

**Request for City Council Committee Action from the Department of Community Planning and Economic Development - CPED**

Date: May 18, 2010

To: Council Member Lisa Goodman, Chair, Community Development Committee  
Council Member Betsy Hodges, Chair, Ways & Means/Budget Committee

Subject: Approval of administrative funding for Neighborhood Stabilization Program (NSP) loans

**Recommendation:** Approve the following:

1. Amend the 2010 General Appropriation Resolution by increasing the Community Planning and Economic Development agency Fund 01SRF – Residential Finance (01SRF-8900220) appropriation by \$55,000 from the available fund balance;
2. Authorize an amendment to the Greater Metropolitan Housing Corporation contract to add \$55,000 to cover loan administration costs.

**Previous Directives:**

On March 23, 2010 the City Council approved the Minneapolis Advantage Program – NSP to allow loans to be closed for the buyers of houses renovated under NSP.

Prepared by: Mark S. Anderson, Senior Contract Management Specialist
Approved by: Thomas Streitz, Director of Housing Policy and Development _____
Charles T. Lutz, Deputy CPED Director _____

Presenter in Committee: Mark Anderson

**Financial Impact**

  X   Action requires an appropriation increase to the Capital Budget \_\_\_\_\_ or Operating Budget   X  

**Community Impact**

Neighborhood Notification:

In March the City Council authorized the Minneapolis Advantage Program – NSP to provide loans to help with the purchase of properties renovated under the NSP program. Unfortunately the report did not include the funds necessary to pay for the administration by Greater Metropolitan Housing Corporation (GMHC). Staff is requesting the City Council’s approval to add \$55,000 to the lending contract with GMHC to cover their review, approval and processing of these loans. This appropriation would come from the fund balance.