



City of Grand Island

Tuesday, February 24, 2004

Council Session

Item E2

**Public Hearing on Affordable Housing Trust Fund Grant from the
Nebraska Department of Economic Development**

Staff Contact: Joni Kuzma

Council Agenda Memo

From: Joni Kuzma

Meeting: February 24, 2004

Subject: Public Hearing for Affordable Housing Trust Fund Grant from the Nebraska Department of Economic Development

Item #'s: E-2 & G-12

Presenter(s): Joni Kuzma

Background

The Nebraska Department of Economic Development allows Homeownership Assistance, through grants to municipal organizations and non-profit agencies, to facilitate and expand homeownership among persons of low-to-moderate income. Such assistance may include subsidizing interest rates and mortgage principal amounts for low-and moderate-income homebuyers; provide down payment required for low-and moderate-income homebuyers; or pay reasonable closing costs (normally associated with the purchase of a home) incurred by low-and moderate-income homebuyers. A public hearing is required prior to submission of an application to the Nebraska Department of Economic Development to solicit public comment and input into the proposed project and grant application.

Discussion

The Nebraska Department of Economic Development will accept applications through the Affordable Housing Trust Fund program up to March 1, 2004 for grant funding for down payment assistance to low-to-moderate income, first-time homebuyers. Lincoln, Nebraska Developer, Fred Hoppe, has prepared an application for submittal to the Nebraska Department of Economic Development through the City of Grand Island, as an eligible municipal corporation, for \$300,000 in grant funding for approximately 15 low-to moderate- income home buyers. The grant will provide direct home buyer assistance for first-time homeowners in El Huerto Subdivision, as proposed by Mr. Hoppe in the Community Development Block Grant project area, generally known as northeast Grand Island.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the housing application and give approval for the Mayor to sign all related documents.
2. Disapprove or /Deny the housing application.
3. Modify the application proposal to meet the wishes of the Council
4. Table the issue

Recommendation

City Administration recommends that public comment be solicited regarding the proposed application and that Council gives approval to the housing application and gives approval for the Mayor to sign all related documents.

Sample Motion

Approve the submission of the proposed application and authorize the Mayor to sign all related documents.