City of Iowa City

FY20 ANNUAL ACTION PLAN

Neighborhood and Development Services

CDBG - Community Development Block Grant

HOME - HOME Investment Partnerships Funds

CITY OF IOWA CITY

Neighborhood Services
410 E. Washington St.
Iowa City, IA 52240
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www.icgov.org/commdev

Adopted by City Council June 4, 2019

OMB Control No: 2506-0117 (exp. 06/30/2018)

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

Objectives & Outcomes

The City of Iowa City's Annual Action Plan articulates funding decisions for the next year of Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds according to the long-term goals established in CITY STEPS, the City's 2016-2020 Consolidated Plan. CITY STEPS was guided by three overarching goals that apply according to community needs:

- To provide decent housing by preserving the affordable housing stock, increasing the availability of affordable housing, reducing discriminatory barriers, increasing the supply of supportive housing for those persons with disabilities and transitioning homeless persons and families into housing.
- To provide a suitable living environment through safer, more livable neighborhoods, greater integration of low- and moderate-income (LMI) residents throughout the city, increased housing opportunities and reinvestment in deteriorating neighborhoods.
- To expand economic opportunities through the creation of jobs paying self-sufficient wages, homeownership opportunities, development activities that promote long-term community viability and the empowerment of LMI persons to achieve self-sufficiency.

Focus of the Plan

As required by the U.S. Department of Housing and Urban Development (HUD), CITY STEPS's identified needs and adopted strategies to address those needs must focus primarily on LMI individuals and households. The Consolidated Plan also addresses the needs of persons with special needs such as the elderly, persons with disabilities, large families, single parents and homeless individuals and families. These needs and proposed strategies fit within the following three areas: housing, homelessness, and community development.

Priorities

Iowa City is committed to allocating funds that serve the needs of LMI persons. Low income is defined as those making less than 80% of the Area Median Income (AMI) based on household size. For Iowa City in 2018, this meant a family of four making less than $69,600 is LMI. Households with very low incomes (making less than 50% AMI), especially those with extremely low incomes (making less than 30% AMI), are particular priorities. The City also identified persons with special needs as among those who face the

greatest challenges and who should receive high priority in the expenditure of federal funds, including at-risk children and youth, low income families, the homeless and persons threatened with homelessness, survivors of domestic violence, the elderly, and persons with disabilities.

Based upon outreach efforts, the following community development and housing needs were determined to have a high priority and will continue to be an emphasis of CDBG and HOME funding:

Housing

- Non-student renter households making less than 50% AMI
- Persons and families at-risk for homelessness
- Owner-occupied housing units (elderly, small family, persons with disabilities)

Public Services

- Homeless Services
- Transportation Services
- Child Care Services
- Mental Health
- Food Banks
- Domestic Violence (Upon recommendation by the Housing and Community Development Commission 10/30/2017)

Public Facilities and Improvements

- Facility improvements to the structures housing public service providers

Economic Development

- Micro-enterprise development

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

Based on guidance provided by HUD, the City utilizes the following performance measurement system to gather information in an organized process to determine how well programs and activities are meeting established needs and goals. This information provides a common format to summarize program outcomes locally as well as at nationally. For each activity funded, the City determines the goal of the activity based on local intent, identifies one objective and outcome, enters the data into HUD's

Integrated Disbursement and Information System (IDIS), and reports on applicable indicators in IDIS and the Consolidated Annual Performance and Evaluation Report (CAPER). Each activity must have an outcome statement, which in its most basic form is the activity's objective plus outcome.

Three specific objectives are relative to each activity funded:

1. **Creating (or Enhancing) Suitable Living Environments**. Applicable to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment. This objective relates to activities intended to address a wide range of issues faced by LMI persons, from physical problems with their environment to social issues such as crime prevention, literacy, or elderly health services.
2. **Providing Decent Housing**. Applicable to housing programs where the purpose is to meet individual family or community needs, and not programs where housing is an element of a larger effort (such as would otherwise apply under the "Suitable Living Environment" Objective).
3. **Creating Economic Development Opportunities**. Applicable to activities related to economic development, commercial revitalization, or job creation.

