

**COUNCIL ACTION FORM**

**SUBJECT:** 2011-12 CONSOLIDATED ANNUAL PERFORMANCE AND  
EVALUATION REPORT (CAPER)

**BACKGROUND:**

Community Development Block Grant (CDBG) regulations require that the City prepare a Consolidated Annual Performance and Evaluation Report (CAPER) within 90 days from the end of its fiscal year. This report must be submitted to HUD by September 30, 2012.

The 2011-12 CAPER reports accomplishments in relation to goals and objectives identified in the City's 2009-2014 Consolidated Plan for the use of CDBG funding and in the Annual Action Plan for the July 1, 2011 to June 30, 2012 fiscal year. The CAPER provides statistical information not captured by HUD's Integrated Disbursement and Information System (IDIS). HUD regulations require that the CAPER be available for a 15-day public review and comment period, which occurred September 7, 2012, through September 21, 2012. Attached for Council review and approval is a copy of the Executive Summary of the 2011-12 CAPER. A full copy of the CAPER and attachments are available for review on the City's web site at: [www.cityofames.org/housing](http://www.cityofames.org/housing).

**ALTERNATIVES:**

1. The City Council can adopt a resolution approving submittal of the City's 2011-12 Consolidated Annual Performance and Evaluation Report.
2. The City Council can deny adoption of a resolution approving submittal of the City's 2011-12 Consolidated Annual Performance and Evaluation Report.

**MANAGER'S RECOMMENDED ACTION:**

Submittal of the CAPER is necessary in order to comply with CDBG regulations. The attached report details the City's CDBG activities over the past fiscal year.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1. This action will adopt a resolution approving the submittal of the City's 2011-12 Consolidated Annual Performance and Evaluation Report (CAPER), which is to be submitted to HUD on or before September 29, 2012.



**CITY OF AMES**  
**CONSOLIDATED ANNUAL PERFORMANCE AND**  
**EVALUATION REPORTS (CAPER)**

**FOR**  
**FEDERAL FISCAL YEAR 2011 - 2012**

**CITY OF AMES FISCAL YEAR**  
**JULY 1, 2011 THROUGH JUNE 30, 2012**



**Public Comment Period:**  
**September 7, 2012 thru September 21, 2012**



## Third Program Year CAPER

The CPMP Third Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

### GENERAL

#### Executive Summary

This module is optional but encouraged. If you choose to complete it, provide a brief overview that includes major initiatives and highlights that were proposed and executed throughout the first year.

Program Year 3 CAPER Executive Summary response:

The City of Ames Planning & Housing Department has prepared a Consolidated Housing and Community Development Plan for the five-(5) year plan period of 2009-14 that provides a continued strategic vision for the community. The Plan has been approved by the Department of Housing and Urban Development (HUD). Information regarding program rules, regulations, and other related information can be found on the HUD web site at [www.hud.gov/offices/cpd/index.cfm](http://www.hud.gov/offices/cpd/index.cfm). The Executive Summary and other materials regarding the program in the City of Ames can be found on the City of Ames web site at [www.cityofames.org/housing](http://www.cityofames.org/housing). Please contact the City of Ames Planning & Housing Department at (515) 239-5400 for additional information.

As part of this Consolidated Plan and Annual Action Plan period, the City of Ames' strategies toward serving the needs of extremely low-income, low-income, and moderate-income families are to continue to seek public input, to continue to invest resources both physical and financial, and to continue to implement programs that will address the community's priority needs. The main areas of focus anticipated over the five (5) years is **to continue** to utilize CDBG and other local and/or state funds to address the following priority need categories listed below:

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 the homeless, transitional housing clients, and persons with special needs; and
3. CDBG funds should be used to strengthen neighborhoods by implementing programs that will increase or improve public facilities, infrastructure, and services.

Based on community input, and after examining the five priority needs that were created in the 2004-2009 strategic planning period, it was clear that the above priority needs provided the most positive impacts on addressing the needs of very low-, low- and moderate-income

households in the community. The City, as a new entitlement community during that period, was very successful in implementing the program activities that led to having exceeded the 70% low- and moderate-income benefit expenditure requirement by approximately 25%. Therefore, over the next five-(5) year period (2009-14) the City will continue to administer and focus its programming in the above three priority need areas.

One of the City Council's goals as part of the three (3) priority needs is to **continue** to address the need to Strengthen Neighborhoods. Therefore, in 2011-12 the Action Plan projects set out to focus on various activities that would continue to **strengthen neighborhoods** by implementing housing-related activities (e.g., homeownership assistance, rehabilitation, slum and blight removal, etc.) and by implementing public infrastructure activities (e.g., sidewalks, street and curb repair, water, sewer improvements, etc.). Additionally, the City Council's priority is to continue to participate and fund the ASSET process. The ASSET process is a successful vehicle for providing financial assistance for the needs of and service delivery to persons with incomes at 50% or less of the Story County median income limit, and to the homeless.

The City of Ames' Consolidated Annual Performance and Evaluation Report (CAPER) will cover the progress in carrying out the City's Consolidated Plan three (3) priority goals and the Annual Action Plan project goals for the fiscal year 2011-12. The Action Plan was the third plan based on the five-(5) year Consolidated Plan for the fiscal years 2009-2014.

