

COUNCIL ACTION FORM

SUBJECT: PUBLIC HEARING ON ACCEPTANCE & SUBMITTAL OF THE CITY'S 2017-18 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) IN CONNECTION WITH THE CITY'S COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

BACKGROUND:

The Community Development Block Grant (CDBG) regulations require that, within 90 days from the end of its fiscal year, the City must prepare a Consolidated Annual Performance and Evaluation Report (CAPER), which is required to be submitted to the Department of Housing and Urban Development (HUD) on or before September 29 each year. However, staff requested and received an extension to submit the report on or by October 31, 2018.

The 2017-18 CAPER reports accomplishments in relation to goals and objectives identified in the City's 2014-2018 Consolidated Plan requirements for the use of Community Development Block Grant (CDBG) and in the Annual Action Plan for fiscal year July 1, 2017, through June 30, 2018. The regulations require that the CAPER be available for a 15-day public review and comment period, which occurred October 4, 2018, through October 18, 2018.

Attached for Council review and approval is a copy of the Executive Summary of the 2017-18 CAPER, which reports that of the \$1,114,304 was allocated (including administration and anticipated program income), \$444,951 was expensed on the following activities: Renter Affordability, Acquisition/Reuse of Properties for Affordable Housing Program Activities either through the Disposition of Properties, and/or the Rehabilitation of Properties, and Neighborhood Public Infrastructure Improvements Program for 321 State Avenue. Eighty-seven (87) low-income households were assisted. Additionally, approximately \$41,232 of program income was generated from the sale and repayments of single-family homes that were sold through the Homebuyer Assistance Program

A full copy of the CAPER and attachments are available for review on the City's web site at: www.cityofames.org/housing/CAPER.

ALTERNATIVES:

1. The City Council can adopt a resolution approving the submittal of the City's 2017-18 Consolidated Annual Performance and Evaluation Report (CAPER).
2. The City Council can deny adoption of a resolution approving the submittal of the City's 2017-18 Consolidated Annual Performance and Evaluation Report (CAPER).

MANAGER'S RECOMMENDED ACTION:

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 2017-18 Consolidated Annual Performance and Evaluation Report (CAPER), which is to be submitted to HUD on or by October 31, 2018.



PROPOSED

CITY OF AMES

**CONSOLIDATED ANNUAL PERFORMANCE AND
EVALUATION REPORTS (CAPER)**

**CITY OF AMES FISCAL YEAR
JULY 1, 2017 THROUGH JUNE 30, 2018**



Public Comment Period:

October 3, 2018 thru October 18, 2018

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ASSET Funder Priorities for FY 2017-18; and Final Funding Recommendations

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

With community input, the overall goals and outcomes of the City's 2014-18 Strategic Plan is to increase the supply of affordable housing for low and moderate income persons, and to continue to support and maintain the public service needs for special populations, homeless, and low income households. The major progress that the City made in carrying out these two overall strategies was through the implementation of the following project activities for 2017-18: Acquisition/Reuse for Affordable Housing, Renter Affordability Program, Disposition of Properties, Acquisition/Rehab of Properties, and the Public Infrastructure Improvements Program for 321 State Avenue.

The **Acquisition/Reuse Program** was designed to create, expand, and maintain affordable housing for homeless and low-income persons (80% or less of AMI) by: a. increasing the supply of affordable rental housing for low-income families, b. increasing the availability of affordable owner-occupied housing or c. maintaining the supply of affordable owner-occupied housing. Under this activity in 2017-18, the City was successful in acquiring two single family properties in the targeted Neighborhood Revitalization Strategy Area (NRSA). Both properties were purchased to increase the supply of affordable homeownership in the NRSA. One property will be rehabilitated and sold under the City's Homebuyer Assistance Program and one property will be demolished and the lot sold to a non-profit organization to build a new home for a low-income family.