Three specific outcomes are relative to stated objectives:

1. **Availability/Accessibility**. Applicable to activities that make services, infrastructure, public services, public facilities, housing or shelter available or accessible to LMI people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to LMI people.
2. **Affordability**. Applicable to activities that provide affordability in a variety of ways to LMI people. It can include the creation or maintenance or affordable housing, basic infrastructure hook-ups, or services such as transportation or day care. Affordability is an appropriate objective whenever an activity is lowering the cost, improving the quality, or increasing the affordability of a product or service to benefit a low-income household.
3. **Sustainability**. Applicable to activities or services that are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to LMI persons or by removing or eliminating slums or blighted areas.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City of Iowa City's past performance in administering and implementing the CDBG and HOME programs has fulfilled the spirit and intent of the federal legislation creating these programs. The City has facilitated affordability for decent housing, availability and accessibility to a suitable living environment, sustainability of a suitable living environment, and accessibility to economic opportunities.

Each year, the City submits a CAPER to HUD, reporting on CDBG- and HOME-funded activities, including the amount spent and beneficiaries assisted. The City submits reports each year, and HUD has accepted the reports each year. Electronic versions of the City's past CAPER reports can be found on the City's website at www.iowa-city.org/actionplan.

Based on the most recent CAPER completed for Federal Fiscal Year 2017 (FFY17) or City Fiscal Year 2018 (FY18), the City has made steady progress towards the 11 goals outlined in CITY STEPS as detailed in the table below. Of those goals, the City has already completed two: increase the supply of affordable rental housing (10 units expected, 15 completed) and strengthen economic development (5 businesses expected, 17 completed). Five others are on track to meet their goals. The remaining four goals were behind what would be expected, but two should be completed in City FY20. The final two goals, improve/ maintain public infrastructure/ amenities and remove slum and blight, may not reach their goals. This is due to the City completing fewer, larger neighborhood improvement projects rather than more small projects, and due to changing priorities and funding sources regarding slum and blight removal.

Overall, the City is successfully working towards the goals laid out in CITY STEPS.

CITY STEPS Outcome Tracking Through City Fiscal Year 2018
(Federal Fiscal Year 2017)

CITY STEPS Goals	Goal Outcome Indicator	Goal	FY16	FY17	FY18	*FY19**	*FY20*	TOTAL Completed	PERCENT Completed
Improve the quality of owner housing	Homeowner Housing Rehabilitated	90 Units	17	27	22	*19*		66	73%
Improve access to affordable owner housing	Direct Financial Assistance to Buyers Owner Units Constructed	5 Households ---	2 0	2** 0	0 0	*4*** 4		4 0	80%
Improve quality of affordable rental units	Rental units rehabilitated	18 Units	0	2	0	*66*		2	11%
Increase the supply of affordable rental housing	Rental units constructed Rental units acquired	10 Units ---	0 3	0 0	0 12	*24* *18*		0 15	150%
Improve access to affordable renter housing	Tenant-based rental assistance	50 Households	0	0	41	*34*		41	82%
Improve and maintain public facilities	Other (Public Facilities Improved)	8 Other	0	2	2	*4*		4	50%
Provide public services	Other (Service Providers Assisted)	15 Other	3	3	3	*3*		9	60%
Improve/maintain public infrastructure/amenities	Other (Amenities Added/Improved)	10 Other	1	2	1	*2*		4	40%
Strengthen economic development	Businesses assisted	5 Businesses	1	0	16	*16*		17	340%
Remove slum and blight	Businesses assisted	6 Businesses	3	0	1	*0*		4	67%
Planning and administration	Other (Programs Managed)	1 Other	NA	NA	NA	NA		0	0%
	Public Facility Beneficiaries		0	1,618	802	*1,500*		2,420	NA
	Public Service Beneficiaries		2,618	3,335	2,497	*1,520*		8,450	NA
	Infrastructure Beneficiaries		0	72,770	12,985	*300*		85,755	NA

** FY19 Anticipated*
** Direct assistance to homebuyers through homebuyer credit
*** Through FY16-FY18

FY18 Outcome Tracking

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Throughout the year, the Housing and Community Development Commission (HCDC) holds public hearings to oversee the operation of the Neighborhood Services Division and the Iowa City Housing Authority, to monitor CDBG and HOME projects, and to obtain public input into these and other programs. Staff also attends events to solicit additional input, such as South District Neighborhood meetings and Iowa City Housing Authority briefings.

