city of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: Housing & Neighborhood Services
To: City Council
From: City Manager & Staff
Council Meeting Date: April 20, 2026
Re: Resolution authorizing a FY 2025 Home Investment Partnerships (HOME) program funding agreement with Show-ME Central Habitat for Humanity.
Impacted Ward: Ward 3

Executive Summary

Attached for Council consideration is a resolution authorizing a FY 2025 HOME funding agreement with Show-Me Central Habitat for Humanity in the amount of $75,000 ($37,500 for each unit) to construct two, single-family, owner-occupied affordable housing units in Columbia, Missouri.

Discussion

On November 4, 2024, the City Council approved the FY 2025 CDBG and HOME Annual Action Plan. The plan allocated $75,000 in HOME funds to Habitat for Humanity to construct two, single-family, owner-occupied affordable housing units in Columbia, Missouri for housing low-income households. On November 3, 2025 the City Council passed an ordinance to execute federal award agreement with the U.S. Department of Housing and Urban Development (HUD) for FY 2025 HOME funds in the amount of $493,820.06.

The $75,000 in HOME funds will be used by Habitat for Humanity to construct two, three-bedroom houses at 3705 and 3706 Ramble Drive, located in the Boone Prairie subdivision in Columbia, Missouri. The Boone Prairie subdivision is a 50-lot affordable housing subdivision located off Brown Station Road. For each of the lots in the subdivision, Habitat will work with partner families, community members and contractors to build single-family homes. Partner families are required to put sweat equity into their home and pay back an affordable mortgage. Home purchases are typically split into two mortgages, both provided by Show-Me Central Habitat for Humanity. The first mortgage is in the form of a 30-year 0% interest loan and the second mortgage is forgiven over the same period. The target populations for Habitat homes are households making 30-60% of the area median income (AMI). Declarations of Land Use Restriction Covenants in favor or Missouri Housing Development Commission are recorded for the property that require a ten-year affordability period, which is the same affordability period required by the HOME program.

The $75,000 in HOME funding will be provided in the form of a 10-year loan to repaid without interest upon sale or use of the property for a purpose that does not comply with the requirements of the agreement. Upon expiration of the loan term, and provided the City has not previously declared a default, the loan shall be automatically forgiven. The housing unit being financed has an affordability period of not less than ten (10) years.

Fiscal Impact

Short-Term Impact: $75,000 in budgeted HOME funds.
Long-Term Impact: N/A

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:
Primary Impact: Inclusive and Equitable Community, Secondary Impact: Resilient Economy, Tertiary Impact: Not Applicable
Comprehensive Plan Impacts:
Primary Impact: Livable & Sustainable Communities, Secondary Impact: Economic Development, Tertiary Impact: Not Applicable

Legislative History

Date	Action
November 3, 2025	B278-25 Council passed an ordinance to execute a federal award agreement with the U.S. Department of Housing and Urban Development (HUD) for FY 2025 HOME funds in the amount of $493,820.06
November 4, 2024	Public Hearing and R93-124 adopted approving the FY 2025 Annual Action Plan for CDBG and HOME Funds

Suggested Council Action

Approval of the resolution.