The **Renter Affordability Program** was designed to provide assistance to low-income households who are at or below 60% or less of the Story County median income limits, to gain access to rental housing units that will improve their housing status, and help them to secure economic stability in order to obtain and/or remain in affordable housing units. The activities implemented were a Deposit, First Month's Rent, and Transportation (Bus Passes and Fuel Vouchers) Assistance. During the program year 2017-18, a total of 85 Households with incomes at 60% or below the AMSA were assisted through the Deposit, First Month's Rent and Transportation Assistance Programs. Of the 85 households assisted, 29 received assistance with Deposit and/or First Month's Rent, and 56 received assistance with Transportation (42- fuel vouchers, 11-Cy-ride Bus Passes & 3-HIRTA Bus Passes). Additionally, ten (10) households were assisted in the City's designated Neighborhood Revitalization Strategy Area (NRSA).

The **Disposition of Properties** was designed to provide maintenance and costs for properties purchased in previous program years. For 2017-18 the activity included the on-going maintenance of three lots. For State Avenue see the comments under the Public Infrastructure Improvements Program. For the Sixth Street properties (three lots), the lots are slated to be sold on the open market for re-development and the revenue received to be directed to the 321 State Avenue Program, however, the sale of the lots has been moved to the 18-19 program year. The Maxwell lot was sold to Habitat for Humanity and a new home was constructed and sold to a very low-income family in the 2017-18 program year.

The **Acquisition/Rehabilitation Activity** was designed to rehabilitate properties purchased under the Acquisition/Reuse Program that needed repairs before being sold to eligible buyers. Two properties were Wellons and one duplex on Stafford. For 2017-18, the Wellons property was sold to Habitat for Humanity who in turn sold the

property to an eligible Habitat home buyer. The rehabilitation of Stafford property was being completed and the property was anticipated to be sold to an eligible non-profit organization in FY 2017-18. Negotiations began with a non-profit, but the sale did not occur in the 2017-18 program year. The effort to sell this property continues for 2018-19.

The Public Infrastructure Improvements Program for 321 State Avenue. Under this program activity, during the 2015-16 program year, the acquisition of one 10-acre parcel (old Ames Middle School site) was completed. Although construction of housing has not begun, in 2016-17 the City was successful in receiving its first Neighborhood Revitalization Strategy Area designation for the 10-acre parcel. In 2017-18, although there was an unsuccessful attempt to negotiate an agreement with a local developer in the spring of 2018, the City as the “developer” prepared the specifications, solicited for bids and was successful in awarding a contract to begin the installation of the infrastructure improvements on the site. The improvements are anticipated to be completed in the fall of 2018-19.

The Neighborhood Housing Improvements and the Homebuyer Assistance Programs were not implemented during this program year. The opportunity to acquire a large parcel of land to expand the development of affordable housing for low income persons and households – which addresses the heart of the strategic plan – continue to be the primary focus of all the activities that were implemented for the 2017-18 program year. Without the completion of the Public Infrastructure Improvements the Homebuyer Assistance Program cannot be implemented. Implementation of a Housing Improvements Program will be considered in the planning of the 2019-2024 Five-year Consolidated Plan and the 2019-2020 Annual Action Plan.

In addition to the outcomes listed below, a summary of accomplishments in attaining the goals and objectives for the reporting period can be found in Appendix I, along with a project map and budget in Appendix II.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee’s program year goals.

For the 2017-18 program year, the original projects slated to be implemented were the Renter Affordability, Homebuyer Assistance, Public Infrastructure Improvements for State Avenue, Acquisition/Reuse for Affordable Housing, and Disposition of Properties and the Home Improvement Program. For 2017-18 the Public Infrastructure Improvements was the priority project, this was due to the following delays: the negotiations with a developer failed; the City became the developer; the project scope had to be reduced and redesigned; and a new round of solicitation of construction bids. This substantially delayed the project and the opportunity to implement the Single-family Housing Improvement Program and of course the Homebuyer Assistance Program. However, the Renter Affordability Program, Acquisition/Reuse Program and the start of the Public Infrastructure Program was able to occur.