The City of Iowa City's current 5-year Consolidated Plan, CITY STEPS, was adopted in May 2015. Numerous public meetings and hearings were held to solicit public comment regarding the development of the plan to ensure broad public participation in accordance with the City's Citizen Participation Plan. Stakeholders invited to participate in the process are detailed later in this document. The City also encouraged broad participation in the creation of its 2019 Analysis of Impediments to Fair Housing Choice, using focus groups, public meetings, existing events, and surveys to reach more than 325 people.

HCDC and City Council held multiple meetings for the preparation of this Annual Action Plan and other HUD-related documents. The public is invited to participate in all meetings, and efforts were made to encourage and increase citizen participation. A chronology of the events, meetings, public hearings and actions taken in relation to the Annual Action Plan and CITY STEPS are listed in Section A-12.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

A 30-day public comment period regarding the draft Annual Action Plan was provided as required in the City's adopted Citizen Participation Plan. The draft Annual Action Plan was discussed in multiple public meetings of HCDC, as well as made available online and distributed to subscribers of the City's email listserv. Comments received and staff response can be found in Appendix A.

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments or views that were received were accepted. The summary of public input provided during public meetings of the HCDC are attached in Appendix A.

7. Summary

Other Resources and Leverage

Iowa City is fortunate to have active and vital organizations that provide housing and supportive services within the community. As such, multiple resources (federal, state, local and private) are available for activities including housing, jobs and human services. In addition to these funds, other resources like donations and volunteers are utilized.

According to this year's applications, the City estimates leveraging more than $1.1 million in other funds for the upcoming fiscal year. In addition, other municipal resources such as general fund expenditures, infrastructure improvements, and tax exemptions may be used to meet the City's HOME match liability. Additional resources include in-kind donations, volunteers, foundations, and businesses. The following are organizations, groups, and resources identified as contributing to past and current CDBG and HOME projects:

- Private funds (donations and loans)
- Public funds (federal and state)
- United Way
- Johnson County
- In-kind donations (skilled labor, goods, materials, waived fees)
- Volunteers
- City of Iowa City
- Housing Trust Fund of Johnson County

Private banks and lending institutions also often provide significant capital to both CDBG and HOME projects. Both the City and local organizations recognize this mutually beneficial relationship. To promote the goals and objectives of CITY STEPS, all parties have taken steps to strengthen and expand partnerships.

Actual leverage and HOME match figures will depend on the outcomes of the projects proposed in this Annual Action Plan. Upon completion of this year's projects the exact amount of other resources leveraged by these projects will be known and included within the CAPER.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	IOWA CITY	Neighborhood and Development Services Department
HOME Administrator	IOWA CITY	Neighborhood and Development Services Department

Table 1 – Responsible Agencies

Narrative (optional)

Form of Government: The City of Iowa City is organized under the Council-Manager form of government. Iowa City citizens elect seven Iowa City residents to the City Council for overlapping four-year terms. Four of the Council Members, known as the Council Members At-Large, are nominated and elected by the eligible electors of the City at large. The other three are known as District Council Members and are nominated by the eligible electors of their respective districts and elected by the qualified voters of the City at large. The Council, in turn, selects one of its members to serve as mayor for a two-year term. The Mayor presides at the City Council meetings and has one vote on the Council - the same as the other six members.

Consolidated Plan Public Contact Information

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City of Iowa City

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neighborhoods@iowa-city.org

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

The City of Iowa City consults with a variety of public and private entities during the development and adoption of the Consolidated Plan and subsequent Annual Action Plans. This includes regular contact throughout each year with current and past recipients of CDBG and HOME funding who carry out housing, public facilities, and public service activities. In addition, citizen participation remains integral to the ongoing management and oversight of housing and community development funds. City Council appoints nine residents to the Housing and Community Development Commission (HCDC) to assess Iowa City's community development needs for housing, jobs, and services for low- and moderate-income (LMI) residents and to promote public and private efforts to meet such needs. HCDC provides a regular opportunity for public participation in the planning and management of CDBG and HOME funds. HCDC's bylaws also require representation, when possible, from persons with expertise in construction and finance and one member that receives rental assistance.

