



**CITY COUNCIL
COMMUNICATION:**

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

00-341

SYNOPSIS -

AGENDA:

JULY 24, 2000

Approval for submission to the U.S. Department of Housing and Urban Development (HUD) of progress report related to the Des Moines Housing Agency's Improvement Plan to raise the Agency from an "Advisory Troubled Agency Status" to a standard performance level with the current year and ultimately to a high performance status.

SUBJECT:

PROGRESS REPORT
ON HOUSING
SERVICES
IMPROVEMENT
PLAN

FISCAL IMPACT -

As the report (attached to the roll call) reflects, the progress made to date has substantially increased the operating revenues that the Housing Agency will receive during the current and subsequent fiscal years. This will move the Agency from a deficit financial position to one with substantial income and reserves.

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

RECOMMENDATION -

Approval.

SUBMITTED BY:

BEN MONTIJO
HOUSING SERVICES
DIRECTOR

BACKGROUND -

At February, 2000 Budget hearings, the City Council was informed about the condition at the Housing Agency which included: (1) 166 owned housing units vacant and in disrepair; (2) the low occupancy rates in the seventies percent range for both the Owned Housing and Section 8 Programs; (3) the deficit financial position of the Agency; (4) the deficiency of the Agency's office and maintenance space situation; and (5) the receipt of an "Advisory Score," which showed the Housing Agency was in a below 60 score, which is a "Troubled Agency Score." The advisory score listed the consequence if conditions were not remedied.

The City Council was also informed and provided a copy of The

Department of Housing and Urban Developments letter requiring the Agency to develop and submit an "Improvement Plan."

On April 3, 2000, the City Council (Roll Call #00-997) was presented an Improvement Plan for adoption.

The report attached to the roll call describes: (1) the condition of the Housing Agency in January, 2000; (2) the current condition of the Agency; and (3) projections for further progress toward raising the Agency from a troubled status to a standard performance status and, ultimately, to a high performance designation.