

**COUNCIL ACTION FORM**

**SUBJECT: 2014-2018 COMMUNITY DEVELOPMENT BLOCK GRANT CONSOLIDATED PLAN PROPOSED FIVE YEAR GOALS AND OBJECTIVES**

**BACKGROUND:**

One major requirement in receiving Community Development Block Grant (CDBG) funds is for the City to submit a three or five-year Consolidated Plan to the federal Department of Housing and Urban Development (HUD). The Consolidated Plan is the planning document (Comprehensive Housing Affordability Strategy, or CHAS) for the jurisdiction. This plan must include detailed background information on the community, derived both from census data and from other comprehensive studies performed by the community. The Plan must identify, over the selected period, the governing body's goals and priorities to address the housing and community development needs of both low and moderate-income persons and non-low and moderate-income persons.

The City of Ames has selected the five-year period to submit its plan and will complete the administration of its second five-year Consolidated Plan on June 30, 2014. CDBG regulations require that the City now submit an updated five-year plan for the period from July 1, 2014 to June 30, 2018.

HUD regulations require that the Consolidated Plan be submitted for HUD's approval within 45 days before the beginning of the program fiscal year, which would be May 17, 2014. However, due to delays in training opportunities on HUD's new software template, staff has received approval from City Council to request a time extension to submit the plan to HUD on or before June 13, 2014. Additionally, the regulations require that the proposed Consolidated Plan be published for 30 days to allow for citizen review.

To begin the process for updating the City's Consolidated Plan, the March 18, 2014 City Council workshop was scheduled as the annual public forum to solicit public input regarding the possible goals and priorities for the Consolidated Plan.

During the workshop, an overview of the CDBG Program was presented. Council members then scribed to record public input as small groups reviewed and discussed potential goals for the upcoming five years. As background, these participants utilized the 2004-09 (attachment A) and 2009-14 (attachment B) Five-Year Housing and Community Development goals and priorities to determine if either continues to reflect the community's needs. The small groups discussed if the historic goals should be updated, and also discussed new perceived needs of the community.

After the small group discussions, each group was asked to share their comments on the goals and any proposed goals. These are shown in attachment C.

In reviewing the comments from each of the small groups, the following similar conversations or themes for these goals emerged:

1. Need to provide affordable housing for homeless, very low and moderate income persons.
2. Need to provide transportation needs of very low income persons.
3. Need to increase the supply of affordable housing for homeless, and/or special needs, low and moderate income persons.
4. Need to leverage CDBG dollars through private and public partnerships

The Consolidated Plan must also take into consideration the data from the recent update of our Fair Housing Analysis Impediments Study.

Based on all of the above input and information, staff is proposing the following goals and priorities for the 2014-2018 five-year Consolidated Plan for the City Council's consideration. **These goals and priorities may need to be adjusted after the data provided by HUD's new software template has been incorporated into the analysis of the Consolidated Plan.**

**Additionally, the City received notification that its 2014 CDBG allocation for 2014 will be \$488,278 which is approximately a \$20,893 drop from the 2013-14 allocation of \$509,171.**

**Goal 1: Utilize and leverage CDBG Funds for Low and Moderate Income Persons through private and public partnerships as follows:**

1a. Objective: To create, expand and maintain Affordable Housing for Homeless and Low-income persons.

b. Outcomes:

- Increase the supply of affordable rental housing
- Improve the quality of affordable rental housing
- Increase the availability of affordable owner-occupied housing
- Maintain the supply of affordable owner-occupied housing
- Provide Temporary Rental Assistance
- Increase supply of Mixed-Use Development
- Expand and Maintain Supply of Emergency Shelter and Transitional Housing

2a. Objective: To maintain Community Development Services to address the needs of Low and Moderate Income persons:

b. Outcomes:

- Continue provision of the Public Service Needs for homeless, special populations and low income households (utilities, rent, deposits, childcare, transportation, employment training, substance abuse, health services, legal services, other public service needs) and reduce duplication of services.
- Continue provision of Public Facilities Needs for homeless, special populations and low income households (senior centers, homeless facilities, child care centers, mental health facilities, Neighborhood facilities, and other public facilities needs).

- Continue provision of Public Infrastructure Needs in low-income census tracts (water, street, sidewalk improvements).

**Goal 2: Utilize and leverage CDBG Funds for NON Low and Moderate Income Persons through private and public partnerships as follows:**

1a. Objective: Address Housing Needs in Non-Low and Moderate Income Census Tracts

b. Outcome:

- Integrate affordable and market rate residential developments
- Remove blight and deteriorated housing to reuse into new housing
- Support and address code enforcement of deteriorated housing
- Remove blight and deteriorated housing in flood plain and other hazardous areas

**If the City Council is in agreement with the proposed goals and priorities for the 2014-2018 Consolidated Plan, the next step will be for staff to prepare the Consolidated Plan for the required 30 day comment period and public hearing, prior to submittal to HUD on or before June 13, 2014.**

**ALTERNATIVES:**

1. The City Council can approve the above goals and objectives, direct staff to incorporate these into the 2014-2018 proposed five-year Consolidated Plan, and direct staff to publish the proposed Plan for public comment.
2. The City Council can modify, and then approve, its goals and objectives, direct staff to incorporate those into the 2014-2018 proposed five-year Consolidated Plan, and direct staff to publish the proposed Plan for public comment.
3. The City Council can refer this item back to staff for further development.

