

Outline of 2006 Housing Cost Reduction Initiative (HCRI) Grant Application

The Department of City Development proposes to apply for a \$127,000 Housing Cost Reduction Initiative (HCRI) grant to support homeownership in the Northside and Southside Weed and Seed areas. The funds, which are administered by the Wisconsin Department of Commerce's Bureau of Housing, will provide a 1:1 match, up to \$2,000, for participants in the Weed and Seed Individual Development Account (IDA) program; pay customary closing costs, up to \$1,000; pay for the first year's property insurance; pay utility-related deposits or hookup charges; and pay for home inspections, lead-based paint hazard risk assessments, and energy audits. Fifteen percent of the grant will be reserved for program administration. The grant period is projected to be from October 1, 2006 through December 31, 2008 and 25 households are expected to benefit. A program budget is shown below.

Activity	Amount
IDA Match	\$50,000
Closing Costs	25,000
Property Insurance	8,000
Utility Security Deposits/Hookup Charges	5,000
Home Inspections, Risk Assessments, etc.	20,000
Program Administration	19,000
TOTAL	\$127,000

Application for the HCRI grant will be made simultaneously with the City's application for IDA funding, which was approved by the Common Council in January, 2006.