

## Meeting Agendas/Info

CITY COUNCIL COMMUNICATION:	ITEM _____
<b>01-324</b>	<b>OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA</b>
<b>AGENDA:</b>  JUNE 18, 2001	<b>SYNOPSIS -</b>  Approval of Amendment One to the 2001 Community Housing Development Corporation's (CHDC) Home Ownership Program which will increase the total project budget by \$160,100 of Home Investments Partnership Act (HOME) funding and extend the project to June 30, 2002.
<b>SUBJECT:</b>  AMENDMENT ONE, 2001 HOME OWNERSHIP PROGRAM	<b>FISCAL IMPACT -</b>  Approval will increase the Home Ownership Program budget by \$160,100 of HOME (HUD) funding.
<b>TYPE:</b>  <u>RESOLUTION</u> <u>ORDINANCE</u> RECEIVE/FILE	<b>RECOMMENDATION -</b>  <b>Approval.</b>
<b>SUBMITTED BY:</b>  JAMES GRANT COMMUNITY DEVELOPMENT DIRECTOR	<b>BACKGROUND -</b>  On November 2, 1998, by Roll Call No. 98-3459, the City Council approved the 1999 HUD Consolidated Plan which included an allocation of \$160,100 of 1999 HOME funding for Neighborhood Housing Services (NHS) of Des Moines, Inc. to rehabilitate four houses.  Late last year NHS requested to amend the agreement and construct in-fill housing. The Community Development Department was generally not in favor of this amendment since the Consolidated Plan called for these funds to be used for rehabilitation. In March 2001, NHS submitted four addresses at various sites for rehabilitation. However, the agency was unable to demonstrate that they had sufficient control of the properties to properly commit the funds under the HOME regulations.  These regulations state that the funds must be allocated to specific

addresses within two years of the initial award in order to commit the funds. The commitment deadline for 1999 HOME funds was March 30, 2001. In order not to lose the HOME funds, Community Development contacted CHDC to determine if they had control/ownership of four properties, which could be rehabilitated with HOME funds as originally stated in the Consolidated Plan. CHDC was able to identify four properties; the HOME funds were committed on Friday, March 30, 2001, and the deadline was met.

On November 6, 2000, by Roll Call No. 00-4267, the City Council approved the 2001 HUD Consolidated Plan which included an allocation of \$400,000 of 2001 HOME funding for CHDC's 2001 Home Ownership Program which is to build eight new houses and rehabilitate three substandard structures in the Enterprise Community area.

The Community Development Department has prepared Amendment One to the 2001 CHDC Home Ownership Program which adds the \$160,100 of 1999 HOME funding previously allocated to NHS to the 2001 CHDC Home Ownership Program for the rehabilitation of four additional houses and extends the project from December 31, 2001 to June 30, 2002.

At their meeting on April 4, 2001, the City's Neighborhood Revitalization Board received information regarding Amendment One to the 2001 Home Ownership Program.

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