

★ **Roll Call Number**

Agenda Item Number

AA

Date October 9, 2006

Communication from Frank Affannato, Chair, Neighborhood Revitalization Board (NRB), transmitting the NRB's funding recommendations for the Third Year Action Plan (2007) of the 2005-2009 U.S. Department of Housing and Urban Development (HUD) Consolidated Plan.

APPROVED AS TO FORM:

Ann DiDonato  
Ann DiDonato  
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				
VLASSIS				
TOTAL				

**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.

MOTION CARRIED APPROVED

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

2007 PROPOSALS

ACTIVITY NAME	2006		2007 Requested Amount	Rating	NRB Recommendations				Comments
	Contract Amount				CDBG	HOME	ESG	Total	
Code Enforcement									
NID - NH Based Svc Delivery	\$1,030,000		\$1,063,475	M	\$1,000,000				Add program income from towing cars stays in program
Econ. Dvlpmt. - Comm. Redvlpmt.									
OED - Neigh. Comm. Revit. Loan Program	\$0		\$350,000	L					Not opposed to OED but due to lateness of proposal and lack of outline of goals.
Econ. Dvlpmt - Microenterprises									
ISED - Microenterprise Development	\$30,000		\$50,000	M	\$30,000				
Homeless - Emergency Shelter & Support Svcs									
CaC - St. Jph Emrgncy Family Shelter	\$26,500		\$30,000	H			\$27,000		
Central Iowa Shelter-Community Kitchen	\$39,070		\$42,000	H	\$35,500		\$4,500		
Central Iowa Shelter - Emergency Homeless Shelter	\$44,000		\$48,000	H	\$44,000				
Central Iowa Shelter - Transit Shuttle Service	\$24,000		\$26,000	H			\$24,000		
CFI - Family Violence Center	\$26,000		\$30,000	H			\$26,000		
HMM - New Directions Shelter	\$34,252		\$40,000	H			\$40,000		
IHYC - Reggie's Place	\$20,000		\$30,471	M	\$20,000				
PHC - Clinic Operations Support	\$27,000		\$27,000	L					
Homeless - Transitional Hsg & Support Svcs									
Beacon - Trnstitl Hsg & Support Srv	\$35,000		\$81,050	H	\$35,000				
BLR - Bernie Lorenz Recovery, Inc.	\$20,000		\$20,000	M	\$20,000				
CFI - Compass Project	\$0		\$30,000	M					
Criminal Justice - Hansen House	\$30,000		\$30,000	M			\$30,000		
Home Connection - Transitional Housing Program	\$25,000		\$40,000	M	\$25,000				
House of Mercy - Child Development Center	\$0		\$41,650	H					
IHYC - Transittl Living/St. Outreach	\$24,132		\$26,239	H			\$24,000		
YMCA of Greater Des Moines	\$0		\$78,273	M					
YWCA - Operating Costs	\$40,000		\$55,000	M	\$40,000				

Revised 9/16/06

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ACTIVITY NAME	2006 Contract Amount	2007 Requested Amount	Rating	CDBG	HOME	ESG	Total	Comments
<b>SP NEEDS - Maint./Chore Services</b>								
CHDC - Sp N: SeniorWise/Home Repair	\$150,000	\$160,000	H	\$149,000				
<b>Infrastructure - Street Improvements*</b>								
PW - NH Infrastrc. Rehab. Prog. NIRP	\$335,000	\$350,000	M	\$325,000				
<b>Neighborhood Capacity Building</b>								
Des Moines Neighbors Resource Office	\$0	\$15,000	M					
<b>HSG/Residential ReDvlpmt</b>								
NDD - Forest Avenue Redevelopment	\$150,000	\$300,000	H	\$170,000				
NCS - Housing Opportunities - HOME	\$1,044,499	\$1,433,821	H		\$1,033,000			
NCS - Housing Opportunities - CDBG	\$700,000	\$1,467,000	H	\$1,198,998				
Eng - Demolition	\$468,366	\$146,000	L	\$100,000				
<b>Public Service - Homebuyer Education Program</b>								
CCI - Home Ownership Project	\$50,000	\$62,546	H	\$50,000				
NFC - Homebuyer Education	\$60,000	\$70,000	H	\$60,000				
NFC - Tool Lending Library	\$50,000	\$60,000	H	\$50,000				
<b>Public Service - Community Services*</b>								
CS - Site Office Srv Delivery System	\$250,000	\$275,830	H	\$235,000				
<b>Public Service - Employee Training</b>								
CV - Project Turnaround	\$75,000	\$75,000	L	\$50,000				
<b>Public Service - SCRUB*</b>								
PW - SCRUB	\$110,000	\$110,000	M	\$110,000				
<b>Public Service - Transportation</b>								
RTA - Opportunities Thru Transit/Wages	\$20,000	\$20,000	H	\$20,000				
Totals:	\$4,937,819	\$6,684,355		\$3,767,498	\$1,033,000	\$175,500	\$4,975,998	
Projected Totals:				\$3,767,498	\$1,033,000	\$175,500	\$4,975,998	
Balance of Projected totals minus Total request				\$0	\$0	\$0	\$0	Revised 9/16/06



