



Agenda Item:

38B

COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 05/23/05
266

Communication No.: 05-

Agenda Item Type: Approval
No.:

Roll Call

Submitted by: Larry D. Hulse, Director, Community Development

SUBJECT—

Approval of Citizens for Community Improvement (CCI). Certificate of Consistency with the City's current Consolidated Plan.

SYNOPSIS—

Approval of Citizens for Community Improvement (CCI) Certificate of Consistency with the City's current Consolidated Plan. The certificate is a requirement to apply to the U.S. Department of Housing and Urban Development (HUD) SuperNOFA grant program for Housing Counseling Program grant.

FISCAL IMPACT—

None

RECOMMENDATION—

Approval

BACKGROUND—

Citizens for Community Improvement is requesting \$40,000 from the HUD SuperNOFA (Notice of Funding Availability) 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, educational classes and one-on-one counseling as identified in Des Moines' Affordable Housing Strategy. In addition, our 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 reviewing client credit report, 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.
- ◆ One-on-one delinquency and loss mitigation counseling services. CCI will work with clients in one-on-one counseling session 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.
- ◆ CCI Homebuyers Club. CCI will offer the Homebuyers Clubs (24 hours of classroom education) that include 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 Credit Reinvestment Act (CRA) lending products offered by partnering banks.
- ◆ 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.
- ◆ Your Money Matters! Financial Literacy Class. CCI will offer a five month course (10 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 twelve 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 Homebuying Seminar. CCI will hold a one-day Credit and Homebuying Seminar to provide information about home buying. The Seminar provides educational workshops and an opportunity to meet individually with lenders and other housing professionals.
- ◆ Renter's Education CCI will provide a one-day workshop to educate tenants about their rights and responsibilities as a renter. The workshop also offers education about home ownership.