

CDBG-DR Amendment No. 6

Home Reconstruction on City-Owned Lots

Council Action:

Approve Substantial Amendment No. 6 to the Community Development Block Grant – Disaster Recovery (CDBG-DR) Action Plan to include a new housing program – **Reconstruction of Homes on City-Owned Lots (RCOP).**

Single-Family Owner-Occupied – CDBG-DR Housing Program

Housing Rehabilitation: less than \$45,000 in damage and less than 50% in total damages

Housing Reconstruction – at least 50% in total damages

Homeowners

Some homeowners are eligible for CDBG-DR reconstruction of their homes, but their property is not located on land that is eligible for rebuild.

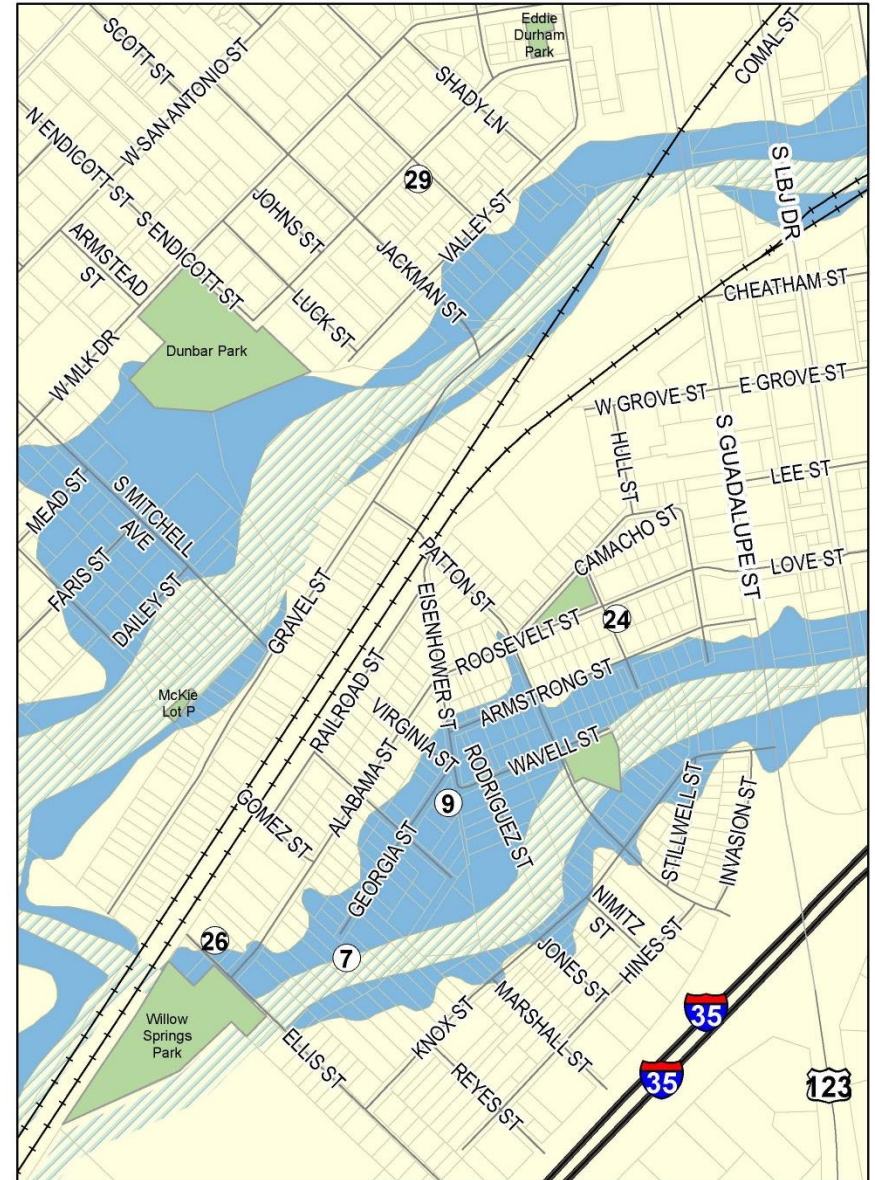
- The property is located in a FEMA designated Floodway.



- The property is manufactured housing located on land not owned by the applicant.

City-Owned Lots and Workforce Housing

1. Strategic Goal - Workforce Housing
2. Desire to create affordable housing
3. Maintain affordable housing
4. Resource - Inventory of Lots
5. Requesting 5 lots
 - (7) 811 Alabama Street
 - (9) 607 Georgia Street
 - (24) 227 Roosevelt Street
 - (26) 330 Ellis Street
 - (29) 603 Centre Street



Dept. of Housing and Urban Development – CDBG-DR Program

- Goal – Flood recovery assistance
- Resource – Funds to rebuild damaged homes
- Complex Program - Fundamental Requirements:
 - Applicants - Low-moderate income households
 - Impacted by the floods of 2015
 - Choice



Balancing Stakeholder Goals

- Homeowners affected by floods
- City Workforce Housing goals
- CDBG-DR federal requirements



Solution – Expand CDBG-DR Housing Program

- ✓ Approve the CDBG-DR Reconstruction of Homes on City –Owned Lots Program (RCOP).
- ✓ Applicants sign a deferred forgivable loan for 30 years.
- ✓ Applicants sign a land use agreement that will:
 - Provide a First Right of Refusal to the City if Owner sells within 30 year period.
 - Limits the sale of the Property to Low-Moderate Income Households for 30 years with City’s approval.
 - Requires a payback to the City for any years where a Low-Moderate Income Household does not occupy the home.
 - Must be occupied by the homeowner. (Property can not be rented.)