# NEIGHBORHOOD REVITALIZATION BOARD

TO: The Mayor and Members of the City Council

Date OCT - 9 2006

FROM: Frank Affannato, Chair  
Neighborhood Revitalization Board

Agenda Item 44

Roll Call # \_\_\_\_\_

SUBJECT: 2007 HUD Consolidated Plan Recommendations

DATE: October 4, 2006

At their meeting on Saturday, September 16, 2006, the Neighborhood Revitalization Board (NRB) adopted the attached funding allocations for the 2007 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 (NOFAs) were developed based on the objectives and the NOFAs for the Third- year Action Plan were approved by the City Council on May 8, 2006 and forwarded to potential operating agencies and city departments on May 22, 2006. Proposals were due in the Housing Services Department on June 29, 2006. The proposals were reviewed and rated by committees made up of city staff and public/private agencies who were not seeking 2007 funding. The proposals, ratings, estimated 2007 grant amounts, and staff recommended allocations were distributed to NRB members on August 25, 2006.

From September 12-14, the NRB reviewed and heard presentations on 31 proposed activities totaling \$6,671,809 in funding requests. The projected 2007 resources total \$4,650,000 in CDBG; \$1,145,000 in HOME (including \$25,000 for the American Dream Downpayment Initiative - ADDI program) \$195,000 in ESG; and \$79,682 in reprogramming funds. After deducting for planning, management, indirect costs, citizen participation, and monitoring, there is \$4,975,998 available for projects.

The NRB recommendations take into consideration the City-Wide Strategic Plan, the Neighborhood Revitalization Plans, 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 following are comments on projects where there are differences between the staff and NRB recommendations, or no funding is recommended.

- Neighborhood Based Service Delivery - Neighborhood Inspection Division: Staff recommendation - \$1,000,000. The NRB recommendation for this project is \$1,000,000 along with the estimated \$40,000 of CDBG program income from



the vehicle impoundment component of the NBSD program. This would bring the total available for the program in 2007 to \$1,040,000.

- Office of Economic Development - Neighborhood Commercial Revitalization Loan Program: Staff recommendation - \$100,000. The NRB recommends zero funding for this program. The proposal was submitted 5 weeks late and was not complete at the time of submittal. We do not think it is fair to consider it for funding when all the other requests were submitted on time. While the NRB would like to see neighborhood commercial revitalization, this proposal was not directed at eligible designated neighborhoods and the implementation plan was confusing.
- ISED – Micro-enterprise: Staff recommendation - \$-0-. The NRB recommends \$30,000 for this project. The micro-enterprise development services provided by ISED have assisted several new small businesses to start up and others to expand. They target minorities and low-income persons. They also coordinate with the City's Economic Development Department to help micro-enterprises develop business plans and obtain financing.
- Homeless Emergency Shelter Programs: The NRB agrees with the staff recommendations for most of these projects. However, we recommend \$27,000 for St. Joseph's Family Shelter instead of the \$26,000 recommended by staff; \$26,000 for the CFI - Domestic Violence Center instead of the \$30,000 recommended by staff; \$20,000 for IHYC - Reggie's Place instead of the staff recommendation of zero funding; and zero funding for Primary Health Care instead of the \$20,000 staff recommendation. PHC continues to submit late reimbursement requests, leading the NRB to question their management capacity and/or their need for the funding. For example, the agency recently submitted reimbursement requests totaling \$259,023 for three programs that were 6 months, 12 months and 15 months late.
- Homeless Transitional Housing Programs: The NRB agreed with the staff recommendations for all but one of these programs. The Board recommends \$24,000 for the IHYC - Transitional Living/Street Outreach program, instead of zero funding as recommended by staff.
- CHDC - SeniorWise Home Repair: Staff recommended \$140,000 for this program and the NRB raised it to \$149,000. The agency assists over 1,200 elderly residents annually, to safely remain in their own homes.
- Des Moines Neighbors - Resource Office: Staff recommended \$15,000 for this neighborhood capacity building program and the NRB agrees. The funds will be charged against the administration allocation, as required by HUD. The Board is excited about the potential of this program to assist neighborhood organizations through leadership training, newsletter development and printing, computer training, and coordination with city, county, school and state governments.