Through these open lines of communication and participation and leadership in local and regional partnerships, the City maintains an active understanding of changing conditions, including new programs and services, changes to existing services and the economy, and current housing needs.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

The City actively strives to enhance coordination between public and assisted housing providers and private and governmental health and service agencies. The following examples showcase these efforts:

- **Public Health**: The City recognizes the interconnected nature of community development, housing, and the physical and mental health of residents. For that reason, the City helped spearhead the Invest Health initiative by partnering with the University of Iowa College of Public Health, the Housing Fellowship, and University of Iowa Hospitals and Clinics. Invest Health emphasizes making changes in neighborhoods to improve resident health and well-being by bringing housing, community development, and public health providers together to address disparities in health outcomes for LMI residents. The City also recognizes the importance of housing for physical and mental well-being, leading to a collaboration with Shelter House to create the first "Housing First" homeless shelter in Iowa. This facility pairs 24 apartments with on-site offices for case managers and partnering health and behavioral health clinicians. Other affordable housing projects often showcase this same interdisciplinary approach.
- **Affordable Housing**: The City works with nonprofit and for-profit entities to provide permanent and temporary affordable housing. CDBG and HOME funds directly assist nonprofit and for-profit developers in creating and improving affordable housing options for LMI residents. These

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projects typically leverage significant public and private dollars, including Housing Trust Fund dollars, private investments, and other resources. Many affordable housing units funded by the City also provide supportive services that meet the physical and mental health needs of residents due to the high need for these kinds of housing options. In addition, the City generates affordable housing through Tax Increment Financing policies, affordable housing requirements, land banking funds, and other actions as reflected in the City's Affordable Housing Action Plan (in Appendix).

- **Public and Assisted Housing**: Iowa City Housing Authority (ICHA) administers housing vouchers awarded by HUD through its Housing Choice Voucher Program, in addition to the City's public housing stock and other assistance programs. As part of the Neighborhood Services, ICHA regularly meets with staff administering CDBG and HOME funds to discuss current needs and issues and partners on community development and affordable housing efforts.
- **Public Services**: The City regularly funds agencies that meet the public service needs of the community through CDBG, HOME, and alternative funding sources. For FY20, the City significantly expanded the amount of local funds it made available. The City plans on updating its public service policies to ensure it is meeting the needs of the community.
- **Intergovernmental Coordination**: The City strives to coordinate efforts with surrounding local jurisdictions, Johnson County, and regional groups such as the East Central Iowa Council of Governments.

The City also partners with the following entities to achieve the goals of CITY STEPS:

- The Arc of Southeast Iowa
- Charm Homes
- Crisis Center of Johnson County
- Domestic Violence Intervention Program
- Iowa Valley Habitat for Humanity
- Housing Trust Fund of Johnson County
- The Housing Fellowship
- Iowa City Transit
- Iowa City Area Chamber of Commerce
- Johnson County SEATS
- Little Creations Academy
- Mayor's Youth Empowerment Program
- Neighborhood Centers of Johnson County
- Old Brick
- Prelude Behavioral Services
- Successful Living
- Shelter House
- Systems Unlimited, Inc.

- Local lending institutions

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

CITY STEPS' homeless strategy includes the City undertaking extensive consultation as part of its consolidated planning efforts, particularly through collaboration with the Johnson County Local Homeless Coordinating Board (LHCB) and the Iowa Balance of State Continuum of Care's (CoC) planning processes. The LHCB represents over 25 agencies in Iowa City that provide services to the homeless and LMI persons in Johnson County. The City works closely with the LHCB to increase coordination between housing providers, health, and service agencies in addressing the needs of persons that are chronically homeless. The City also participates in the CoC that serves Johnson County, specifically by having a representative serve on the Research and Analysis Committee. Iowa City plans to continue working closely with service providers to address the needs of homeless persons and persons at risk of homelessness.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Iowa City does not receive ESG funds. Rather, agencies that serve Iowa City residents access funding through the State of Iowa. However, the City consults regularly with the regional CoC lead through the LHCB to ensure coordination and collaboration for data collection for the Homeless Management Information System (HMIS).

