

# **Agenda**

## **Housing & Community Development Commission (HCDC)**

**Thursday, February 16, 2017  
6:30 P.M.**

**Senior Center, Assembly Room  
28 S. Linn Street, Iowa City**  
*Use the Washington Street entrance or  
2<sup>nd</sup> floor skywalk via Tower Place parking garage*

1. Call meeting to order
2. Approval of the January 19 and February 9, 2017 minutes
3. Public comment of items not on the agenda
4. Question/Answer Session regarding FY18 Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) Funding - applications available online at <http://bit.ly/2k50LJP>
5. Overview of housing pro forma template
6. Consider a recommendation to City Council concerning proposed HCDC Bylaws amendments
7. Consider schedule for members to attend Johnson County Affordable Homes Coalition meetings
8. Correspondence
9. Staff/commission announcements
10. Adjourn

Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service, or activity of the City of Iowa City should contact ADA Coordinator in the Office of the City Manager, 410 E. Washington Street, Iowa City, Iowa, 319-356-5010 or TTY 319-356-5493 (email: [ADACoordinator@iowa-city.org](mailto:ADACoordinator@iowa-city.org)) as soon as possible but no later than 48 hours before the scheduled event.



**HOUSING AND COMMUNITY DEVELOPMENT COMMISSION  
JANUARY 19, 2017 – 6:30 PM  
SENIOR CENTER, ASSEMBLY ROOM**

**MEMBERS PRESENT:** Peter Byler, Syndy Conger, Christine Harms, Bob Lamkins, John McKinstry, Harry Olmstead, Dorothy Persson, Emily Seiple, Paula Vaughan

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Kris Ackerson, Tracy Hightshoe

**OTHERS PRESENT:** John Boller (Grow: Johnson County), Joan Vandenberg (ICCSA), Dale Helling (Inside Out Reentry), Tracey Achenbach (Housing Trust Fund), Susan Gray (4C's Community Coordinated Child Care), Stu Mullins (United Action for Youth), Will Jennings (Northside Neighborhood Association), Charlie Eastham (Affordable Housing Coalition), Becci Reedus (Crisis Center of Johnson County), Barbara Vinograde (Iowa City Free Medical Clinic), Kristie Doser (Domestic Violence Intervention Program), Daleta Thames (Big Brothers Big Sisters of Johnson County), Mary Issah (NAMI of Johnson County), Karen DeGroot (Arc of SE Iowa), Crissy Canganelli (Shelter House), Devon Inman (Elder Services, Inc.), Mike McGinnis, Tracy McGinnis, Albert Prusson

**RECOMMENDATIONS TO CITY COUNCIL:**

By a vote of 9-0 the Commission recommends to approve the FY2018 Aid to Agencies allocations as listed in Exhibit A (attached). Additionally, if budget increases or decreases by up to 20%, the difference will be changed by the same percent; and if the change is more than 20%, then the Commission will reconvene.

**CALL MEETING TO ORDER:**

Byler called the meeting to order at 6:30 PM.

**APPROVAL OF THE DECEMBER 15, 2016 MINUTES:**

Olmstead moved to approve the minutes of December 15, 2016. Conger seconded the motion. A vote was taken and the motion passed 9-0.

**PUBLIC COMMENT FOR TOPICS NOT ON THE AGENDA:**

None.

**DISCUSS FY2018 AID TO AGENCIES FUNDING REQUESTS AND CONSIDER BUDGET RECOMMENDATION TO CITY COUNCIL:**

Byler began by thanking everyone from the partner agencies for taking the time to complete the applications thoroughly.

Ackerson showed a spreadsheet summarizing the applications. If none of the Commissioners chose to allocate a particular agency, it was not shown on the spreadsheet. Also Ackerson added to the spreadsheet the median for each application, and the total dollar amount of the medians added up is

\$371,700. The total funding available is \$7,000 more than that.

Byler noted that there were two agencies with only one or two Commissioner's support. Arc of SE Iowa had one Commissioner's support and NAMI having two. Therefore Byler suggests eliminating those two agencies from consideration as well.

Olmstead asked about agencies that were asking for funding below the \$15,000 threshold (Table to Table and Four Oaks). Byler said they will be informed that since their request was less than the threshold they will be eliminated from consideration.

Hightshoe noted that the funding threshold is listed on the application instructions. She also announced that the City has not received the CDBG or HOME budget and some of the Aid to Agency is from HOME funds, so the Commission may want to have a contingency plan if the allocation is less.

Hightshoe also wanted to clarify the Shelter House application. They applied for \$70,000 and \$20,000 of that is reserved for the winter shelter. The City will fund the winter shelter outside of the Aid to Agencies process so Shelter House's request is really on for \$50,000.

Byler notes that looking through the list there are four other agencies that had a median allocation of zero, meaning that there were four or fewer Commissioners that recommended funding for them and suggested the Commission begin by discussing those.

Seiple spoke as to her support of the application, saying that as part of her process she divided all the organizations up based on the need they were supporting as several were addressing similar issues.

John Boller (Project Director, Grow: Johnson County) came forward to answer questions.

Byler asked what the total budget of the Grow: Johnson County budget. Boller replied that it is around \$73,000 and that is primarily personnel and some administration costs. Byler asked if the major beneficiaries were from Iowa City or other surrounding areas. Boller said they do serve the whole county but there are Iowa City agencies (pantries, Free Lunch Program, Shelter House) that receive the food they are producing. Byler asked if they applied for funding from other organizations as well and Boller replied just the County.

Harms noted that the Grow: Johnson County is a young organization and she is partial to start ups and asked Boller how important this money is with regards to their success. Boller explained that it is crucial, they are just starting their second growing season this year, in their first year they had over 12,000 pounds of food that was distributed to 10 different agencies within the County. Personnel is their biggest need to make this a sustainable project. A farm manager that oversees the crop management and an educational director as well conducts workshops, fieldtrips, etc.

Vaughan stated she supported this application because she believes in supporting the basic needs of people which are shelter and food. She also noted that since she is retired from the field of nutrition she knows how important the education piece is and that many people do not know how to use the fresh produce that they grow and how important it is for their health.

Joan Vandenberg (Coordinator of Youth and Family Development & Co-Director of ICCSD Community Education) stated that the request for \$55,000 is for an additional staff position in the Student Family Advocate Program. The ICCSD has Student Family Advocates in every building in the district but some are only part-time.

Persson asked why tax money is not being used to support this need. Vandenberg noted that the total Student Family Advocate program is \$1.4 million and the focus is education but they also go

beyond education for the needs of the homeless kids. She said they help those families obtain housing and they collaborate with other agencies for assistance for the families and getting the students supplies and other necessities (such as immunizations). Persson noted her concerns because she would like to see cooperation with the other agencies so the talents of all the agencies be used together so that requests from the public school district are not necessary. Vandenberg acknowledged Persson's comments but noted that other municipalities give them funds as well. The City of Hills allocates \$20,000; the City of North Liberty gives them \$55,000; and they are asking the City of Coralville for \$55,000, as well.

