



## Legislation Text

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**File #:** 18633, **Version:** 1

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### **Fiscal Note**

No significant fiscal impact is anticipated from this policy change.

### **Title**

Allowing a waiver of the re-sale restrictions for owner occupied properties assisted under the HOME or CDBG loan programs when the City of Madison receives full re-payment of the loans per the terms of the promissory notes or where the City receives payment of the net proceeds of any foreclosure action as required by HUD.

### **Body**

WHEREAS, the CDBG Committee based upon a review of community needs, is recommending the waiver of the re-sale restriction for owner occupied properties assisted with HOME or CDBG funds when such a waiver is requested by the homeowner and is accompanied by full repayment of the CDBG Office loan assistance per the terms of the promissory note for the loan; and

WHEREAS, this recommendation will continue to meet HUD's resale/recapture requirement for HOME funds while meeting the City goals of recapturing funds for future development of affordable housing; and

WHEREAS, allowing these waivers will make the sale and transfer of CDBG Office assisted properties easier for the LMI buyers of those properties;

NOW, THEREFORE BE IT RESOLVED, that the Common Council of the City of Madison, hereby allows the CDBG office to approve any future request for the waiver of the re-sale restriction for CDBG Office assisted properties when the homeowner requests such a waiver and will re-pay the CDBG Office loan per the terms of the promissory note, or where the City receives the full net proceeds available from the sale of a HOME assisted property due to foreclosure.