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	**Agency/Group/Organization**	THE HOUSING FELLOWSHIP
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Input during the development of the Consolidated Plan and Annual Action Plans.
2	**Agency/Group/Organization**	SHELTER HOUSE
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Input during the development of the Consolidated Plan and Annual Action Plans.
3	**Agency/Group/Organization**	Elder Services Inc.
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.

4	**Agency/Group/Organization**	Iowa City Housing Authority
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
5	**Agency/Group/Organization**	SYSTEMS UNLIMITED, INC.
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Persons with Disabilities Services-Health Services-Employment
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
6	**Agency/Group/Organization**	Housing Trust Fund of Johnson County
	Agency/Group/Organization Type	Housing Services - Housing Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.

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7	**Agency/Group/Organization**	Successful Living
	Agency/Group/Organization Type	Housing Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
8	**Agency/Group/Organization**	Metropolitan Planning Organization of Johnson County
	Agency/Group/Organization Type	Other government - County Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.

9	**Agency/Group/Organization**	Iowa City Transit
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
10	**Agency/Group/Organization**	Iowa City Area Chamber of Commerce
	Agency/Group/Organization Type	Services-Employment
	What section of the Plan was addressed by Consultation?	Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
11	**Agency/Group/Organization**	Iowa Workforce Development
	Agency/Group/Organization Type	Services-Employment
	What section of the Plan was addressed by Consultation?	Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
12	**Agency/Group/Organization**	GOODWILL INDUSTRIES OF THE HEARTLAND
	Agency/Group/Organization Type	Services-Employment
	What section of the Plan was addressed by Consultation?	Economic Development

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	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
13	**Agency/Group/Organization**	Iowa City Economic Development Division
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Working in cooperation with other city departments and the Iowa City Area Development Group, Economic Development assists developers and businesses with specific commercial, office, and industrial development projects.
14	**Agency/Group/Organization**	IOWA CITY COMMUNITY SCHOOL DISTRICT
	Agency/Group/Organization Type	Services-Children Services-Education
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
15	**Agency/Group/Organization**	Johnson County Local Homeless Coordinating Board
	Agency/Group/Organization Type	Services-homeless Planning organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
16	**Agency/Group/Organization**	HACAP
	Agency/Group/Organization Type	Services-Children Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
17	**Agency/Group/Organization**	DVIP
	Agency/Group/Organization Type	Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Strategy

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	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
18	**Agency/Group/Organization**	Johnson County Democrats
	Agency/Group/Organization Type	Political Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
19	**Agency/Group/Organization**	Iowa City Parks and Recreation Department
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
20	**Agency/Group/Organization**	Arc of Southeast Iowa
	Agency/Group/Organization Type	Services-Children Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.

21	**Agency/Group/Organization**	Neighborhood Centers of Johnson County
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
22	**Agency/Group/Organization**	Compeer of Johnson County
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
23	**Agency/Group/Organization**	Access 2 Independence
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
24	**Agency/Group/Organization**	Johnson County Social Services
	Agency/Group/Organization Type	Other government - County

	What section of the Plan was addressed by Consultation?	Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
25	**Agency/Group/Organization**	Salvation Army
	Agency/Group/Organization Type	Services-Children Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.

26	**Agency/Group/Organization**	Abbe Center for Community Mental Health
	Agency/Group/Organization Type	Services-Children Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Health Agency
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Strategy Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
27	**Agency/Group/Organization**	Free Lunch Program
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.

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28	**Agency/Group/Organization**	Iowa4Cs
	Agency/Group/Organization Type	Services-Children Child Welfare Agency
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
29	**Agency/Group/Organization**	Crisis Center of Johnson County
	Agency/Group/Organization Type	Services-Health Services - Victims
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
30	**Agency/Group/Organization**	Prelude Behavioral Services
	Agency/Group/Organization Type	Services-Health
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
31	**Agency/Group/Organization**	6th Judicial District Dept of Correctional Services
	Agency/Group/Organization Type	Other government - State
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs

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	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
32	**Agency/Group/Organization**	Visiting Nurse Association of Johnson County
	Agency/Group/Organization Type	Services-Health Health Agency
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.
33	**Agency/Group/Organization**	United Action for Youth
	Agency/Group/Organization Type	Services-Children Services-Health Services-Education
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was consulted through in-person interviews and follow-up telephone conversations, as necessary.

