

EM SUBMISSION NO.: EM110832015

PRESENTED: 3-2-15

ADOPTED: 3-5-15

Resolution to establish a CDBG project account in the amount of \$50,000 for the purpose of providing gap financing, and closing cost assistance to low income families interested in purchasing available NSP homes

BY THE EMERGENCY MANAGER:

The City of Flint received Neighborhood Stabilization Program (NSP1) funds from the U.S. Department of Housing and Urban Development for the purpose of stabilizing distressed neighborhoods through the acquisition, rehabilitation, and resale of vacant and foreclosed homes. Several properties are currently being rehabilitated with funding authorized through this program, using a combination of NSP1 and CDBG funds.

The City has several housing units for sale and has accepted purchase agreements on some of them. The City's NSP program requires that buyers be at or below 50% of median family income. Some of these buyers require assistance with closing costs or gap financing to make the homes affordable. The City has identified that CDBG funds is an appropriate source of funds for this assistance.

This resolution establishes a project account for the purpose of providing assistance to eligible homebuyers.

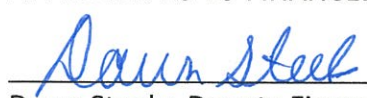
DCED wishes to amend its budget by moving \$50,000 from revenue and expense accounts FHUD13CDBG 274-748.101-502.748 and FHUD13CDBG 274-748.101-700.100 to revenue and expense accounts FHUD13CDBG 274-748.142-502.748 and FHUD13CDBG 274-748.142-805.301 to make funds available for assistance.

IT IS RESOLVED, that the Emergency Manager authorizes the DCED's requested budget amendment of \$50,000 from revenue and expense accounts accounts FHUD13CDBG 274-748.101-502.748 and FHUD13CDBG 274-748.101-700.100 to revenue and expense accounts FHUD13CDBG 274-748.142-502.748 and FHUD13CDBG 274-748.142-805.301, for the purpose of establishing a CDBG project account to provide gap financing and closing cost assistance to low income families interested in purchasing available NSP homes.

APPROVED AS TO FORM:


Peter M. Bade, Chief Legal Officer

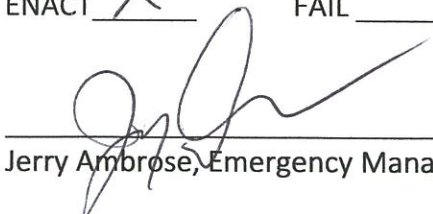
APPROVED AS TO FINANCE:


Dawn Steele, Deputy Finance Director

EM DISPOSITION:

ENACT X FAIL _____

DATED 3/5/15


Jerry Ambrose, Emergency Manager

RESOLUTION STAFF REVIEW FORM

DATE: 2/17/15

Agenda Item Title:

Resolution to establish a CDBG project account in the amount of \$50,000 for the purpose of providing gap financing, and closing cost assistance to low income families interested in purchasing available NSP homes.

Prepared By:

Suzanne Wilcox, Program Manager
Department of Community and Economic Development

Background/Summary of Proposed Action: The City of Flint received Neighborhood Stabilization Program (NSP1) funds from the U.S. Department of Housing and Urban Development for the purpose of stabilizing distressed neighborhoods through the acquisition, rehabilitation, and resale of vacant and foreclosed homes. Several properties are currently being rehabilitated with funding authorized through this program, using a combination of NSP1 and CDBG funds.

The City has several housing units for sale and has accepted purchase agreements on some of them. The City's NSP program requires that buyers be at or below 50% of median family income. Some of these buyers require assistance with closing costs or gap financing to make the homes affordable. The City has identified that CDBG funds is an appropriate source of funds for this assistance.

This resolution establishes a project account for the purpose of providing assistance to eligible homebuyers.

Financial Implications: Approval of this resolution will allow the sale of the NSP1 homes to continue, the City to complete and close out activities and the NSP1 grant.

Budgeted Expenditure: Yes ☒ No ☐ Please explain, if no:

Reviewed and approved by C. Dotson _____

FROM:

Expense account number: FHUD13CDBG 274-748.101-700.100

Revenue account number: FHUD13CDBG 274-748.101-502.748

TO:

Expense account number: FHUD13CDBG 274-748.142-805.301

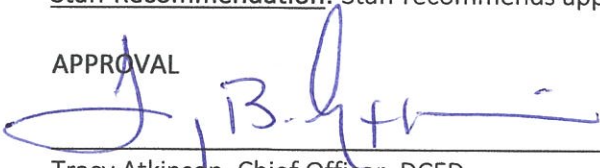
Revenue account number: FHUD13CDBG 274-748.142-502.748

Pre-encumbered: Yes ☒ No ☐ Requisition # 140000143

Other Implications: No other implications are known at this time.

Staff Recommendation: Staff recommends approval of this resolution.

APPROVAL



Tracy Atkinsn, Chief Officer, DCED