

**CITY COUNCIL
COMMUNICATION:**

03-482

AGENDA:

OCTOBER 6, 2003

SUBJECT:

NEIGHBORHOOD
REVITALIZATION
BOARD 2004 HUD
CONSOLIDATED PLAN
RECOMMENDATIONS

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

MIKE E. MATTHES
ACTING HOUSING
SERVICES DIRECTOR

ITEM _____

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

SYNOPSIS —

City Council receives the Neighborhood Revitalization Board (NRB) recommendations for Program Year (PY) 2004 U.S. Department of Housing and Urban Development (HUD) Consolidated Plan funding allocations, sets the date of a public hearing for November 17, 2003, and refers the NRB recommendations to the public and the City Manager for review and comment. Council action will also direct the City Clerk to publish notice of the public hearing and Consolidated Plan Summary.

FISCAL IMPACT —

The PY2004 HUD block grant entitlement funds available in the three programs included in the Consolidated Plan are currently estimated to be: Community Development Block Grant (CDBG) - \$5,000,000; Home Investments Partnership (HOME) Program - \$1,100,000; and the Emergency Shelter Grant (ESG) - \$179,000. Funding levels are contingent on final congressional and executive action.

RECOMMENDATION —

Approval.

BACKGROUND —

The NRB has submitted their recommended funding allocations for projects to receive PY2004 CDBG, HOME, and ESG funding. The next step in the process is to refer these recommendations to both the public and the City Manager for review and comment.

The proposed Consolidated Plan will be available to the public for 30 days, and a hearing will be held on November 17, 2003, to receive the City Manager's comments and recommendations and any comments from the public before finalizing the plan.

HUD requires a 45-day review period before implementation of the program year. This means that the plan must be finalized and approved at the November 17th City Council meeting so that the program can be implemented on January 1, 2004. Even with

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Council's approval of the 2004 HUD Consolidated Plan on November 17, the City will not be able to submit the Council-approved plan to HUD until 43 days prior to the plan's implementation on January 1, 2004. Consequently, the Housing Services Department has requested a waiver of the 45-day review period. Even though HUD's approval of the aforementioned waiver is expected, Council's setting the public hearing for approval of the 2004 HUD Consolidated Plan for November 17 should not be delayed beyond this agenda.

This year proposals were submitted in response to specific Notices of Funding Availability (NOFAs) addressing the priority goals for the five-year strategy and one-year action plan. PY2004 will be the fifth action year of the current five-year strategy.

Briefly, the five-year strategy is to address critical needs for affordable housing for families at or below 80 percent of the median household income.

Other categories of projects include economic development, infrastructure improvements, and public services which are intended to support the housing effort by helping households work or train for work, obtain transportation and child care, and revitalize neighborhoods.

The 2000-2004 HUD Consolidated Plan is a significant step forward in meeting the needs of low- and moderate-income Des Moines households.

