

COUNCIL COMMUNICATION

	Number:	20-498	Meeting:	November 9, 2020
	Agenda Item:	60	Roll Call:	20-1838
	Submitted by:	Chris Johansen, Neighborhood Services Department Director		

AGENDA HEADING:

Public hearing for approval of the proposed 2021 Action Plan as part of the U.S. Department of Housing and Urban Development (HUD) 2020-2024 Consolidated Plan.

SYNOPSIS:

As a recipient of federal grant funding from HUD, the City of Des Moines is required to submit an Annual Action Plan as an update to its 5-year Consolidated Plan. The Annual Action Plan details how the City of Des Moines intends to use its federal funds. The HUD funding includes Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG). This Council action is for the City of Des Moines regular federal funding allocation; it does not include any additional funds or special programming in response to COVID-19.

One (1) requirement before submitting the Consolidated Plan is to obtain public input about the plan. This public hearing is the final opportunity for the public to submit comments.

FISCAL IMPACT:

Amount: \$3,792,908 in CDBG; \$1,016,025 in HOME; and \$321,417 in ESG.

Funding Source: This funding will come from HUD.

ADDITIONAL INFORMATION:

- The estimated funding breakdown for proposed projects is below:

<u>2021 Projects</u>	<u>CDBG Funding</u>	<u>HOME Funding</u>	<u>ESG Funding</u>	<u>Total Program Funding</u>
Administration	\$ 758,582	\$ 101,603	\$ -	\$ 860,185
NCS Housing Opportunities	\$ 633,816	\$ -	\$ -	\$ 633,816
NID Neighborhood-Based Service Delivery - Code Enforcement	\$ 1,616,189	\$ -	\$ -	\$ 1,616,189
Public Facilities and Infrastructure Improvements	\$ 209,326	\$ -	\$ -	\$ 209,326
Public Services	\$ 575,000	\$ -	\$ -	\$ 575,000
HOME Activities	\$ -	\$ 564,423	\$ -	\$ 564,423
CHDO Activities	\$ -	\$ 400,000	\$ -	\$ 400,000
ESG Program and Administration	\$ -	\$ -	\$ 321,417	\$ 321,417
Totals	\$ 3,792,913	\$ 1,066,026	\$ 321,417	\$ 5,180,356

- Public facilities and infrastructure improvements in 2021 will include fiber optic internet installation and access in low- and moderate-income areas of Des Moines.
- Public services include three (3) activities. First, \$50,000 will be allocated to the Des Moines Municipal Housing Authority to staff its homebuyer education and counseling program for tenants moving into homeownership. Second, \$150,000 will be allocated to IMPACT Community Action Agency for their operations to assist low- and moderate-income clients with a range of services such as the Low-Income Heating and Energy Assistance Program (LIHEAP), accessing food assistance, and housing assistance. Finally, public services will also include an allocation to Central Iowa Shelter and Services (CISS) for \$375,000 for operations.
- HOME Activities includes \$400,000 allocated to Greater Des Moines Habitat for Humanity to construct at least 10 homeownership units for low-income homebuyers.
- Community Housing Development Organization (CHDO) Activities is the allocation to HOME, Inc. to develop two (2) homeownership units for low-income homebuyers.
- The ESG Program and Administration will include activities to address homelessness, including rapid rehousing and emergency shelter. The next Request for Proposals, which occurs in two (2) year cycles, will be distributed in fall 2020.
- Each program mentioned in the Consolidated Plan—CDBG, HOME, and ESG—has different focuses. CDBG funding is the most diverse funding stream. It provides decent housing and suitable living environments and expands economic opportunities, principally for low- and moderate-income persons. The HOME program funds housing projects, often in partnership with local nonprofit groups, including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. ESG is intended to assist people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.
- Five (5) goals direct the projects and activities outlined in the 2020-2024 Consolidated Plan and Annual Action Plans. They are listed below along with their outcome indicators and funding for the next five (5) years:

2020-2024 Anticipated Outcomes		Funding
Goal 1: Affordable Housing		
25	Rental units constructed	CDBG: \$13,544,150
10	Rental units rehabilitated	HOME: \$4,843,660
55	Homeowner housing added	
Goal 2: Economic Development		
10	Jobs created/retained	CDBG: \$150,000
4	Façade treatment/business building rehabilitation	
10	Businesses assisted	
Goal 3: Public Services		
100,000	Public service activities other than Low/Moderate Income Housing Benefit (Persons Assisted)	CDBG: \$1,000,000
Goal 4: Reduce Homelessness		
150	Homelessness Prevention (Persons Assisted)	ESG: \$1,450,000
5000	Homeless person overnight shelter (Persons Assisted)	CDBG: \$875,000
750	Tenant-based rental assistance/Rapid rehousing (Persons Assisted)	
Goal 5: Enhance Infrastructure and Public Facilities		
8,000	Public Facility or Infrastructure Activities other than Low-/Moderate-Income Housing Benefit (Persons Assisted)	CDBG: \$4,319,535

PREVIOUS COUNCIL ACTION(S):

Date: September 14, 2020

Roll Call Number: [20-1445](#)

Action: [On](#) proposed 2021 Action Plan for the U.S. Department of Housing and Urban Development (HUD) Consolidated Plan, (11-9-20). Moved by Gatto to adopt. Motion Carried 7-0.

Date: November 4, 2019

Roll Call Number: [19-1792](#)

Action: [On](#) the proposed 2020-2024 Consolidated Plan, which includes the 2020 Action Plan, for the US Department of Housing and Urban Development (HUD) Consolidated Plan. ([Council Communication No. 19-476](#)) Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

- The federal funding amounts for each program above are estimates. Once Congress determines the next year's budget, HUD will announce the City of Des Moines allocation, and City staff will return to Council to reaffirm proposed plans with final allocations. In the past, this often occurs around March or April.

- City staff will also return to Council to approve grant agreements with HUD. This usually occurs in early summer.

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