


| | |
|---|---|
|  <p style="text-align: center;">Council Communication Office of the City Manager</p> | Date: June 25, 2018 |
| | Agenda Item No. 47 Roll Call No. <u>18-1099</u> Communication No. <u>18-322</u> Submitted by: Scott E. Sanders, City Manager |

AGENDA HEADING:

Receive and file Neighborhood Revitalization Planning Program Review prepared by czbLLC (czb); refer findings to City Manager’s working group to develop recommendations on next steps.

SYNOPSIS:

Acceptance of final report titled “Neighborhood Revitalization Planning Program Review”, submitted by czb (Charles Buki, President, 2001 Mount Vernon Avenue, Alexandria, VA 22301), with findings from an evaluation of the City’s Neighborhood Revitalization Program (NRP) and related systems, observations of successes and challenges, analysis of current neighborhood conditions, tools and strategies for future decision-making, and potential next steps. Refer the report findings to the working group assembled during the evaluation process to develop recommendations for how to proceed, including timeline, funding strategy, partnering needs, system organizational structure, and strategies for policy updates. Staff will provide periodic updates to Council and return for actions as needed.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- In 1990, the City of Des Moines and Polk County Board of Supervisors created the NRP to help stabilize and improve Des Moines’ neighborhoods. The Housing Improvement and Neighborhood Revitalization Strategy – created by the consulting firm of Stockard & Engler, Inc., provided strategies to address decline and led to the creation of a larger system, including the Neighborhood Finance Corporation, Neighborhood Development Corporation, and the Polk County Housing Trust Fund. In 2005, the NRP was evaluated, with updated strategies for addressing the City’s most distressed neighborhoods. The NRP is operated by the Neighborhood Development Division of the City’s Community Development Department.
- In 2017, the City determined it was again time to evaluate the framework of the NRP. A variety of factors contributed to the need for evaluation, including: new City leadership, Council strategic plan goals under Guide DSM, new leadership at key partner organizations, the adoption of PlanDSM and forthcoming new zoning ordinance, Capital Crossroads Capital Core initiative, increasing demand for streetscape and corridor plans, a desire to improve code enforcement and more effectively address vacant and blighted properties as well as the structural deficit in the City’s budget.

- On June 26, 2017 by Roll Call No. 17-1066, the City hired czb to assess the effectiveness of the NRP's efforts from 2005-2017, analyze current neighborhood conditions, and in response, develop an updated framework for neighborhood planning and revitalization work.
- From July 2017-June 2018, czb gathered and analyzed a variety of datasets on housing and neighborhood conditions for the City of Des Moines and the surrounding region. As part of this, City and czb staff conducted an on-the-ground field survey documenting the condition and level of care for all residential properties Citywide. The consulting team also gathered qualitative information about the NRP from over 80 people, including representatives from non-profit housing and community development organizations, neighborhood leaders from the 13 neighborhoods that have developed Neighborhood Plans since 2006, business leaders, City staff, and elected officials. These representatives participated in a steering committee, technical committees, working group, small group meetings, or through individual interviews, providing local expertise, feedback, and helping to develop recommendations.
- The final report, titled Neighborhood Revitalization Planning Program Review, submitted by czb, contains two (2) sections:
 1. Evaluation of Neighborhood Outcomes
 2. Strategies and Tools for moving forward
- The first section provides detailed analysis of trends and conditions affecting the health of Des Moines' neighborhoods and housing market, and discusses observations about the nature and impact of neighborhood interventions.
- The findings of the quantitative analysis show that: 1) the physical condition of the housing stock in many neighborhoods is below acceptable standards; 2) property value appreciation is lagging in many cases, contributing to a structural gap between the cost of providing public services and the capacity to pay for them; 3) suburban growth has been and continues to be strong, and the City is struggling to compete for middle- and upper-income households; and 4) poverty is too high and too concentrated in certain areas of Des Moines.
- The observations about the nature and impact of the NRP are:
 - Tactically, Des Moines has developed several critical tools for neighborhood revitalization
 - Neighborhood associations and neighborhood identities have been built across much of the City
 - Relationships between City government and residents have improved substantially
 - The neighborhood planning process has provided a rational system for focusing City attention and resources on neighborhoods.

These components should be kept and possibly expanded. However, the NRP has not resulted in revitalized neighborhoods by any objective measure. Most of the blocks that were troubled 20 years ago still are, increasing demand for residential real estate was never an explicit goal, and tools and resources have been too insubstantial or too spread out to make an impact. The systems currently in place for addressing poverty, neighborhood distress and blight, and stimulating reinvestment are not working as they should.

- The second section of the report discusses strategies and tools for moving forward. First and foremost, czb suggests a change from measuring outputs (activities) to outcomes (results). Much like the original 1989 Stockard & Engler report, czb provides a typology of neighborhood strength to help Des Moines ascertain which outcomes, programs, and resources are appropriate in each market type. At the top, the task is to maintain strength while becoming more inclusive and economically diverse. At the bottom, the primary task is to stabilize housing conditions and provide safe living environments. In addition, in the middle, the task is mainly to invest in additive work that leverages existing but underutilized strengths through strategic property acquisition and rehabilitation, targeted home ownership development, resident leadership development, and infill development.
- In addition to the typology, czb provides several principles to follow: build on strengths; work in targeted geographies with resources that are sufficient to the task; have patience – this will take time; protect the community’s assets – universities, hospitals, downtown, schools, churches, parks; shift towards measuring outcomes; and find a balance between being smart and fair as resources are deployed.
- The report concludes with potential next steps to consider, including: amend PlanDSM with more specific language related to housing and neighborhood goals, evaluate the City’s commitment to inclusionary development, allocate funding for the various types of work referenced in the report, strengthen code enforcement policies, develop a demolition prioritization schedule, choose prototype neighborhoods for revitalization and stabilization work and develop small area plans, and redesign the current revitalization system.
- Staff recommends 1) accepting the report from czbLLC, and 2) tasking the working group that has been assembled as part of this process with developing more specific recommendations on how to proceed, including a timeline, a funding strategy and budget recommendations, partner needs, system organizational structure, and strategies for updating policies. Staff will provide periodic updates to City Council on behalf of the working group, and return to City Council with recommendations and requests for action as needed.

PREVIOUS COUNCIL ACTION(S):

Date: April 23, 2018

Roll Call Number: [18-0703](#)

Action: [Second](#) amendment to Professional Services Agreement with czbLLC to provide additional visits and presentations, and extension of term to June 30, 2018. ([Council Communication No. 18-192](#)) Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Neighborhood Revitalization Board

Date: June 13, 2018

Resolution Number: N/A

Action: Receive the report as presented and submit to City Council a letter documenting the Neighborhood Revitalization Board's comments and concerns. Vote passed 9-1.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Additional actions on funding, policy work, and other implementation decisions.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.