

# Council Communication

Office of the City Manager

**Date:** April 25, 2016

16-212

Agenda Item No. 36 Roll Call No. 16-686

Communication No.

Submitted by: Phillip Delafield,

Community

**Development Director** 

### **AGENDA HEADING:**

Approval of contract with Home Opportunities Made Easy, Incorporated (dba HOME, Inc.) for operating support as a designated Community Housing Development Organization (CHDO) under the Home Investment Partnership Program (HOME).

## **SYNOPSIS:**

- HOME, Inc. has submitted information on staff expertise, and board and by-law structure showing that it is eligible to be a certified CHDO under the HOME Program.
- Of the City's HOME allocation, 15% is required to be set-aside for CHDO's.
- In addition, a CHDO is eligible to receive funding for administrative and operating costs and is eligible to retain the proceeds resulting from the CHDO's investment of its CHDO set-aside funds to further housing for low and moderate-income households.

# **FISCAL IMPACT:**

Amount: \$36,378

Funding Source: Special Revenue Funds HOME Grants CHDO 2015

#### ADDITIONAL INFORMATION:

- On December 7, 2009, by Roll Call No. 09-2191, Home, Inc. was first designated as a CHDO for purposes of the HOME Program. The organization has submitted information to staff to show that it continues to qualify as a CHDO for 2016. The Executive Director of HOME, Inc. is Pam Carmichael. The offices are located at 1111 9<sup>th</sup> Street in the United Way Building.
- Cities participating in the HOME Program are required to set aside a minimum of 15% of their HOME allocation for use by CHDO's and may allocate up to 5% of the annual HOME program funding for CHDO operating.
- The CHDO operating contract with HOME, Inc. is for \$36,378 and is eligible for such costs as rent, salaries, insurance, and employee education. The requirements and limitations on the receipt of these funds by CHDO's are set forth in 24 CFR 92.200(e) and (f).
- The funding shall be used by HOME, Inc. for expenses between the dates of January 1, 2016 to December 31, 2016.
- HOME, Inc. will also use \$210,000 of HOME funds for the construction of six (6) housing units in the Birdland Area to be built in the summer of 2016.

• HOME, Inc. has completed or is completing three (3) single-family houses over winter and will be ready for occupancy in spring 2016: 1600 Capitol Avenue, 1427 Penn Avenue, and 1445 9<sup>th</sup> Street.

## **PREVIOUS COUNCIL ACTION(S):**

Date: November 3, 2014

Roll Call Number: 14-1711 and 14-1712

<u>Action</u>: Agreements with Home Opportunities Made Easy, Inc.: (<u>Council Communication No. 14-527</u>)

- (A) <u>Contract</u> for operating support as a Designated Development Community Housing Development Organization under the Home Investment Partnership Program. Moved by Gray to adopt. Motion Carried 7-0.
- (B) <u>Home</u> Investment Partnership Program Agreement for development of a single-family home at 1445 9<sup>th</sup> Street using Community Housing Development Organization set-aside funds and retention of proceeds for additional affordable housing activities. Moved by Gray to adopt. Motion Carried 7-0.

## **BOARD/COMMISSION ACTION(S):**

Board: Neighborhood Revitalization Board

Date: March 2, 2016

Resolution Number: NA

Action: Approval of recommended HOME allocations.

#### ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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