

★ Roll Call Number

Agenda Item Number

16A

Date September 22, 2008

Communication from Tim Hielkema, Chair, Neighborhood Revitalization Board (NRB), transmitting the NRB's funding recommendations for the Fifth (2009) Year Action Plan of the 2005-2009 U.S. Department of Housing and Urban Development (HUD) Consolidated Plan.

APPROVED AS TO FORM:

Glenna K. Frank

Glenna K. Frank
Assistant City Attorney

MOVED BY _____ TO RECEIVE AND
FILE AND REFER TO
CITY MANAGER

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				
MOTION CARRIED			APPROVED	
_____ Mayor				

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

_____ City Clerk

NEIGHBORHOOD REVITALIZATION BOARD

TO: The Honorable Mayor and Members of the City Council

FROM: Tim Hielkema, Chair
Neighborhood Revitalization Board

16A

SUBJECT: 2009 HUD Consolidated Plan Recommendations

DATE: September 17, 2008

At their meeting on Monday, September 8, 2008, the Neighborhood Revitalization Board (NRB) adopted the attached funding recommendations for the 2009 HUD Consolidated Plan. The plan includes the Community Development Block Grant (CDBG), Home Investment Partnerships (HOME) and the Emergency Shelter Grant (ESG) Programs.

The recommended allocations are based on community development objectives, which were included in the 5-year (2005-2009) Consolidated Plan recommended by the NRB and adopted by the City Council on May 17, 2004. Notices of Funding Availability (NOFA) were developed based on the objectives and the NOFAs for the Fourth and Fifth- year Action Plans were approved by the City Council on May 21, 2007 and forwarded to potential operating agencies and city departments on June 4, 2007. This was in conformance with a new procedure recommended by the NRB and approved by the City Council, to allocate Consolidated Plan funds on a two-year basis.

Last year the NRB recommended that the 2009 project allocations be the same as what the NRB recommended for 2008. The Board stated however, that those recommendations could change depending on the estimates for 2009 funding and/or project performance. Subsequently, the actual 2008 funding was \$502,930 less than estimated and the 2008 Plan had to be supplemented with \$506,576 of reprogramming funds. At this time, there are no reprogramming funds available and Congress has indicated that the 2009 federal budget will operate on a continuing resolution at the same level as 2008.

On September 3, 2008, the NRB received information from the Housing Services Department which included performance reports for each of the projects which covered the 2007 program year and January 1 to June 30, 2008. Also, we received the following projection of 2009 funds available: \$4,250,000 in CDBG; \$900,000 in HOME, and \$195,000 in ESG. After deducting for planning, management, indirect costs, citizen participation, and monitoring, there is \$4,385,500 available for projects (\$3,400,000 CDBG, \$810,000 HOME, and \$175,500 ESG).

The NRB recommendations take into consideration the City-Wide Strategic Plan, the Neighborhood Revitalization Plans, the 12 City Council Goal Statements, and the goals of the CDBG, HOME, and ESG programs which, are " *to primarily benefit low- and moderate- income persons by providing decent housing; a suitable living environment; and expanding economic opportunities* ". The NRB also reviewed the project performance reports and based their recommendations on performance over the last 18 months.

In order to meet the 2009 budget projections, the NRB is recommending the following actions: no funding for Creative Visions (\$50,000) or the YWCA (\$35,000). In 2007 the City Council adopted a policy that agencies receiving any city assistance and having annual expenditures of \$150,000 or more from all sources are required to submit an audit that meets Generally Accepted Accounting Principles. Agencies receiving funding at that time were informed of this requirement at orientation sessions held on June 13, 14, and 26, 2007 and that the stipulation would be included in their 2008 contracts. To date all agencies have complied with the requirement except Creative Visions and the YWCA. We believe this speaks to the capacity of these agencies to administer government programs and we recommend that they not receive funding in 2009.

We also recommend that the Community Development Department not receive \$175,000 in 2009 funding for the King Irving Redevelopment project. Historically redevelopment projects are slow to implement and complete and the department states that those funds will not be needed in 2009.

We recommend that 2009 funds for the Neighborhood Commercial Revitalization Loan Program be reduced to \$25,000 since only one project got underway in 2008 and there is about \$70,000 unspent at this time.

The NRB recommends that all the other projects be reduced by .02687469347% which will balance the CDBG budget at \$3,400,000.

If there are additional 2008 CDBG, HOME, and/or ESG funds allocated by the federal government the NRB recommends that only agencies who applied for the 2008/2009 program years be considered for additional or reprogrammed funds. This insures that agencies do not by-pass the established citizen participation process and that their proposals have been reviewed.

The NRB looks forward to working with city staff, other public/private agencies, and the City Council to implement the 2009 Consolidated Plan.