Conger stated her support of this application because she knows how important it is to the community.

Byler asked if there was anyone in the School District that had a position like this previously. Vandenberg said that was a different position and she is currently the homeless liaison for the District so this request is creating a new position.

Olmstead asked if they do not receive the funding from here would they be able to hire the position from other funds such as the new bond money. Vandenberg replied no, that bond money has to go to infrastructure, so they would have to look for other District resources, but education dollars are being cut significantly.

Seiple asked about clarification about this new position. Vandenberg explained that the homeless liaison position is a federally required position and the homeless liaison develops the system. Vandenberg works out of the Education Service Center, administers the professional development and resources, provides training, but does not provide case management. This new position would provide case management.

Dale Helling (Volunteer and member of the Board of Directors) stated that the request for the \$59,000 is more than 100% of their current budget, and they have requested a lesser amount from Coralville. They serve all of Johnson County and hope to expand and hire a staff person to coordinate the mental health needs for people that come through and partner with the appropriate agencies to help. They went from serving eight people in 2015 to about ninety in 2016. Most of the people they assist either have substance abuse or mental health issues. This organization is only two years old and will take whatever they can get to increase their half-time director to three-quarter time.

Helling explained that they submitted an application through the Human Rights Commission for software, it was for \$3,000 for two computer stations for the participants to use to look for housing and employment, so that was not part of this Commission's application.

Byler asked why this organization was created and could the services not be obtained through another already existing organization. Helling explained that this organization fills a gap that is not handled within the criminal justice system. People coming out of incarceration often are at a lost at where to turn next as not all are put on probation or parole so have no assistance or supervision.

Persson stated she is pleased with the medians recommendations and noted that with ever shrinking budgets it is important to look at startups and see if they are proliferating funds from an already existing agency that provides the same services. Additionally with regards to the public schools, she is offended that her tax dollars do not go to support those resource centers, and the public should be telling their School Board that those resources are part of education.

Byler noted that he was under the impression that the Reentry program was something that the government was working on but sees now there is a gap that exists. He also supported the ICCSD but understands how others feel and is comfortable taking that one off the list for allocations this year. Conger noted that while everyone else allocated to Big Brothers Big Sisters she did not because while it is a great organization it has lots of support from other entities (United Way) and does lots of

fundraising.

Seiple reiterated that the Grow: Johnson County organization does partner with other agencies, they work with the Free Lunch Program and not only are they growing the food they are teaching people how to do so also and feels they are bringing something new to the community.

Tracey Achenbach (Housing Trust Fund) came forward to answer questions from the Commission.

Byler asked given that the Housing Trust Fund has had an influx of money this year, and this year they again requested \$24,000 (as they do every year) so could she explain what would happen if that amount were less. Achenbach explained that the money the Housing Fund received from both the County and the City just flows through the organization to support others; it is not used to support the operations of the Housing Fund.

Vaughan questioned the 4C's request and what the 10 sessions the money would fund.

Susan Gray (Director, 4C's Community Coordinated Child Care) is for the Starting Strong program and this is the first year they are asking for funding for it. Prior they had used entitlement funding from the County to support it. It started with five childcare providers that they help get started and set up so they are ready for children. With the funding they have received in this past year, they have been able to work with 20 childcare providers and all are providers where 50% of the children are receiving assistance. The request for this year is for 10 childcare programs, to pay for visiting them, take in activities and help them structure their program. They would also pay the providers to attend trainings (CPR, First Aid, etc.) They are also asking Johnson County to pay for 20 programs, so they can assist a total of 20. Vaughan asked how many children would be in the 10 programs. Vaughan questioned the high rate of staff turnover (30%) and if they are doing anything to prevent that. Gray explained that is the childcare provider turnover rate in the centers, not the 4C's turnover rate. Most childcare providers are paid minimum wage with no benefits so that is why there is high turnover.

Vaughan also questioned the budget for United Action for Youth, the total budget was \$1,489,000 and it appeared there was a balance of \$1,700,000 so perhaps they are in better shape than other programs.

Stu Mullins (Executive Director, United Action for Youth) explained that they are trying to build up their safety net in these rocky budget times. There have been a series of years when they have had major expenditures and no cushion. They also have to match many of the grants they receive, which can be tough.

Persson asked whether Grow: Johnson County or Inside Out Reentry have done fundraising. Boller stated that Grow: Johnson County has done various fundraising activities and reached out to many for assistance. He did add he would be uncomfortable if funding to his organization came because of another organization losing funding. Helling also stated that Inside Out Reentry has looked to several organizations for funding and support. They have been successful getting a small grant from the Johnson County Foundation and the Housing Trust Fund to help with rents. They also have done mailing and internet fundraising campaigns.

The Commission discussed the median allocations and decided to lower the allocation for Big Brother Big Sisters by \$5,000 and United Action for Youth by \$3,000. That \$8,000 plus the \$7,000 available allows for an allocation of \$15,000 to Inside Out Reentry.

**Olmstead moved to approve the FY2018 Aid to Agencies allocations as listed in Exhibit A (attached). Harms seconded the motion. A vote was taken and the motion carried 9-0.**

Byler suggested that if the adjustment is 20% or less it is adjusted across the board, if more than

20% the Commission reconvenes to discuss.

**Lamkins moved that if a plus or minus adjustment of 20% is spread evenly amongst recipients, if more than 20% the Commission will reconvene. Persson seconded the motion. A vote was taken and the motion carried 9-0.**

**DISCUSS CRITERIA USED IN THE AFFORDABLE HOUSING MODEL:**

Byler stated that he and Ackerson met to discuss whether the location model was still serving its purposes and it seemed the consensus at the last Commission meeting was the current model is overly restrictive and not fulfilling the goals to not further exasperate concentration of areas of poverty.

Ackerson explained that after the last meeting he began to go through the GIS data that could be used to shrink the areas that could be used for new rental housing projects. The five criteria he came up with are: bus routes and/or stops; parks; trails; employers; and Quick Care or Mercy Care. Ackerson said if there is a consensus to add these criteria, or some of them, there would be a need to adjust the weighting of the systems existing factors. Even if the Commission decides not to add any new factors, they could just adjust the weights of the current criteria.

Persson asked if any community groups have been asked what concerns them or what criteria they feel is necessary, or if they are content with the current system. Ackerson replied that he did not do any outreach to organizations.

Byler noted that this conversation began in an effort to get more areas added to zones that could have low-income housing. To be eligible an area has to meet certain criteria, and perhaps adding additional criteria will make more areas eligible. The one thing that won't change, no matter what the criteria, is that a piece of land immediately adjacent to an affordable rental will never be eligible.

Olmstead agreed that adding criteria, especially bus routes, are a good idea but it also depends on the hours of operations for the buses. If the person in that neighborhood is working a second or third shift that criteria may not be of value.

