



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 05/23/05
281

Communication No.: 05-

Agenda Item Type: Approval
No.:

Roll Call

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

SUBJECT—

Approval of HOME, Inc. Certificate of Consistency with the City's current Consolidated Plan.

SYNOPSIS—

Approval of HOME, Inc 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—

HOME, Inc. is a non-profit housing corporation that has served the greater Des Moines community since 1967. Annually, HOME, Inc. provides rental housing counseling and educational services to 4,000 central Iowa households and homeownership counseling to 75 families. Through its services HOME, Inc. helps approximately 20 families purchase their homes each year.

On October 24, 2003 HOME, Inc. received HUD approval as a Housing Counseling Agency providing pre-purchase counseling, default/foreclosure counseling and rental counseling. HOME, Inc. was awarded a Housing Counseling Program Grant from HUD in October 2004.

HOME, Inc. is seeking HUD funding to for its homeownership counseling activities in 2005/2006. The following is a description of the services provided through pre-purchase counselor for which we seek certifications:

Homeownership Counseling and Supportive Services: Assists low-income clients in eliminating obstacles to purchasing their own homes. All clients are assisted in assessing their housing needs and financial abilities. Some clients may be selected to advance to the pre-purchase counseling phase. Through pre-purchase counseling clients develop a homeownership plan that includes establishing financial goals to improve credit, a monthly budget for savings, and personal goals to help stabilize or improve their situations. Upon completion, clients are directed to housing programs that meet their needs. Some clients are assisted in securing conventional financing to purchase a home. Clients may purchase housing developed and financed through HOME, Inc. or locate housing on the open market and receive technical assistance and grant funds to make necessary improvements. Clients that are not able to secure conventional financing may enter HOME, Inc.'s lease/purchase model. Counselors are available to assist clients in transitioning to their new homes including: giving proper rental termination, recovering the deposit, organizing the move, obtaining utility services and insurance, and locating furniture and appliances. HOME, Inc. purchases housing for clients in the lease/purchase program and provides monthly counseling to help clients accomplish goals set in their homeownership plan. Formal evaluation is conducted every six months to track progress. Follow-up counseling is provided to all clients for one year following purchase. This service has a long-term impact, enabling clients to stabilize and become more self-sufficient.

This service is provided to households with annual incomes below 80% of median as determined by HUD. Assistance is provided to residents of Polk County, primarily the City of Des Moines.