The following is a summary of the Annual Action Plan projects and expenditures that **were able to be accomplished** in conjunction with the priority goals for the July 1, 2011, to June 30, 2012, program year:

1. HOUSING ACTIVITIES OBJECTIVES: 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.

The Neighborhood Sustainability Program is the umbrella program that contains the following core program components: Homebuyer Assistance, Acquisition/Re-use, Slum and Blight program and Neighborhood Home Improvement. For the 2011-12 program year \$686,762 was allocated to cover the implementation of **all or some** of the above component programs and/or component activities.

a)The Homebuyer Assistance Program was designed to assist low- and moderate-income first-time homebuyers (80% or less of AMI) with the purchase of a single-family home. For the 2011-12 program year, \$100,000 was allocated for this activity. Although no funds were spent, the application phase was implemented during the program year.

b) The Acquisition/Reuse Program (ARP) was designed to acquire, rehabilitate, and/or demolish single-family properties for resale to low and moderate income, first-time homebuyers through programs implemented by the City of Ames, or sold to non-profit organizations. For 2011-12, no funds were allocated to this program. However, two (2) previously purchased properties were sold to Habitat for Humanity of Central Iowa. One (1) was sold by Habitat to a low-income, first-time homebuyer during the program year, and one (1) will be sold by Habitat to a low-income, first-time homebuyer during the 2012-13 program year.

c) The Slum and Blight Program was designed to acquire and demolish properties located in a flood zone area or have been identified by the Building Inspections Division as having severe code violations that has placed them in an unsafe and uninhabitable condition. For the 2011-12 program year under the "Dangerous Buildings" activity of this program, \$135,000 was allocated. Although three (3) properties were identified, the properties were sold and either demolished or rehabilitated prior to being cleared for demolition by the City.

d) The Neighborhood Housing Improvement Program was designed to cover the following activities: 1) The activity under the Home Improvement is to provide financial assistance to qualified low- and moderate-income single-family homeowners at or below 80% of the area median income limits to improve the physical condition of their single-family homes in residentially-zoned areas, 2) Under the Operation and Repair of Foreclosed Property the activity is to maintain and repair properties purchased under the Acquisition/Reuse Program to be sold to first-time home buyers or sold to a non-profit organization which in turn would be sold to low income households, and 3) Under the Single-Family Conversion activity the intent is to provide financial assistance to property owners of single family conversion rental units to convert them back into single-family homes to be sold to low and moderate income first-time homebuyers.

For the 2011-12 program year \$426,762 was allocated for the above three (3) activities. Under the Home Improvement activity \$340,466 was allocated; however, the activity was unable to be implemented during the year. Under the Operation and Repair of Foreclosed Property activity \$86,296 was allocated, of which approximately \$39,832 was spent on property maintenance and repair of five (5) houses purchased under the Acquisition/Reuse Program over the last several years. Under the Single-Family Conversion activity \$25,000 was allocated; however, no eligible properties were identified during the program year.

2. PUBLIC FACILITIES OBJECTIVE: CDBG funds should be used to strengthen neighborhoods by implementing programs that will increase or improve public facilities, infrastructure, and services.

The Public Facilities Program is the umbrella program that contains the following core program activities: the Public Facilities Improvement Program and the Neighborhood Public Infrastructure Program.

a) The Facilities Improvement activity was designed to assist non-profit organizations with financial assistance to make repairs to their facilities that house and/or provide services to homeless, very-low, and low-income residents. For the 2011-12 program year no funds were allocated for the Public Facilities Program.

b). The Neighborhood Infrastructure Improvement Program was designed to improve and enhance the viability and aesthetics of our core existing neighborhoods by replacing the deteriorated infrastructure such as streets, curbs and gutters, driveway approaches, and installing handicapped accessible sidewalks and dome pads. For the 2011-12 program year, \$406,297 was allocated, of which approximately \$407,400 was spent installing approximately 1,264 linear feet (lf) of curb and gutter, 6,319 lf of new street paving, 224 square yards of driveway approaches, 88 square yards of sidewalk ramps, 222 lf of storm sewer pipe and 136 square feet of truncated domes.

**Amended 2011-12 Action Plan Expenditure Budget:**

<u>Programs</u>	<u>Budget</u>
Dangerous Building Program (Slum & Blight)	135,000
Neighborhood Housing Improvement Program*	340,466
Operation and Repair of Foreclosure Property	86,296
Single-Family Conversion Project	25,000
Homebuyer Assistance Program	100,000
Neighborhood Infrastructure Improvements Program	406,297
2011-12 Program Administration	<u>110,648</u>
Total	\$1,203,707

**The 2011-12 activity expenditures were as follows:**

<u>Programs</u>	<u>Budget</u>
Operation and Repair of Foreclosure Property	\$ 39,832
Neighborhood Infrastructure Improvements Program	407,400
2011-12 Program Administration	<u>93,229</u>
Total	\$ 540,461

Approximately \$22,759 of program income was generated in 2011-12, as follows: under the Homebuyer Assistance Program from down payment loan repayments in the amount of \$4,718.40, under the Acquisition/Reuse Program from the sale of two (2) properties to Habitat for Humanity of Central Iowa in the amount of \$18,024.00, and a payroll reimbursement from the City of Ames in the amount of \$16.89.

Of the \$447,232 (not including administration costs) that was able to be spent on the above programs during the program year, \$39,832 was spent on housing-related activities and \$407,400 was spent on Neighborhood Sustainability Infrastructure-related activities.

In addition to the above programs, in 2011-12 the City contributed approximately \$230,219 to the ASSET Program to support the local Human Service Agencies' shelter and preventive needs of homeless and low income families in the community.

AMI=Area Median Income