Hightshoe noted that Staff has talked with a few of the providers such as the Housing Coalition and they are interested in having more areas available to have affordable housing.

Seiple added that employers in the area should be criteria, there are certainly gaps in the transit system but it does help. Hightshoe questioned what constitutes an employer, if a gas station would suffice, or does it have to be an employer with a minimum number of employees. That could make a difference in the weight of the criteria. Seiple shared with the Commission the research she did, beginning with the model the State uses and that the size of the employer does affect the weight of that criterion.

Byler asked if the Commission agrees that the criteria of bus stops and employers should be added. Lamkins said perhaps they could add criteria incrementally to make more areas available, and it is logical to start with transportation and employment.

Byler stated his opinion that distance to existing assisted rental housing should be taken down on the priority list, elementary school free & reduced lunch rate should be taken up on the priority list, and transportation and employment-based criteria should be added.

Ackerson noted he failed to add to the proposed list the number of rental permits in an area, which was brought up at the last meeting as a factor.

Conger suggested that the school and free & reduced lunch rate not just be switched with distance to existing rental housing in weighting.

The Commission discussed all the criteria and what they meant so to better understand if the current criteria weights should be adjusted.

Persson asked if any other models were available to reference. Seiple found a model from Raleigh North Carolina and their criteria was basically if it were a majority or minority neighborhood, or if the population had 30% or more living below the poverty level.

Ackerson, Hightshoe and Byler will work on creating a few options with new criteria and weighting models to be shared at the next meeting for discussion.

Will Jennings (Northside Neighborhood Association) has lived in Iowa City since 1975 and suggests that when looking at bus routes and/or stops that there are distinct differences in primary bus routes with multiple options for connections. Not all bus stops are equal. He also spoke about the distance to existing rental housing and that disbursement was a positive thing, especially in his neighborhood (being so close to campus and student housing). Programs like UniverCity have helped tremendously to get owner-occupied homes in their neighborhood, which has increased the community within their neighborhoods and would not want to see that diminished with more rental housing.

Charlie Eastham (Affordable Housing Coalition) hopes that whatever model the Commission arrives at does decrease the amount of parcels in the City that are not available for affordable housing. The current map has been a huge impediment to most low-income housing providers and families.

#### **OVERVIEW OF HOUSING PRO FORMA TEMPLATE:**

Byler suggested deferring this item until the next meeting.

#### **CONSIDER AMENDMENTS TO THE HCDC BYLAWS TO BE VOTED ON AT FEBRUARY HCDC MEETING:**

Byler explained the change is due to HCDC appointments by city council moving to June, the HCDC Bylaws should be amended to show the Commission Chair and Vice Chair will be selected in July, rather than September.

#### **UPDATE FROM HOMEBUILDER INPUT SUB-COMMITTEE:**

Byler said the sub-committee has not met yet, he is working to coordinate the meeting with the Homebuilders Association. The Administrator for the Homebuilders Association is focused on having an affordable housing bus tour and after that they will meet. Hopefully that will happen in March.

#### **STAFF/COMMISSION COMMENT:**

Ackerson also mentioned that there was a project recently approved on Hwy 6 and Gilbert Street for a workforce housing development. There will be 20-30 efficiencies constructed initially but the complete project will be over 300 units.

#### **ADJOURNMENT:**

Olmstead moved to adjourn. Seiple seconded the motion. Meeting adjourned.



**Exhibit A**

| <b>Agency</b>   | <b>FY18 Request</b> | <b>HCDC Recommendation</b> |
|---|---------------------|----------------------------|
| 4 C's Community Coord. Child Care                     | \$17,000            | <b>\$15,000</b>            |
| Arc of Southeast Iowa                                 | \$15,000            | \$ -                       |
| Big Brothers / Big Sisters                            | \$30,000            | <b>\$15,000</b>            |
| Crisis Center of Johnson County                       | \$47,450            | <b>\$40,000</b>            |
| Domestic Violence Intervention Program                | \$50,000            | <b>\$40,000</b>            |
| Elder Services Inc.                                   | \$75,000            | <b>\$25,000</b>            |
| Four Oaks - Pal Program                               | \$4,000             | \$ -                       |
| Free Lunch Program                                    | \$16,000            | <b>\$16,000</b>            |
| Girl Scouts of Eastern Iowa and Western Illinois      | \$15,000            | \$ -                       |
| Grow: Johnson County                                  | \$25,000            | \$ -                       |
| Handicare Inc.  | \$22,000            | \$ -                       |
| Housing Trust Fund of JC                              | \$24,000            | <b>\$24,000</b>            |
| IC Free Medical/Dental Clinic                         | \$20,000            | <b>\$15,000</b>            |
| ICCSD Family Resource Centers                         | \$55,000            | \$ -                       |
| Inside Out Reentry Community                          | \$59,168            | <b>\$15,000</b>            |
| Iowa Jobs for American's Graduates (iJAG)             | \$15,000            | \$ -                       |
| Iowa Youth Writing Project                            | \$18,000            | \$ -                       |
| Melrose Daycare                                       | \$15,000            | \$ -                       |
| National Alliance on Mental Illness of Johnson County | \$15,000            | \$ -                       |
| Neighborhood Centers of JC                            | \$65,000            | <b>\$43,700</b>            |
| Pathways Adult Day Health Center                      | \$15,000            | <b>\$15,000</b>            |
| Prelude Behavioral Services                           | \$25,000            | <b>\$15,000</b>            |
| Rape Victim Advocacy Program                          | \$20,000            | <b>\$15,000</b>            |
| Shelter House   | \$70,000            | <b>\$50,000</b>            |
| Systems Unlimited                                     | \$15,000            | \$ -                       |
| Table to Table  | \$10,000            | \$ -                       |
| United Action for Youth                               | \$43,380            | <b>\$35,000</b>            |
| <b>Total Request:</b>                                 | <b>\$800,998</b>    | <b>\$378,700</b>           |

**Housing and Community  
Development Commission  
Attendance Record**

| Name                        | Terms<br>Exp. | 2/18 | 3/10 | 4/21 | 5/19 | 6/16 | 8/18 | 9/15 | 10/20 | 11/17 | 12/15 | 1/19 |
|-----------------------------|---------------|------|------|------|------|------|------|------|-------|-------|-------|------|
| <b>Byler, Peter</b>         | 7/1/17        | X    | X    | X    | X    | X    | X    | X    | X     | X     | X     | X    |
| <b>Conger, Syndy</b>        | 7/1/18        | X    | O/E  | X    | O/E  | O/E  | X    | X    | O/E   | X     | X     | X    |
| <b>Harms,<br/>Christine</b> | 7/1/19        | ---  | ---  | ---  | X    | X    | X    | X    | X     | X     | X     | X    |
| <b>Lamkins, Bob</b>         | 7/1/19        | X    | X    | O/E  | X    | O/E  | O/E  | X    | O/E   | X     | O/E   | X    |
| <b>McKinstry,<br/>John</b>  | 7/1/17        | ---  | ---  | ---  | X    | X    | O/E  | O/E  | X     | X     | X     | X    |
| <b>Olmstead,<br/>Harry</b>  | 7/1/18        | X    | X    | X    | X    | X    | X    | X    | O/E   | X     | X     | X    |
| <b>Persson, Dottie</b>      | 7/1/17        | O/E  | X    | O/E  | X    | X    | X    | X    | X     | X     | X     | X    |
| <b>Seiple, Emily</b>        | 7/1/18        | X    | X    | X    | X    | X    | X    | X    | X     | X     | X     | X    |
| <b>Vaughan, Paula</b>       | 7/1/19        | ---  | ---  | ---  | ---  | ---  | X    | X    | O/E   | X     | X     | X    |

