



Legislation Text

File #: 35044, **Version:** 1

Fiscal Note

Sufficient Federal HOME funds of \$280,000 are available for this project within the Community Development Division's Housing Development Reserve Fund, which was authorized as part of the CD Division's 2014 Adopted Operating Budget.

As no City funds are being requested by this Resolution, there is no effect on the City levy.

Title

Authorizing the Mayor and City Clerk to execute a loan agreement with the Community Development Authority or an affiliate LLC for up to \$280,000 in HOME funds for the development of 8 units of permanent supported housing.

Body

Whereas the Community Development Authority of the City of Madison has requested up to \$280,000 to assist with new construction of 8 units of one-bedroom permanent supported rental housing on their Truax campus as part of the redevelopment of CDA's Truax Park Apartments; and

Whereas the CDA will finance and construct the project, Porchlight,, Inc will operate and manage the building and provide supportive services, including case management, for very-low income individuals who have experienced homelessness or are at a high risk of homelessness; and

Whereas the CDA has committed 8 project based vouchers to the project allowing residents to pay rent equal to 30% of their income; and

Whereas the CDBG Committee has reviewed this proposal and finds that it furthers the goals expressed in the 2010-2014 Five Year Community and Neighborhood Development Plan and the 2014 Action Plan; and

Whereas the successful completion of this project will add 8 units of CDD assisted permanently affordable rental housing which is in high demand by very-low income households who are homeless or at risk of homelessness; and

Whereas consistent with the terms of the Housing Development Reserve Fund for 2014 HOME funds, \$280,000 will be provided as a 0% long-term deferred loan with shared appreciation consistent with the 2013-2014 Goals and Objectives; and

Whereas allocation and disbursement of the \$280,000 in HOME funds would be contingent upon CDA's receipt of financing adequate to complete the project.

Now therefore be it resolved that the Common Council authorize the use of \$280,000 in HOME funds from the Housing Development Reserve Fund for the development of affordable rental housing as described above and according to the loan terms described above, and which will remain affordable per the Housing Development Reserve Fund, and

Be it further resolved that the Common Council hereby authorize the Mayor and City Clerk to execute a Loan Agreement and Documents with the CDA, or an affiliate LLC.

Be it further resolved that the Mayor and the City Clerk are hereby authorized to execute, deliver, publish, file

and record such other documents, instruments, notices and records and take such other actions as shall be necessary or desirable to accomplish the purpose of this Resolution and to comply with and perform the obligations of the City hereunder.