

**CITY COUNCIL
COMMUNICATION:**

03-310

AGENDA:

JUNE 23, 2003

SUBJECT:

CERTIFICATIONS
OF CONSISTENCY-
CITIZENS FOR
COMMUNITY
IMPROVEMENT

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

JAMES GRANT
COMMUNITY
DEVELOPMENT
DIRECTOR

ITEM 49-A

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

SYNOPSIS —

Citizens for Community Improvement (CCI) has submitted Certifications of Consistency with the City's 2003 Department of Housing and Urban Development (HUD) Consolidated Plan and Empowerment Zone/Enterprise Community (EZ/EC) Strategic Plan which require Council's approval. The aforementioned certifications are required as part of CCI's application to HUD for Housing Counseling Program funding.

FISCAL IMPACT —

None.

RECOMMENDATION —

Approval.

BACKGROUND —

CCI is requesting \$25,000 from the HUD Super Notice of Funding Availability (NOFA) Housing Counseling Program.

CCI's Home Ownership Preparation and Education Program addresses the housing needs of Des Moines' low- and moderate-income residents. Our plan is to provide homebuyers clubs and educational classes and one-on-one counseling as identified in Des Moines' Affordable Housing Strategy. In addition, our On-Site Lender Program, post-purchase one-on-one counseling, and financial literacy classes help meet Des Moines' Consolidated Plan goals of providing support services to enable low-/moderate-income households to purchase and retain affordable housing.

Specific housing counseling services CCI will offer include:

- One-on-One Pre-Purchase and Post-Purchase Counseling Services. CCI will work with clients in one-on-one counseling sessions to ascertain their financial situation, credit history, housing status, and personal goals. One-on-one counseling sessions may include developing a home ownership plan, developing a budget and money management plan, obtaining and

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reviewing client credit reports, suggesting additional community resources, and recommending appropriate home buying education classes. Clients will also be encouraged to seek post-purchase counseling from CCI once they purchase a home.

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- One-on-One Delinquency and Loss Mitigation Counseling Services. CCI will work with clients in one-on-one counseling sessions to ascertain their current housing and financial situation. One-on-one counseling sessions may include developing a plan for delinquency recovery, managing household finances, advising clients of additional resources for restructuring debt, and seeking loan forbearance.
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- On-Site Lender Program. CCI will work in partnership with local lending institutions to have a loan officer available at the CCI office to meet one-on-one with clients about their housing and financial needs. Through the On-Site Lender Program, clients meet with a reputable lender about any financial questions they might have, including home ownership.
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- CCI Homebuyers Club. CCI will offer the Homebuyers Club 24 hours of classroom education that includes information on the value of a budget and savings plan, understanding how credit relates to home purchase, fair housing, financing options and special loan programs, selecting a lender, the Realtor and the home inspector, home maintenance, and maintaining the mortgage. With successful completion of the Club, participants receive certification from CCI which may qualify them for Community Reinvestment Act (CRA) lending products offered by partnering banks.
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- Fast Track Class. CCI will offer a Fast Track home ownership class designed for participants who have minimal credit and budget issues. The class covers how to prepare for home ownership, financing options, finding the right home, the closing process, and maintaining your home. The class is easily tailored to meet the needs of language specific immigrants and refugees or other small groups using translated materials, interpreters, bilingual lenders, and other service providers. CCI has served Hispanic, Bosnian, Sudanese, Nigerian, and Vietnamese populations through this class.
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- Your Money Matters! Financial Literacy Class. CCI will offer a six-month course (18 hours of classroom education) that includes recognizing the major types of financial institutions, banking terms and account types; the benefits of using a bank, check writing and reconciling checking accounts; building and repairing credit, and recognizing credit scams; budgeting tools and benefits, ways to save money, and types of savings and investment accounts; protecting money and personal identity, and identifying the

banking laws; deciding when and how to use credit, recognizing loan types, and understanding the costs and benefits of credit cards and installment loans. CCI will maintain ongoing contact with course participants at six- and 12-month intervals after they complete the course. CCI is training facilitators and reputable co-sponsors so we can customize the program for specific small groups and replicate it in the community.

- - Credit and Home Buying Seminar. CCI will hold a one-day Credit and Home Buying Seminar to provide information about home buying. The Seminar provides educational workshops and an opportunity to meet individually with lenders and other housing professionals.