Key:

- X = Present
- O = Absent
- O/E = Absent/Excused
- = Vacant

**MINUTES**

**PRELIMINARY**

**HOUSING AND COMMUNITY DEVELOPMENT COMMISSION  
FEBRUARY 9, 2017 – 8:30 PM  
410 EAST WASHINGTON STREET FOYER**

**MEMBERS PRESENT:** Christine Harms, John McKinstry, Harry Olmstead, Dorothy Persson, Emily Seiple, Paula Vaughan

**MEMBERS ABSENT:** Peter Byler, Syndy Conger, Bob Lamkins

**STAFF PRESENT:** Kris Ackerson

**OTHERS PRESENT:** Sarah Benson, Roger Lusala, Becci Reedus, Anthony Smith, Kari Wilken,

**CALL MEETING TO ORDER:**

Persson called the meeting to order at 8:30 AM.

**PUBLIC COMMENT FOR TOPICS NOT ON THE AGENDA:**

None.

**VISIT LOCATIONS SEEKING FY18 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

The SEATS bus departed the Civic Center at 8:30AM.

Pastor Anthony Smith provided a site tour of the New Creations Daycare at 2929 East Court Street.

At approximately 9:10AM, Roger Lusala and Kari Wilken provided a tour of their proposed CDBG project at 1208 Gilbert Court.

The last site visit was provided by Becci Reedus and Sarah Benson at the Crisis Center food pantry, 1121 Gilbert Court.

**ADJOURNMENT:**

At 10:05AM, Olmstead moved to adjourn. Seiple seconded the motion. Meeting adjourned.

**Housing and Community  
 Development Commission  
 Attendance Record**

| Name                    | Terms Exp. | 3/10 | 4/21 | 5/19 | 6/16 | 8/18 | 9/15 | 10/20 | 11/17 | 12/15 | 1/19 | 2/9 |
|-------------------------|------------|------|------|------|------|------|------|-------|-------|-------|------|-----|
| <b>Byler, Peter</b>     | 7/1/17     | X    | X    | X    | X    | X    | X    | X     | X     | X     | X    | O/E |
| <b>Conger, Syndy</b>    | 7/1/18     | O/E  | X    | O/E  | O/E  | X    | X    | O/E   | X     | X     | X    | O/E |
| <b>Harms, Christine</b> | 7/1/19     | ---  | ---  | X    | X    | X    | X    | X     | X     | X     | X    | X   |
| <b>Lamkins, Bob</b>     | 7/1/19     | X    | O/E  | X    | O/E  | O/E  | X    | O/E   | X     | O/E   | X    | O/E |
| <b>McKinstry, John</b>  | 7/1/17     | ---  | ---  | X    | X    | O/E  | O/E  | X     | X     | X     | X    | X   |
| <b>Olmstead, Harry</b>  | 7/1/18     | X    | X    | X    | X    | X    | X    | O/E   | X     | X     | X    | X   |
| <b>Persson, Dottie</b>  | 7/1/17     | X    | O/E  | X    | X    | X    | X    | X     | X     | X     | X    | X   |
| <b>Seiple, Emily</b>    | 7/1/18     | X    | X    | X    | X    | X    | X    | X     | X     | X     | X    | X   |
| <b>Vaughan, Paula</b>   | 7/1/19     | ---  | ---  | ---  | ---  | X    | X    | O/E   | X     | X     | X    | X   |

Key:

- X = Present
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- O/E = Absent/Excused
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# CITY OF IOWA CITY MEMORANDUM

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Date: February 9, 2017  
To: Housing and Community Development Commission  
From: Community Development Staff  
Re: February 16, 2017 meeting

The following is a short description of the agenda items. If you have any questions about the agenda, or if you are unable to attend the meeting, please contact Kris Ackerson at 356-5247 or Kristopher-Ackerson@Iowa-City.org.

**Item 4: Question/Answer Session regarding FY18 Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) Funding - applications available online at <http://bit.ly/2k50LJP>**

Please be prepared to discuss applications for FY18 CDBG and HOME funds (see Staff Reports attached). Applicants are encouraged to attend and answer any questions you may have.

**Item 5: Overview of housing pro forma template**

Staff will provide a brief overview of the housing pro forma template that will be included with housing grant applications next month.

**Item 6: Consider a recommendation to City Council concerning proposed HCDC Bylaws amendments**

Due to HCDC appointments by city council moving to June, the HCDC Bylaws should be amended to show the Commission Chair and Vice Chair will be selected in July, rather than September (see proposed changes enclosed).

**Item 7: Consider schedule for members to attend Johnson County Affordable Homes Coalition meetings**

The current process of emailing HCDC members regarding attendance of JCAHC meetings is not working well for everyone. Please be prepared to discuss alternatives such as signing up in advance or designating commissioners to attend for finite time periods.