Tim Hielkema, Chair
Neighborhood Revitalization Board

cc: City Manager
Neighborhood Revitalization Board Members
Housing Services Director
Neighborhood Development Administrator

ACTIVITY NAME	2009 Requested Amount	2009 Staff Recommendations	2009 NRB Recommendations			
			CDBG	HOME	ESG	Total
Code Enforcement						
NID - NH Based Svc Delivery	\$766,056	\$762,500	\$712,814			\$712,814
Econ. Dvlpmt. - Comm. Redvlpmt.						
OED - Neigh. Comm. Revit. Loan Program	\$200,000	\$120,000	\$25,000			\$25,000
Econ. Dvlpmt - Microenterprises						
OED - Econ. Develop. Financial Ast. Program	\$150,000	\$50,000	\$48,656			\$48,656
ISED Microenterprise Development	\$40,000	\$35,000	\$38,925			\$38,925
Homeless - Emergency Shelter & Support Svcs						
CaC - St. Jph Emrgncy Family Shelter	\$30,000	\$27,000			\$27,000	\$27,000
Central Iowa Shelter-Community Kitchen	\$45,000	\$40,000	\$34,546		\$4,500	\$39,046
Central Iowa Shelter - Emergency Homeless Shelter	\$80,000	\$50,500	\$49,143			\$49,143
Central Iowa Shelter - Transit Shuttle Service	\$30,000	\$24,000			\$24,000	\$24,000
CFI - Family Violence Center	\$30,000	\$26,000			\$26,000	\$26,000
HHM - New Directions Shelter	\$42,000	\$40,000			\$40,000	\$40,000
IHYC - Reggie's Place	\$20,000	\$20,000	\$19,463			\$19,463
PHC - Clinic Operations Support	\$27,000	\$20,000	\$19,463			\$19,463
Homeless - Transitional Hsg & Support Svcs						
Beacon of Life - Trnstnl Hsg & Support Srv	\$89,700	\$35,000	\$34,059			\$34,059
CFI - Compass Project	\$24,218	\$20,000	\$19,463			\$19,463
Criminal Justice - Hansen House	\$45,000	\$40,000	\$5,839		\$34,000	\$39,839
Home Connection - Transitional Housing Program	\$40,000	\$35,000	\$34,059			\$34,059
IHYC - Transitnl Living/St. Outreach	\$24,000	\$20,000	\$23,355			\$23,355
MECCA - Transntional Housing	\$26,000	\$20,000			\$20,000	\$20,000
YWCA - Operating Costs	\$55,000	\$35,000	\$0			\$0
Special Needs - Maint./Chore Services						
CHDC - SeniorWise/Home Repair	\$170,000	\$160,000	\$165,431			\$165,431

2009		2009 Staff				
ACTIVITY NAME	Requested Amount	Recommendations	CDBG	HOME	ESG	Total
HSG/Residential ReDvlpmt						
NCS - Housing Opportunities - CDBG	\$1,645,694	\$955,500	\$1,162,600			\$1,162,600
NCS - Housing Opportunities - HOME	\$1,060,000	\$810,000		\$810,000		\$810,000
NDD - King Irving Affordable Housing Consortium	\$300,000	\$0				\$0
Housing Residential ReDvlpmt - Demolition						
Eng. - Demolition	\$100,000	\$50,000	\$82,716			\$82,716
Infrastructure - Street Improvements*						
PW - NH Infrastrc. Rehab. Program NIRP	\$400,000	\$340,000	\$364,922			\$364,922
Neighborhood Capacity Building						
Des Moines Neighbors Resource Office	\$25,000	\$25,000	\$24,328			\$24,328
Other Capacity Building						
CDD - Polk County Housing Continuum	\$0	\$50,000				\$0
Public Service - Homebuyer Education Program						
CCI - Home Ownership Project	\$73,851	\$50,000	\$48,656			\$48,656
NFC - Homebuyer Education	\$55,000	\$50,000	\$48,656			\$48,656
NFC - Tool Lending Library	\$50,000	\$45,000	\$48,656			\$48,656
Public Service - Community Services*						
CS - Site Office Srv Delivery System	\$279,225	\$250,000	\$253,012			\$253,012
Public Service - Employee Training						
CV - Project Turnaround	\$75,000	\$50,000				\$0
Public Service - SCRUB*						
PW - SCRUB	\$125,000	\$110,000	\$116,775			\$116,775
Public Service - Transportation						
DART - Opportunities Thru Transit	\$25,000	\$20,000	\$19,463			\$19,463
Totals:	\$6,147,744	\$4,385,500	\$3,400,000	\$810,000	\$175,500	\$4,385,500