**MANAGER'S RECOMMENDED ACTION:**

These CDBG funds bring the City a unique opportunity to use federal funding to address local housing and community development priorities. In order to continue to receive funding

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as described above.

# ATTACHMENT A

## 2004-09 City of Ames

Goals and Priorities to Address the  
Major Housing and Community Development Needs of  
Low and Moderate Income residents in the community:

1. Construct/Acquire/and Rehabilitate affordable housing and support to homeowners, home buyers, and renters to obtain and remain in affordable housing.
2. Support a continuum of care for new or expanded housing and services targeted for homeless, transitional housing clients and persons with special needs. Any proposed project from Human Services Agencies must have prior approval through the ASSET process.
3. Increase and improve public facilities, infrastructure and other activities and redevelopment of non-public facilities.
4. Expand job opportunities by assisting with microenterprise business development and by providing training and access to employment.
5. Support activities and services that meet the social, health, recreational and educational needs of low and moderate income residents.

Goals and Priorities to address the major Housing and Community Development needs  
of **NON** Low and Moderate Income residents in the community

1. CDBG funds should be used for slum and blight removal in non low and moderate income areas to assist in redevelopment projects to decrease the number of substandard housing units through acquisition, demolition, and new construction.

# ATTACHMENT B

## 2009-14 City of Ames

Goals and Priorities to Address the  
Major Housing and Community Development Needs of  
Low and Moderate Income residents in the community:

1. CDBG funds should be used to strengthen neighborhoods by implementing affordable housing programs and services through acquiring, demolishing, and rehabilitating housing units that support homeowners, homebuyers, and renters to obtain and remain in affordable housing.
2. CDBG funds should be used to promote one community by implementing programs that support a continuum of new or expanded housing and services targeted for homeless, transitional housing clients, and persons with special needs.
3. CDBG funds should be used to strengthen neighborhoods by implementing programs that will increase or improve public facilities, infrastructure, and services

Goals and Priorities to address the major Housing and Community Development needs  
of **NON** Low and Moderate Income residents in the community

1. CDBG funds should be used for slum and blight removal in non low and moderate income areas to assist in redevelopment projects to decrease the number of substandard housing units through acquisition, demolition, and new construction.

# ATTACHMENT C

## CDBG PUBLIC FORUM WORKSHOP MARCH 18, 2014 SMALL GROUP DISCUSSION NOTES

### Scribe - Corrieri:

- Merge goal #1 from both five year plans and add focus on moving renters to home buyers
- Invest in activities that meet social, health, recreational, educational needs of LMI residents with increased focus on transportation
- Assistance to single head of household families with unique barriers (victim of domestic violence)
- More affordable housing (by definition)
- Acquire properties to be renovated for low income housing or make funds available to non-profit agencies for same purpose

### Scribe - Gartin:

- Partner with non-profits (ex: habitat) to provide affordable housing
- Spread out affordable rental units around Ames to avoid concentration of LMI residents
- Encourage landlords to rent to LMI residents
- Increase public transport to areas of Ames with affordable housing and surrounding communities
- Look at adding townhouses as a rental option for LMI residents

### Scribe - Nelson:

- Minimize infrastructure spending; look at new manufactured home park infrastructure
- Retain goal #2: Increase accountability to receiving organizations, focus on implementation, focus on publicizing program
- Reconsider goal #4 from 04-09 plan
- Add homeless to verbiage in goal #1 from 09-14 plan
- Goal #1 in non-LMI areas
- Emphasis on affordable good housing

### Scribe - Betcher:

- Keep item #1, from both plan cycles, it is ongoing and will continue to be because of income disparities and community needs:
  - Do we have staff and resources in place to identify homes that will fit the category?
  - Retrofitting is a great idea
  - Could generate income (eventually)
  - Would programs like energy audits be used more by the LMI community if we enhanced education on available programs?
- Keep non-LMI goal #1 if we continue with this, there will still be benefits for the community; keeps the community safe and cared for – not everyone has the resources to demolish or rebuild
- Current item #2 is still useful because the affected populations continue to expand and need assistance

- Could we look for additional funds from partners (leverage money), especially for non-profits, private partners (home improvement stores?), get the community involved?
- Can some funds be used for studies and planning to help us redirect/allocate funds?
  - What would be our desired deliverables from planning? What timeframe?
  - HUD formulas are difficult to understand; is there room to study ways to make the process/requirements more transparent?
  - Could we focus the plan/education efforts effectively? How?
  - Do we know who benefits? Do we have quantifiable values?
- Item #3 is useful to include because of the need for shovel ready projects that can be completed in a timely way to meet grant requirements
  - Expanded transportation needs; dedicate services (HIRTA) – special needs populations
  - Expand CyRide routes
  - Meeting spaces for small groups; facilitate meetings for groups/neighborhoods
  - Something for young people; kids' free passes – Octagon passes
- Item #4 from 04-09; how could the City assist in this? Do we have willing employers? Might be worth exploring.

**Scribe - Goodman:**

- New construction range of housing for all income; “If you work in Ames, you should be able to live in Ames.” (with mandatory inclusion of VLI housing)
- Leverage 15% on transit and job training
- Maximize Public/Private Partnerships; leverage CDBG funds
- Maximize staff time to adequately staff programs
- Limiting infrastructure exclusively to investments which generate additional LMI to VLI housing
- Greatly expand availability of emergency housing for families