|  |   |
|--|---|
| <b>Project Name</b>  | <b>Successful Living's 2 new Habilitation Homes</b>   |
| <b>Project Address</b>   | To be determined  |
| <b>Activity Type</b>   | Rental Housing  |
| <b>CITY STEPS Priority</b>   | Housing and Related Services for the Homeless and Those at Risk of Homelessness   |
| <b>CITY STEPS Goal Achieved</b>  | Improve access to affordable renter housing   |
| <b>Amount Requested</b>  | \$72,000  |
| <b>Documentation of Project Need</b>   | Proposal would provide housing for chronically mentally ill persons who are unable to live independently and require support services. The tenants are high risk for general and psych hospital admissions, contact with police, and homelessness. Losses due to vacancy and property damage are higher than normal.  |
| <b>Repayment Terms</b>   | Conditional Occupancy Loan  |
| <b>Affordability/</b>  | 5 years with HOME funds   |
| <b>Compliance Period</b>   | 7 years with CDBG funds   |
| <b>Property Taxes</b>  | Tax exempt  |
| <b>Percent of Project Funded by CDBG/HOME</b>  | 16%   |
| <b>Project Budget Discussion</b>   | The bank terms have not been secured. The bank loan interest rate is based on another similar house.  |
| <b>Beneficiaries</b>   | 0-30% MFI 100%  |
| <b>Project Coordination with Existing Services &amp; other Services Available in the Community</b> | Successful Living collaborates with a wide range of community groups working on housing issues and support services, such as Shelter House, Abbe Center for Community Mental Health, Department of Human Services, and others.  |
| <b>Applicant History or Capacity to Successfully Complete the Proposed Project</b>                 | In FY12, Successful Living received CDBG funds to rehabilitate 416 S. Dodge. There were issues with billing (same work billed to two funders) and non-federal funds had to be used to repair work initially paid with CDBG funds.   |
| <b>Staff Concerns/Notes</b>  | <p>1) Depending on source of funds used (HOME or CDBG), conflict of interest issues may be present if a Board Member (realtor) is the realtor used for the acquisition.</p> <p>2) Pro forma includes vacancy losses but applicant later states Medicaid covers this expense?</p> <p>3) Please explain what's included in 'Misc Operating Expenses' as approximately three times higher than typical projects.</p> <p>4) Debt service (P&amp;I) on bank loan listed at \$30,200 annually, should be \$21,441.</p> <p>5) If a client has no income, then how is rent paid? Tenant must enter a lease and a minimum rent is required under the HOME program.</p> |

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| <b>Project Name</b>  | <b>Iowa Valley Habitat Scattered Site Ownership</b>  |
| <b>Project Address</b>   | To be determined - two residential lots in Iowa City   |
| <b>Activity Type</b>   | Homeownership  |
| <b>CITY STEPS Priority</b>   | Expanding affordable rental and owner housing opportunities  |
| <b>CITY STEPS Goal Achieved</b>  | Improve access to affordable owner housing   |
| <b>Amount Requested</b>  | \$90,000   |
| <b>Documentation of Project Need</b>   | Applicant will acquire two lots and construct two (2) homes to sell to income eligible homebuyers. Mortgage is typically around \$675 due to no interest. Fair Market Rent for a four bedroom home is \$1,420. The homes are affordable to those at 31-50% median income.  |
| <b>Repayment Terms</b>   | Recapture: 100% loan repaid upon sale during the affordability period; forgiven if homeowner maintains as their primary residence throughout affordability period.   |
| <b>Affordability/ Compliance Period</b>  | 15 years with HOME funds<br>9 years with CDBG funds  |
| <b>Property Taxes</b>  | Tax exempt   |
| <b>Percent of Project Funded by CDBG/HOME</b>  | 25 percent   |
| <b>Project Budget Discussion</b>   | The total cost per unit would be approximately \$180,000.  |
| <b>Beneficiaries</b>   | 31-50% MFI 100%  |
| <b>Project Coordination with Existing Services &amp; other Services Available in the Community</b> | Iowa Valley Habitat for Humanity works with volunteers, donors, agencies, churches, and businesses to build permanent, safe housing for persons earning 31-50% of median family income.  |
| <b>Applicant History or Capacity to Successfully Complete the Proposed Project</b>                 | <p>The following were compliance issues occurred in the last five years:</p> <p>2625 Indigo Court – CDBG Assisted. Home was to remain affordable to low income homebuyers until 9-8-2018. Habitat sold the house in 2003 but it was deeded back to Habitat in 2010. Habitat leased the house without a valid rental permit from 2011-13. Habitat did not inform the City – staff discovered it when investigating a complaint on neighboring property. City issued a Notice of Default and Opportunity to Cure to Habitat on 8-16-2013 and demanded repayment of the CDBG funds. In October 2013 Habitat sold the property and repaid the CDBG loan.</p> <p>2713 Whispering Meadows Drive – FY08 CDBG/HOME assisted home completed 6/28/2012. Habitat submitted a design approved by City staff; however was not built per the approved design. The home is not in compliance with the Affordable Housing Design Guidelines.</p> |
| <b>Staff Concerns/Notes</b>  | 1) Does the applicant have the organizational capacity to complete two homes within the grant program requirements?  |



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| <b>Project Name</b>  | <b>The Housing Fellowship Affordable Rental Rehab</b>   |
| <b>Project Address</b>   | 1105 Pine Street, 700 South First Avenue, 1226 William St., 2110-2112 Taylor Drive  |
| <b>Activity Type</b>   | Rental housing  |
| <b>CITY STEPS Priority</b>   | Expanding affordable rental and owner housing opportunities   |
| <b>CITY STEPS Goal Achieved</b>  | Improve access to affordable renter housing   |
| <b>Amount Requested</b>  | \$100,000   |
| <b>Documentation of Project Need</b>   | The applicant proposes to rehabilitate five dwelling units for residents making up to 60% of the median family income. THF has owned and managed the homes for over eighteen years and are in need of rehab.  |
| <b>Repayment Terms</b>   | Conditional occupancy loan for term of affordability.   |
| <b>Affordability/</b>  | 10 years with HOME funds  |
| <b>Compliance Period</b>   | 10 years with CDBG funds  |
| <b>Property Taxes</b>  | Tax exempt  |
| <b>Percent of Project Funded by CDBG/HOME</b>  | 53 percent  |
| <b>Project Budget Discussion</b>   | The total cost per unit would be approximately \$38,000.  |
| <b>Beneficiaries</b>   | 31-50% MFI 100%   |
| <b>Project Coordination with Existing Services &amp; other Services Available in the Community</b> | The applicant has a long history of working with a variety of agencies, organizations and private businesses to ensure the success of each project and of the families living in each home. THF owns 101 rental units and manages 70 rental units. Of the 171 homes, THF constructed 93.  |
| <b>Applicant History or Capacity to Successfully Complete the Proposed Project</b>                 | Applicant has successfully managed hundreds of thousands of dollars of CDBG and HOME funded projects. THF has experience and a successful track record with the acquisition, construction, and management of affordable housing. THF qualifies as a Community Housing Development Organization (CHDO).  |
| <b>Staff Concerns/Notes</b>  | 1) Response to question 11a notes outstanding balance on these properties of \$135,000 to Great Western Bank. Using assessed values as basis, THF has approximately \$340,000 in equity. Can THF proceed with the rehab without city assistance?<br>2) Debt Service First Mortgage with Housing Trust Fund should be \$0 in Years 11-20, which increases DCR to 2.4 in Year 11. |

