS, CDBG staff and the CDBG Commission have reviewed this proposal for additional funds and find that it furthers the goals of the CDBG program 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 projects and authorize the Mayor and the City Clerk to enter into agreements with:

St. Vincent de Paul for up to an additional \$20,000 in ESG funds to renovate a building for use as transitional housing;

BE IT FURTHER RESOLVED that the assistance be offered on terms adopted in the 2005-2006 CDBG Program Framework, such that the capitalized assistance to the organizations be offered in the form of a deferred payment loan payable upon change of use, transfer, or sale, with repayment equal to the greater of the amount of CDBG, HOME, ESG, and City funds invested in the properties or the percent of appraised value that the CDBG, HOME, ESG, and City funds represent in the value of the properties, but with the exception that the total amount of assistance provided for both acquisition and repairs exceed the Framework limit of \$50,000 per unit by approximately \$12,500, due to the repairs needed.

NOTE: A complete Project Proposal is available in the Council Office or from the CDBG Office by calling 267-0740