



Department Source: Community Development - CDBG/Home

To: City Council

From: City Manager & Staff

Council Meeting Date: February 20, 2023

Re: Resolution authorizing a Community Housing Development Organization (CHDO) agreement with Central Missouri Community Action to build two houses using FY 2020 & FY 2021 HOME CHDO set-aside funds

Executive Summary

Approval of the attached resolution authorizes an agreement with Central Missouri Community Action (CMCA), acting as COMO-CHDO, a Community Housing Development Organization (CHDO), to build two houses for low-income households at 210 and 212 Hickman Avenue. CMCA/COMO-CHDO will use \$95,000 in FY 2020 HOME funds and \$90,000 in FY 2021 HOME funds to construct the houses.

Discussion

The City receives an annual allocation of HOME Investment Partnerships ("HOME") funds from the U.S. Department of Housing and Urban Development. The City is required by program rules to set aside a minimum of 15 percent of its annual allocation of HOME funds for Community Housing Development Organizations ("CHDOs") as that term is defined by HUD (briefly, a CHDO is a "*private non-profit, community-based organization that has staff with the capacity to develop affordable housing in the community it serves.*"). Central Missouri Community Action maintains a CHDO, known as COMO-CHDO. In late 2022, Housing Programs staff released a Request for Proposals inviting CHDOs to propose projects for the use of FY 2020 and FY 2021 HOME CHDO set-asides, a total of \$185,000. CMCA/COMO-CHDO submitted a proposal to build two houses affordable to households of low-income on two lots that had been acquired by the City in 2019 for the purpose of constructing new affordable, energy-efficient housing.

Approval of the resolution will authorize the City Manager to sign the attached agreement with Central Missouri Community Action. The city will be obligated to donate the two city-owned lots to COMO-CHDO and pay COMO-CHDO the sum of \$185,000 to subsidize the construction of two two-bedroom, one-bath houses according to the proposal. Preparation of appropriate documents transferring titles will follow execution of the agreement.

The CMCA/COMO-CHDO proposal (attached) was reviewed by the Housing and Community Development Commission on January 11, 2023. The Commission recommended allocating \$95,000 in FY 2020 and \$90,000 in FY 2021 HOME CHDO set-aside funds to CMCA/COMO-CHDO, provided the organization donates the land to the Columbia Community Land Trust or comparable organization preserving long-term affordability.



Fiscal Impact

Short-Term Impact: \$185,000 in budgeted HOME funds

Long-Term Impact: None

Strategic & Comprehensive Plan Impact

[Strategic Plan Impacts:](#)

Primary Impact: Resilient Economy, Secondary Impact: Inclusive Community, Tertiary Impact: Tertiary

[Comprehensive Plan Impacts:](#)

Primary Impact: Livable & Sustainable Communities, Secondary Impact: Mobility, Connectivity, and Accessibility, Tertiary Impact: Not Applicable

Legislative History

Date	Action
September 16, 2019	Ordinance 024026 authorizing the acquisition of 210 and 212 Hickman
May 4, 2020	Resolution R63-20 approving amendments to the 2020-2024 Consolidated Plan and the FY 2020 CDBG and HOME Annual Action Plan (including 15 percent CHDO HOME funds set-aside)
April 19, 2021	Resolution R65-21 approving the FY 2021 CDBG and HOME Annual Action Plan including the 15 percent CHDO HOME funds set-aside

Suggested Council Action

Approval of the resolution