| <b>Project Name</b>  | <b>The Housing Fellowship CDHO Operating Expenses</b>   |
|--|---|
| <b>Project Address</b>   | 322 East 2nd Street, Iowa City  |
| <b>Activity Type</b>   | Housing administration  |
| <b>CITY STEPS Priority</b>   | Preserve existing affordable rental and owner housing units   |
| <b>CITY STEPS Goal Achieved</b>  | Increase the capacity of non-profit housing providers that preserve existing affordable rental housing  |
| <b>Amount Requested</b>  | \$25,000 but maximum allowed is approximately \$19,000  |
| <b>Documentation of Project Need</b>   | <p>The Housing Fellowship (THF) has been a certified CHDO since 1992. THF now owns and manages approximately 171 affordable rental units occupied by low-income households, developed and sold 17 owner-occupied homes into a land trust to ensure permanent affordability, and administers a revolving loan fund for very low-income renters to pay for security deposits. The financial management responsibilities have grown over time.</p> <p>THF currently has 6.6 full time equivalent jobs. The CHDO funds requested help THF achieve financial stability and cover operating costs to plan housing projects.</p> |
| <b>Repayment Terms</b>   | Grant   |
| <b>Affordability/ Compliance Period</b>  | N/A   |
| <b>Property Taxes</b>  | N/A   |
| <b>Percent of Project Funded by CDBG/HOME</b>  | 19 percent - \$19k out of \$98k   |
| <b>Project Budget Discussion</b>   | The project is an operational grant allowed under the HOME program. The HOME program caps CHDO operating expense to 5% of the HOME allocation. Funds allocated for CHDO operating expenses are not an eligible cost for CHDO set-aside funds.   |
| <b>Beneficiaries</b>   | Low income tenants are the indirect beneficiaries. The Housing Fellowship owns and manages approximately 171 affordable rental homes in the Iowa City metro area.   |
| <b>Project Coordination with Existing Services &amp; other Services Available in the Community</b> | The applicant has a long history of working with a variety of agencies, organizations and private businesses to ensure the success of each project and of the families living in each home. THF owns 101 rental units and manages 70 rental units. Of the 171 homes, THF constructed 93.  |
| <b>Applicant History or Capacity to Successfully Complete the Proposed Project</b>                 | Applicant has successfully managed hundreds of thousands of dollars of CDBG and HOME funded projects. THF has experience and a successful track record with the acquisition, construction, and management of affordable housing. THF qualifies as a Community Housing Development Organization (CHDO).  |
| <b>Staff Concerns/Notes</b>  | NA  |

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| <b>Project Name</b>  | <b>Iowa City Housing Authority - TBRA</b>  |
| <b>Project Address</b>   | Various  |
| <b>Activity Type</b>   | Tenant based rental assistance   |
| <b>CITY STEPS Priority</b>   | Expanding Affordable Rental and Owner Housing Opportunities  |
| <b>CITY STEPS Goal Achieved</b>  | Improve access to affordable renter housing  |
| <b>Amount Requested</b>  | \$200,000  |
| <b>Documentation of Project Need</b>   | It is anticipated that there will be a budget reduction and increased expenses in the HCV (Section 8) program leading to serving fewer elderly, persons with disabilities, and low-income working families. The Iowa City Housing Authority is applying for \$200,000 in HOME funds to operate a Tenant Based Rental Assistance program (TBRA). Leveraging the \$200,000 in HOME Funds against our HCV program allocation mitigates the projected shortfall in HCV funding and maximizes the number low-income working families receiving rental assistance. |
| <b>Repayment Terms</b>   | Grant to income qualified tenants  |
| <b>Affordability/ Compliance Period</b>  | N/A  |
| <b>Property Taxes</b>  | N/A  |
| <b>Percent of Project Funded by CDBG/HOME</b>  | 72 percent   |
| <b>Project Budget Discussion</b>   | The total cost per bedroom per month will be approximately \$331.  |
| <b>Beneficiaries</b>   | 0-30% MFI 100%   |
| <b>Project Coordination with Existing Services &amp; other Services Available in the Community</b> | The applicant has a history of working with several area partners. This project will rely on partnerships with HUD and local landlords.  |
| <b>Applicant History or Capacity to Successfully Complete the Proposed Project</b>                 | Applicant has successfully administered federal, state and local funding awards.   |
| <b>Staff Concerns/Notes</b>  | 1) Based on HOME TBRA rules, the program may have to be structured more like Section 8 payments and provide assistance for at least 12 months. Is applicant willing to change program requirements to be HOME TBRA eligible?<br>2) Does the applicant propose utilizing these funds for tenants in Iowa City only or countywide?<br>3) Does applicant anticipate difficulty in locating landlords willing to participate in the program?   |

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| <b>Project Name</b>  | <b>Crisis Center of Johnson Co. - Food Pantry Expansion</b>  |     |     |
| <b>Project Address</b>   | 1121 S. Gilbert Ct.  |     |     |
| <b>Activity Type</b>   | Public Facility  |     |     |
| <b>CITY STEPS Priority</b>   | Public Facility Improvements serving the Homeless  |     |     |
| <b>CITY STEPS Goal Achieved</b>  | Improve and maintain public facilities   |     |     |
| <b>Amount Requested</b>  | \$100,000  |     |     |
| <b>Documentation of Project Need</b>   | The Crisis Center distributes 1,400,000 pounds of food annually through the food bank at 1121 Gilbert Court, three mobile pantries, and one high school pantry - all located in Iowa City. In the past fifteen years, the volume of clients served increased three fold. |     |     |
| <b>Repayment Terms</b>   | Conditional occupancy loan   |     |     |
| <b>Affordability/</b>  | 10 years   |     |     |
| <b>Compliance Period</b>   |  |     |     |
| <b>Property Taxes</b>  | Tax exempt   |     |     |
| <b>Percent of Project Funded by CDBG/HOME</b>  | 34 percent   |     |     |
| <b>Project Budget Discussion</b>   | The total renovation budget is expected to cost approximately \$296,599 and the Crisis Center is applying for \$100,000 in CDBG funds. The matching funds will come primarily from private donations and Johnson County funds.   |     |     |
| <b>Beneficiaries</b>   | 0-30%  | MFI | 89% |
|  | 31-50%   | MFI | 9%  |
|  | 51-80%   | MFI | 2%  |
|  | 80+%   | MFI | 0%  |
| <b>Project Coordination with Existing Services &amp; other Services Available in the Community</b> | The agency partners with several area service providers to coordinate services and provide referrals.  |     |     |
| <b>Applicant History or Capacity to Successfully Complete the Proposed Project</b>                 | The Crisis Center successfully completed the projects from previous funding rounds and has the capacity to successfully complete this project.   |     |     |
| <b>Staff Concerns/Notes</b>  | <p>1) All work will be subject to federal labor provisions (Davis Bacon – prevailing wages).</p> <p>2) Sealed procurement required (construction sealed bids) for the work. Architect encouraged for major site renovations over \$150,000.</p>                          |     |     |

