

Item 23-0448: Request to award the American Rescue Plan Act - Affordable Housing Project Grant to Greater Fox Cities Habitat for Humanity, Inc. for an amount of \$200,000

Finance Committee

Mon, Apr 24, 2023 5:30PM

Alderman Brad Firkus (District 3) 19:37

Next is 23-0448 request to award the American Rescue Plan Act, Affordable Housing Project grant to greater Fox Cities Habitat for Humanity Incorporated for an amount of \$200,000.

Alderman Chris Croatt (District 14) 19:52

Move to approve.

Alderman Denise Fenton (District 6) 19:52

Second.

Alderman Brad Firkus (District 3) 19:53

Alright. We have a motion and a second. Director Homan. Three? Okay. There we go.

Director Kara Homan (Community And Economic Development) 20:00

Alright. So, this is the second of two grant applications that we received from a ARPA housing production grant solicitation process that was released late last fall. We have been working proactively with habit—with the greater Fox Cities Habitat for Humanity, Inc. to vet their project, and their initial request was to construct seven new homes for low to moderate income individuals, which ARPA defines as below 65% of average median income in high opportunity areas. Four of them initially proposed were Habitat for Humanity owned sites and three were on future to be determined lots.

Director Kara Homan (Community And Economic Development) 20:43

Their initial request would have had the city's contribution of ARPA funds at about \$142,158 per unit. Internally, we took a look at that and how that compared to the city's per unit contribution that we provided to RISE in the form of an ARPA award as well as a TIF incentive payment, and RISE, when you applied the city's contribution against the number of low to moderate income units, we were contributing just shy of \$40,000 per unit. So, we've been in discussions with Habitat for Humanity and have mutually agreed to a rescope grant award, which would be to construct four new homes, three of which would be at the existing Habitat for Humanity owned sites at 530 North Locust Street, 2501 north Mead, and 2322 1/2 Prospect Avenue. And then one would be at a to be determined future site with an award of \$50,000 per unit or \$200,000 total, which would be a contribution to a total project cost of about \$875,000.

Director Kara Homan (Community And Economic Development) 21:56

So, staff is recommending approval for those three addresses stipulated in the bullet points in your memo as well as a fourth site at a to be determined purchase location. I'd be happy to answer any questions.

Alderman Brad Firkus (District 3) 22:09

All right, thank you. Anyone? Alder Hartzheim.

Aldersperson Sheri Hartzheim (District 13) 22:12

Alder Alfheim had a...

Aldersperson Brad Firkus (District 3) 22:15

Alder Alfheim?

Aldersperson Sheri Hartzheim (District 13) 22:16

Maybe not. I thought she had her hand up. Oh, sorry.

Aldersperson Brad Firkus (District 3) 22:18

Oh, well, then Alder Hartzheim.

Aldersperson Sheri Hartzheim (District 13) 22:20

Thank you. One of the Heims.

Unknown Person 22:22

You have to get this right.

Aldersperson Sheri Hartzheim (District 13) 22:26

Thank you, may I direct my comments to Director Homan? Director Homan, originally they had asked for almost a million dollars. We got them to \$200,000?

Director Kara Homan (Community And Economic Development) 22:36

Yes.

Aldersperson Sheri Hartzheim (District 13) 22:37

How—would we be able to support more Habitat for Humanity growth? Why were we—I mean, I see what you're trying to do as far as make it an even Steven getting to per unit. But if we were going to say \$50,000 per unit, couldn't we make it six units? Couldn't we make it?

Director Kara Homan (Community And Economic Development) 22:57

So, one of the units that they had initially applied for is already under construction. We had concerns as to whether that was already that—whether that would be eligible and be able to document compliance with our procurement requirements. So that would leave us with six. Is your question: should we have contributed to something more per unit?

Aldersperson Sheri Hartzheim (District 13) 23:16

No, not more per unit, but more in general, because they were asking for a million dollars, and we are giving them, in this proposal, 200,000. We've got room to give them more.

Director Kara Homan (Community And Economic Development) 23:27

We do in terms of total funding. What we were trying to do was provide a balance of funding per unit that we felt was in alignment with other awards we've given. We did—I'll be honest, we did initially offer to fund up to seven at 50,000 per unit. That would require them to do additional fundraising beyond what they felt they could commit to at this time. So, the agreement of four was something that they had suggested.

Director Kara Homan (Community And Economic Development) 23:59

Could the Council approve something greater? You know, ultimately, you're the policy makers. I'm just providing a recommendation that I feel is fair and equitable in terms of how we've approached the other award.

Aldersperson Sheri Hartzheim (District 13) 24:11

Well, I think the fact that you sort of negotiated through this with the grantee is a great thing, and we got to a point where we can, have established that that's a great thing. But I'm—I was concerned about maybe we could go to four units or five units, six units, you know that...

Director Kara Homan (Community And Economic Development) 24:29

So that the four units is the maximum they felt comfortable doing with the city's contribution of \$50,000.

Aldersperson Sheri Hartzheim (District 13) 24:35

And their fundraising efforts.

Aldersperson Sheri Hartzheim (District 13) 24:37

Correct. Perfect. Thank you.

Aldersperson Brad Firkus (District 3) 24:40

All right. Anyone else? alder Fenton.

Aldersperson Denise Fenton (District 6) 24:44

Thank you chair. Can I direct my question? Director Homan (and if this is out of line and you can't answer it, let me know), what are our plans for opening grants again for that? If I my math is correct, we still have 1.8 million left of the 3 million that was allocated for affordable housing. Do we have plans to open another application period?

Director Kara Homan (Community And Economic Development) 25:12

So, there's no immediate plans, but the Mayor has tasked me with coming up with a strategy for all of the ARPA allocations, including housing. So, more to come, but it is something we're working on.

Aldersperson Denise Fenton (District 6) 25:23

All right. Thank you.

Director Kara Homan (Community And Economic Development) 25:24

Yep.

Aldersperson Brad Firkus (District 3) 25:25

Okay, anyone else? Seeing none, go ahead and vote. All of those in favor? Aye. Opposed? Abstentions? Motion passes five to zero.