

**COUNCIL ACTION FORM**

**SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
2012-13 ANNUAL ACTION PLAN PROJECTS**

**BACKGROUND:**

In order to receive federal Community Development Block Grant (CDBG) funds, the City must submit a Consolidated Plan to the 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 requires detailed background information on the community derived from both census data and other comprehensive studies performed by the community. The Plan must also identify, over a five-year period, the goals and priorities to address the housing and community development needs of low- and moderate-income persons and the housing and community development needs of non- low and moderate-income persons in the community. The goals and priorities for this program were originally established by the City in its 2009-14 Consolidated Plan.

The Consolidated Plan requires that the City develop an Annual Action Plan that outlines the program activities to be undertaken to address or meet those goals and priorities. The Annual Action Plan can address **one or all** of the goals and priorities of the housing and community development needs identified in the Consolidated Plan.

HUD regulations require that the Annual Action Plan be submitted for approval within 45 days before the beginning of the program fiscal year (i.e., by May 17, 2012). It also requires that the Plan be published for 30 days to allow for citizen input on the proposed project(s) for utilization of the funds.

HUD has published the 2012 CDBG funding allocations for entitlement cities. The City of Ames allocation is listed at \$511,276 for FY 2012. As in the past, staff met with the City Council in January to review proposed plan priorities and projects prior to conducting forums for public input. Staff then conducted public forums in February and shared those comments with the City Council. The 30-day comment period ended on May 4, 2012, with no comments being received.

**Attachment 1** is a table showing the 2012-13 Annual Action Plan program activities. The programs being recommended for next year are **Home Improvement Rehabilitation, Homebuyer Assistance, Dangerous Building, Single-Family Conversion, and Neighborhood Infrastructure Improvements**), which are the same programs as in 2011/12. These programs continue to focus on the Council's goal of strengthening our neighborhoods. **Attachment 2** is a table showing the budget for each of the projects, including administration.

Staff's rationale for recommending the continuation of these programs is as follows:

- The proposed projects are consistent with the Council's goals and priorities to focus on neighborhood sustainability by improving both the housing stock and the infrastructure in low- and moderate-income vital core neighborhoods.
- The proposed projects reduce the downtime for starting new programs that can affect the City's ability to meet HUD's timely expenditure requirements.
- The limited number of programs proposed for FY 2012-13 reflect the workload capabilities of staff assigned to the CDBG program.

All of the proposed activities would be of 100% benefit to low-and moderate-income persons and/or neighborhoods.

**ALTERNATIVES:**

1. The City Council can approve submittal of the 2012-13 Annual Action Plan Program Projects to HUD in connection with the City's Community Development Block Grant Program.
2. The City Council can approve, with modifications, submittal of the 2012-13 Annual Action Plan Program Projects to HUD.
3. The City Council can refer this item back to staff with further direction.

**MANAGER'S RECOMMENDED ACTION:**

The programs being recommended for next year (Home Improvement Rehabilitation, Homebuyer Assistance, Single Family Conversion, Operation and Repair, Dangerous Buildings removal, as well as Neighborhood Infrastructure Improvements) focus on the City Council's goal of strengthening our neighborhoods and are consistent with the priorities of the City's 2009-14 Consolidated Plan.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, thereby approving the 2012-13 Annual Action Plan Program Projects.

## ATTACHMENT 1

### PROPOSED 2012-13 AMENDED ANNUAL ACTION PLAN PROGRAM ACTIVITIES

Project Activities	Program Description	Priority Goal	CDBG National Objective
<p>The <b>Neighborhood Sustainability Program</b> is comprised of the following subcomponent programs:</p> <ol style="list-style-type: none"> <li>1. <b>Home Improvement Rehabilitation Program</b></li> <li>2. <b>Homebuyer Assistance</b></li> <li>3. <b>Dangerous Buildings Program</b></li> <li>4. <b>Single-family Conversion Program</b></li> <li>5. <b>Operation and Repair</b></li> </ol>	<p>The overall goal of the Neighborhood Sustainability program is to increase the availability of housing to low- and moderate-income families and to maintain and sustain decent, safe, and sanitary housing stock in existing neighborhoods by providing <u>home repair grants</u> for owner-occupied housing units, and repair assistance to property owners of single-family rentals for conversion back to single-family homeownership and <u>down payment and closing cost assistance</u> to first-time homebuyers, and demolish deteriorated properties in conjunction with our Dangerous Building Initiatives.</p>	1, 2	Low- & Moderate-Income Benefit
<p>The <b>Public Improvement Program</b> is comprised of the following subcomponent programs:</p> <ul style="list-style-type: none"> <li>• <b>Neighborhood Infrastructure Improvements</b> (curb, street resurfacing, sidewalks, etc.) in targeted low- and moderate-income census tracts</li> </ul>	<p>The overall goal of the Public Improvement Program is to preserve and enhance <b>the viability and aesthetics of our core existing neighborhoods by maintaining the public infrastructure.</b></p>	3	Low- & Moderate-Income Benefit

## ATTACHMENT 2

### 2012-13 Action Plan Expenditure Budget:

<u>Programs</u>	<u>Budget</u>
Operation and Repair (Acquisition/Reuse)	62,500
Dangerous Building Program (Slum & Blight)	45,000
Neighborhood Home Improvement Program	426,021
Single-Family Conversion Project	25,000
Homebuyer Assistance Program	115,500
Neighborhood Infrastructure Improvements Program	378,896
2012-13 Program Administration	<u>113,229</u>
Total	<u>\$1,166,146</u>

### Proposed 2012-13 Action Plan Revenue Budget:

2012-13 CDBG Allocation	\$ 511,276
2011-12 Anticipated Program Rollover	600,000
2012-13 Anticipated Program Income	<u>54,870</u>
Total 2012-13	<u>\$1,166,146</u>