- Neighborhood Development Department - Forest Ave. Redevelopment: Staff recommended \$150,000 and the NRB is recommending \$170,000 to speed up the acquisition of properties for this multi-year program.
- Neighborhood Conservation Services - Housing Opportunities - HOME: The NRB agrees with the staff recommendation of \$1,033,000 of HOME and ADDI funds. On November 21, 2005 the City Council authorized five-year contracts for HOME funds and directed the City Manager to develop new procedures for allocation of CDBG and HOME funding for housing projects. This was in response to audit findings regarding financial reconciliation and more timely expenditure of federal funds. The new procedures also facilitate coordinating projects with multiple funding sources that include the Polk County Housing Trust Fund, the Federal Home Loan Bank, and Low-Income Housing Tax Credits. This year NCS issued RFPs in early June and the NRB reviewed and recommended approval of the Department's allocations to non-profit and for profit housing agencies. The process also allowed the Board more time to review the programs and procedures. We believe this approach will result in timelier implementation and completion of rehabilitation and new construction of both rental and owner-occupied housing projects.
- Neighborhood Conservation Services - Housing Opportunities - CDBG: The NRB agrees with the staff recommendation of \$1,198,998 of CDBG funds. On July 24, 2006 the City Council approved the NRB's recommendation to allow a two-year contract period for this program. This will eliminate the need to "carryover" funds for previous program year contractual obligations and more accurately reflect and record what is being accomplished in each contract period. CDBG funds will be used for technical assistance, homeowner rehabilitation, minor home repairs, lead-based paint remediation, and acquisition rehab for sale to homeowners.
- Engineering Department - Demolition: The NRB agrees with the staff recommendation for \$100,000 for this program. The Department requested \$146,000 but for the past few years there has been an average of \$50,000 of CDBG program income that can be used for this activity. Also, at the end of August the financial report shows that there was \$415,632.18 unspent. This amount, if carried over to 2007 and added to the recommended allocation and the program income would provide \$565,632.18 for this project. Also, it is our understanding that there is no City funds allocated for this activity and we recommend that the City leverage the considerable investment of CDBG funds if the 2007 funding is not sufficient.
- Neighborhood Finance Corporation - Homebuyer Education: Staff recommended \$50,000 and the NRB recommends \$60,000. NFC reports that, while the number of clients are not increasing, the complexity of the issues preventing home ownership are, and require more staff time.
- Creative Visions - Project Turnaround: Staff recommendation - \$60,000. The NRB recommends \$50,000 and agrees with the staff recommendation that this allocation be contingent on the results of the August 2006 monitoring review.

In addition, the NRB is aware of the Des Moines Workforce Services Scan conducted by @Work Solutions, Inc. on behalf of the Des Moines Agenda One Economic Self-Sufficiency Cluster. The study, funded by the Annie E. Casey Foundation, reports that there is no systematic approach by providers to working with employers; no system of workforce partners; no incentive to coordinate and refer; an overall lack of performance measurement; and there is a gap in the provision of longer-term and more comprehensive services to job seekers who have significant barriers to stable employment. We recommend that the City support Agenda One's initiative to coordinate job training/job placement efforts between providers at the State, County, and local level and employers. Funding for these programs should be contingent on participation in a Workforce Continuum that includes all the stakeholders, addresses duplication of effort and reduces barriers to those most in need of stable employment.

- Public Works Department - SCRUB: staff recommendation - \$90,000. NRB recommendation - \$110,000. The NRB also recommends that the Public Works Department develop a pilot program that would reduce or eliminate the \$35.00 fee to low-income households for removal of large appliances. Because of the fee, these items are often dumped in vacant lots and end up costing more for removal than they would under the SCRUB program.

If there are additional 2007 CDBG, HOME, and/or ESG funds allocated by the federal government we recommend that only agencies who applied for the 2007 program year 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.

We look forward to working with city staff, other public/private agencies, and the City Council to implement the 2007 Consolidated Plan.



Frank Affannato, Chair  
Neighborhood Revitalization Board

cc: City Manager  
Housing Services Director  
Neighborhood Development Administrator