



## Legislation Text

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**File #: 78111, Version: 1**

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### Fiscal Note

The proposed resolution authorizes awarding funding to various community non-profit housing providers for capital improvements at their residential properties. The resolution also authorizes the Mayor and City Clerk to execute agreements and take other actions as needed to accomplish the purpose of the resolution. The six organizations identified in the resolution requested approximately \$1.85 million through the first of a monthly application cycle approved by the Community Development Block Grant (CDBG) Committee on April 20, 2023, and their requests have been approved by the CDBG Committee. The proposals are consistent with the City's 2020-2024 Five-Year Consolidated Plan. Funding for the projects is included in the Community Development Division's 2023 adopted budget through Community Development Block Grant (CDBG) funds. No additional appropriation is required.

### Title

Awarding up to \$1.85 million in Community Development Block Grant (CDBG) funds through Community Development Division's (CDD) Capital Improvements for Non-profit Housing (CINH) Program to six different non-profit housing providers (Common Wealth Development, Madison Area Community Land Trust, Madison Development Corporation, Movin' Out, Porchlight and Project Home) and authorizing the Mayor and City Clerk to enter into agreements with those agencies to implement the specified rehabilitation projects.

### Body

#### Background

The Community Development Division (CDD) has heard from nonprofit agencies that own and operate properties that provide housing to low-to moderate-income households that the COVID-19 pandemic have had impacts to their maintenance reserves. Some of their tenants experienced financial hardship during the pandemic and struggled to pay for housing. That deprived the non-profits, who already operate on a tight margin, of funds needed for routine repairs building maintenance.

On April 20, 2023 the Community Development Block Grant Committee approved the use of up to \$2 million of Community Development Block Grant (CDBG) funds to support the Capital Improvements for Non-profit Housing (CINH) Program. The program will make funds available to non-profit housing providers to make certain improvements to residential properties that serve households at or below 80% of the Dane County Median Income (CMI). Funds were to be made available through a monthly application cycle. The first application deadline was May 15<sup>th</sup> and CDD received requests from 6 agencies, totaling about \$1.85 million to support rehabilitation work at 46 different properties.

#### Action

WHEREAS, on April 20, 2023 the Community Development Block Grant Committee approved the use of Community Development Block Grant (CDBG) funds to support the Capital Improvements for Non-profit Housing (CINH) Program; and,

WHEREAS, the Community Development Division received requests for housing rehabilitation from 6 non-profit housing providers by the May 15<sup>th</sup> deadline, totaling about \$1.85 million, and staff recommend funding all eligible activities as follows:

- Common Wealth Development, up to \$122,900
- Madison Area Community Land Trust, up to \$520,000
- Madison Development Corporation, up to \$681,929
- Movin' Out, up to \$95,800
- Porchlight up to \$402,555
- Project Home, up to \$18,000; and,

WHEREAS, all of these proposals are consistent with the goals and requirements set forth in the City's 2020-2024 Five-Year Consolidated Plan, formally adopted by the Common Council on February 25, 2020, which guides the use of U.S. Department of Housing and Urban Development (HUD) funds; and,

WHEREAS, agencies will need to follow all CINH Program guidelines including, for example, federal regulations such as Davis Bacon Labor Standards; and,

WHEREAS, these funds are proposed to be offered to agencies in the form of grants.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council hereby approves the funding allocations as recommended by the CDBG Committee and described herein; and,

BE IT FINALLY RESOLVED, that the Council authorizes the Mayor and City Clerk are to execute, deliver, publish, file and record such other documents, instruments, notices and records, and take such other actions as shall be deemed necessary or desirable to accomplish the purpose of this Resolution, and to comply with and perform the obligations of the City hereunder.