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| <b>Project Name</b>  | <b>MYEP -- 1208 Gilbert Ct.</b>  |
| <b>Project Address</b>   | 1208 S. Gilbert Ct.  |
| <b>Activity Type</b>   | Public Facility  |
| <b>CITY STEPS Priority</b>   | Public Facility Improvements serving the disabled  |
| <b>CITY STEPS Goal Achieved</b>  | Improve and maintain public facilities   |
| <b>Amount Requested</b>  | \$60,000   |
| <b>Documentation of Project Need</b>   | MYEP recently purchased our neighboring property at 1208 Gilbert Ct. At the time of purchase the property was more or less a junkyard and an eyesore. Our proposed project consists of paving the back parking lot and driveway areas with asphalt, making basic security and façade improvements to the structure, and conducting necessary environmental testing that will help determine the future use of the property.                        |
| <b>Repayment Terms</b>   | Conditional occupancy loan   |
| <b>Affordability/ Compliance Period</b>  | 6 years  |
| <b>Property Taxes</b>  | Tax exempt   |
| <b>Percent of Project Funded by CDBG/HOME</b>  | 86 percent (47 percent including acquisition costs)  |
| <b>Project Budget Discussion</b>   | Asphalt project is approximately \$30,000<br>Environmental testing is between \$6,000-\$10,000<br>Other miscellaneous improvements \$25,000-\$30,000   |
| <b>Beneficiaries</b>   | 0-30% MFI 89%<br>31-50% MFI 9%<br>51-80% MFI 2%<br>80+% MFI 0%   |
| <b>Project Coordination with Existing Services &amp; other Services Available in the Community</b> | MYEP partners with many local agencies including Hope House, the Iowa City School District, Kirkwood Community College, UAY, the ARC, Systems Unlimited, etc. They will seek volunteers from Hope House to help with unskilled labor activities, including painting  |
| <b>Applicant History or Capacity to Successfully Complete the Proposed Project</b>                 | MYEP successfully completed the projects from previous funding rounds and has the capacity to successfully complete this project   |
| <b>Staff Concerns/Notes</b>  | 1) If contamination is found, does MYEP have budget to mitigate?<br>2) All work will be subject to federal labor provisions (Davis Bacon – prevailing wages) and must comply with federal procurement standards (competitive bids) for the proposed work.<br>3) All work will be subject to federal labor provisions (Davis Bacon – prevailing wages) and must comply with federal procurement standards (competitive bids) for the proposed work. |

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| <b>Project Name</b>  | <b>Little Creations Academy, Inc. - Daycare</b>   |     |     |
| <b>Project Address</b>   | 2929 E. Court Street  |     |     |
| <b>Activity Type</b>   | Public Facility   |     |     |
| <b>CITY STEPS Priority</b>   | Public Facility Improvements serving low income   |     |     |
| <b>CITY STEPS Goal Achieved</b>  | Improve and maintain public facilities  |     |     |
| <b>Amount Requested</b>  | \$118,433   |     |     |
| <b>Documentation of Project Need</b>   | Daycare serving low income children requires long-term safety improvements and increase capacity.   |     |     |
| <b>Repayment Terms</b>   | Conditional occupancy loan  |     |     |
| <b>Affordability/ Compliance Period</b>  | 12 years  |     |     |
| <b>Property Taxes</b>  | Tax exempt  |     |     |
| <b>Percent of Project Funded by CDBG/HOME</b>  | 91 percent (not including prior contribution of \$15k by New Creations International Church)  |     |     |
| <b>Project Budget Discussion</b>   | <p>Prioritized list of improvements if full funding is not awarded:</p> <ol style="list-style-type: none"> <li>1. Asbestos tile removal and flooring replacement</li> <li>2. Outdoor play equipment and shed (<b>Must be permanent fixture</b>)</li> <li>3. HVAC replacement</li> <li>4. Access control system and door replacement</li> <li>5. <del>Refrigerator</del> (<b>Not eligible</b>)</li> <li>6. Sound proof room dividers and cubbies</li> <li>7. Improved windows</li> </ol> |     |     |
| <b>Beneficiaries</b>   | 0-30%   | MFI | 88% |
|  | 31-50%  | MFI | 0%  |
|  | 51-80%  | MFI | 0%  |
|  | 80+%  | MFI | 12% |
| <b>Project Coordination with Existing Services &amp; other Services Available in the Community</b> | New Creations International Church has provided volunteers to set up the academy and prepare meals. First Presbyterian Church provided \$2,500 to purchase the academy's curriculum. And \$8,000 in private donations building the outdoor play area that is unfinished.  |     |     |
| <b>Applicant History or Capacity to Successfully Complete the Proposed Project</b>                 | See item above with related information.  |     |     |

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| <b>Staff Concerns/Notes</b> | 1) The space must be used for primarily secular (non-religious) activities. Will religious instruction be provided or required as part of the childcare curriculum?                   |
|                             | 2) All work will be subject to federal labor provisions (Davis Bacon – prevailing wages) and must comply with federal procurement standards (competitive bids) for the proposed work. |
|                             | 3) As a new applicant, applicant must comply with federal accounting and grant management requirements.   |
|                             | 4) The shed must be permanently fixed to the ground/location. It can't be portable.   |
|                             | 5) Is the HVAC replacement only for the lower level/child care area?  |





# **BY-LAWS**

## **Housing and Community Development Commission**

### **ARTICLE 1 THE COMMISSION**

Section A. The name of the Commission is the Housing and Community Development Commission of Iowa City, Iowa, as established by Resolution No. 95-199 of the City Council of Iowa City, Iowa, pursuant to Chapter 403A, Code of Iowa (1995).

### **ARTICLE 2 PURPOSE**

Section A. The purpose of the Commission is to assess Iowa City's community development needs for housing, jobs, and services for low and moderate income residents, and to promote public and private efforts to meet such needs.

### **ARTICLE 3 DUTIES**

Section A. Duties of the Commission shall include: 1) assess and review policies and planning documents related to the provision of housing, jobs, and services, for low and moderate income residents of Iowa City; 2) review policies and programs of the Public Housing Authority and Community Development Division and make recommendations regarding the same to the City Council; 3) review and make recommendations to the City Council regarding the use of public funds to meet the needs of low and moderate income residents; 4) actively publicize community development and housing policies and programs, and seek public participation in assessing needs and identifying strategies to meet these needs; 5) recommend to the City Council from time to time amendments, supplements, changes, and modifications to the Iowa City Housing Code.

### **ARTICLE 4 MEMBERSHIP**

Section A. The Housing and Community Development Commission shall consist of nine (9) members appointed by the City Council of Iowa City. All members shall be qualified electors of the City of Iowa City, Iowa, and shall serve as such without compensation but shall be entitled to the necessary expenses, including traveling expenses incurred in the discharge of their duties.

Section B. In order to satisfy the purpose and intent of this citizen commission, when possible, at least one person shall be appointed to the Housing and Community Development Commission with expertise in construction and at least one person with expertise in finance. In addition, when possible, the Commission shall include one person who receives rental assistance.

Section C. The term of office for each member shall be three (3) years. In order to ensure a staggered turnover, initial appointments shall be three (3) members for each of one, two, and three years respectively.

Section D. The Chairperson and Vice-Chairperson will be elected annually (in July) from the Commission membership. The Chairperson shall, when present, preside at all meetings, appoint sub-committees with the approval of the Commission, call special meetings and in general perform all duties included in the office of a Chairperson and such other duties as may be prescribed by the members from time to

time. The Vice-Chairperson shall take over the above duties of the Chairperson in the event of the Chairperson's absence.

Section E. Three (3) consecutive, unexplained absences of a member from regular meetings will result in a recommendation to the City Council from the Commission to discharge said member and appoint a new member.

Section F. If a position becomes vacant by reason of resignation or otherwise and results in an unexpired term the Council may choose to fill the unexpired term in such a manner that the appointee shall continue in the position not only through the unexpired term but also through a subsequent regular term.

## ARTICLE 5 MEETINGS

Section A. Meetings of this Commission shall be on a regular monthly basis. A meeting date and time will be established by the Commission. A regular meeting may be cancelled if no urgent business requires a meeting.

Section B. Special meetings of the Commission may be called by the Chairperson and shall be called by the Chairperson at the request of a majority of the membership.

Section C. Meetings shall be held in an accessible, public meeting place. Notices of meetings (agenda) for all regular and special meetings shall be posted and distributed to members and the media at least 24 hours before any meeting is held. All provisions of the State Open Meeting Law shall be followed. The Chairperson or a designated representative, together with appropriate members of the City staff shall prepare an agenda for all meetings. Agendas shall be sent to Commission members at least three (3) days prior to the regular meetings.

Section D. A majority of the members of the Commission (five or more) shall constitute a quorum of any meeting and the majority of votes cast at any meeting, at which a quorum is present, shall be decisive of any motion or election.

Section E. There shall be no vote by proxy.

Section F. Time shall be made available during all regular meetings for open public discussion.

Section G. Minutes of all meetings shall be prepared and distributed to the City Council within three (3) weeks of the meeting in the manner prescribed by the Council. Minutes of all regular and special meetings will be mailed to all the Commission members during the week prior to the next meeting. Specific recommendations for the Council shall be set off from the main body of the minutes.

## ARTICLE 6 AMENDMENTS

Section A. The By-Laws of the Commission shall be amended only with the approval of at least a majority of the Commission (at least five votes) at a regular meeting or a special meeting.

Section B. Policy changes or By-Law changes may be adopted at the meeting following the meeting at which open discussion was conducted on the specific changes.



# CITY OF IOWA CITY MEMORANDUM

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**Date:** January 25, 2017  
**To:** Housing and Community Development Commission  
**From:** Steven J. Rackis, Iowa City Housing Authority  
**Re:** Federal Department of Housing and Urban Development (HUD) mandatory amendments to the Iowa City Housing Authority's Admissions and Continued Occupancy (ACOP) Plan.

## **Introduction:**

The purpose of the ACOP is to define the Iowa City Housing Authority's policies for the operation of the Public Housing Program, incorporating Federal, State and local law. The purpose of this memorandum is to inform the Housing and Community Development Committee of the mandatory amendments to ACOP. While these amendments are mandatory, they constitute a significant amendment to ACOP; and require the approval of City Council.

### **1. History/Background HUD Requirement to implement smoke-free policy for Public Housing units:**

On December 5, 2016, the federal Department of Housing and Urban Development (HUD) published a final rule that requires each public housing agency (PHA) administering public housing to implement a smoke-free policy. Specifically, this rule requires that no later than 18 months from the effective date of the final rule, which is July 30, 2018, each PHA must implement a policy that bans the use of "prohibited tobacco products" in all living units, indoor common areas in public housing, and in PHA administrative office buildings (in brief, a smoke-free policy for all public housing indoor areas). The smoke-free policy must also extend to all outdoor areas up to 25 feet from the housing and administrative office buildings or to the property boundary where the boundary is less than 25 feet from the building. Prohibited tobacco products include cigarettes, cigars, pipes, and water pipes (aka, hookahs). HUD requires implementation of smoke-free public housing to improve indoor air quality in the housing, benefit the health of public housing residents and PHA staff, reduce the risk of catastrophic fires, and lower overall maintenance costs. All leases will be amended to include this policy.

- **Smoke-free policy amendment to ACOP:**

Staff recommends including the use of Electronic Cigarettes/Electronic Smoking Devices (ESD) and any inhaled nicotine products that are not Food and Drug Administration (FDA) approved for tobacco cessation to the use of products prohibited by the HUD rule and adding the following new section to the ACOP:

#### **22.0 SMOKE-FREE POLICY 24 CFR 965.653**

Iowa's Smoke Free Air Act went into effect on July 1, 2008. This law mandates that City buildings and the grounds around them be smoke free, pursuant to Iowa Code, Chapter 142D. In addition, the Iowa City Housing Authority bans the use of "prohibited tobacco products" in all public housing units and interior common areas, including but not limited to, hallways, laundry centers, and similar structures, as well as in all outdoor areas, including but not limited to, parking lots, back yards, front yards, playgrounds and other areas frequented by children. Prohibited tobacco products includes the use of cigarettes, cigars, pipes, water pipes (aka, hookahs) and Electronic Cigarettes/Electronic Smoking Devices (ESD) and any inhaled nicotine products that are not Food and Drug Administration (FDA) approved for tobacco cessation. Tenants and their guests are allowed to use "prohibited tobacco products" on the Public Right of Way.

**Purpose of Smoke-Free Policy:** The Iowa City Housing Authority is mitigating (i) the irritation and known health effects of secondhand smoke; (ii) the increased maintenance, cleaning, and redecorating

costs from smoking; (iii) the increased risk of fire from smoking; and (iv) the higher costs of fire insurance for a non-smoke-free building.

## **2. History/Background HUD Streamlining Public Housing Administrative Regulations:**

Housing and Urban Development (HUD) published NOTICE PIH 2013-03 (HA) on January 22, 2013. This notice established guidelines intended to simplify the income determination and rent calculation process, which, together, should reduce Housing Authority staff burden and lower Housing Authority operating costs. This Notice was replaced by HUD NOTICE PIH 2016-05 (HA), published on April 7, 2016. Compliance with this notice requires the Iowa City Housing Authority to make the following amendments to ACOP:

- **HUD NOTICE PIH 2016-05 (HA) Streamlining amendments: 2016-05 (HA)::**
  - A. 11.2 Annual Income Exclusions H. Self Sufficiency Incentives: HUD reduced the length of time a working individual is eligible for the Earned Income Disregard from 48 months to 24 months.
  - B. 12.4 Verification of Social Security Numbers: Provides more time for applicants to secure social security cards for family members under the age of six (6).
  - C. 13.6 Rent for Families under the Noncitizen Rule: HUD changed the methodology for calculating public housing rents for mixed families. A mixed family is a family whose members include both those with citizenship or eligible immigration status, as well as those without citizenship or eligible immigration status.
  - D. Definition of Extremely Low-Income Families: Those families whose income does not exceed the higher of 30 percent of the area median income or the federal poverty level.