Identify any Agency Types not consulted and provide rationale for not consulting

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	JCLHCB	Strategic Plan incorporates needs and strategies identified by these groups
IC2030 Comprehensive Plan	Neighborhood and Development Services Department	Strategic Plan is a means of implementing IC2030 visioning, including creating attractive and affordable housing for all
2019 Fair Housing Choice Study	Neighborhood and Development Services Department	Strategic Plan goals and objectives will intentionally affirmatively further fair housing
2015 Updated Affordable Housing Market Analysis	MPOJC	Strategic Plan acknowledges and addresses needs identified in the AHMA

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

Plans that most influenced the development of CITY STEPS include Iowa City's IC2030 Comprehensive Plan update (adopted May 2013), the 2019 Analysis of Impediments to Fair Housing Choice, the 2015 Update to the Affordable Housing Market Analysis (prepared by the Metropolitan Planning Organization of Johnson County(MPOJC) and Housing Trust Fund of Johnson County in collaboration with the cities of Coralville, North Liberty, Tiffin, and University Heights), and planning documents generated by the Johnson County Local Homeless Coordinating Board (LHCB) and Balance of State Continuum of Care (CoC).

In accordance with 24 CFR 91.100(4), the City notified adjacent units of local government of the non-housing community development needs included in its Consolidated Plan. The City will continue to interact with public entities at all levels to ensure coordination and cooperation in the implementation of the Consolidated Plan and thereby maximize the benefits of the City's housing and community development activities for the residents being served.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting

Citizen Participation Outreach

Sort	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Internet Outreach	Minorities Non-English Speaking - Specify other language: Translation available for all Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Non-profit agencies/service providers	Notice to solicit public input on the draft Annual Action Plan. Advertised online and through direct email messages.	None to date.	Not Applicable	
2	Newspaper Ad	Non-targeted/broad community	Notice to solicit public input on the draft Annual Action Plan.			
3	Public Meeting	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Non-profit agencies/service providers	Approximately 16 attendees and 7 members of Housing and Community Development Commission, including representatives of non-profit agencies and service providers.	See attached.	All comments offered were accepted.	

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Sort	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
5	Public Meeting	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Non-profit agencies/service providers	Approximately 4 attendees and 5 members of Housing and Community Development Commission	See attached.	All comments offered were accepted.	
6	Public Meeting	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Non-profit agencies/service providers	Approximately 5 attendees and 7 members of Housing and Community Development Commission	See attached.	All comments offered were accepted.	
7	Public Hearing	Minorities Persons with disabilities Non-targeted/broad community Non-profit agencies/service providers	Approximately 5 attendees and 6 members of the City Council.	City Council stated the plan was well done.	All comments offered were accepted.	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

Currently, Iowa City receives CDBG and HOME funds for housing construction, rehabilitation initiatives, and other eligible activities. These funding sources are expected to be available over the next five years. In addition, other local funding sources and program income are anticipated to be available to finance projects.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public - federal	Acquisition; Admin and Planning; Economic Development; Housing; Public Improvements; Public Services	658,740	70,000	70,260	799,000	0	
HOME	public - federal	Acquisition; Homebuyer assistance; Homeowner rehab; Multifamily rental new construction; Multifamily rental rehab; New construction for ownership; TBRA	482,816	63,000	193,184	739,000	0	

Table 5 - Expected Resources – Priority Table

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Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Federal funds will be utilized to leverage additional funds in larger rental developments. Depending on the actual applications received, these leveraged funds could include low-income housing tax credits; local, State, and other Federal funds; and private equity.

The City actively encourages applicants and subrecipients to obtain other public and private resources that address needs identified in CITY STEPS. For example, most affordable housing acquisition projects include private financing. In City FY18, the City of Iowa City and its subrecipients leveraged an additional $0.64 in non-formula funds for every $1.00 of CDBG and HOME funds spent. The CDBG program does not have federal match requirements but leveraging for the HOME and CDBG programs helps stretch limited resources for LMI populations. The City does not require matching funds for owner-occupied rehabilitation projects funded through the housing rehabilitation program.

The City currently has a balance of excess matching funds that can be applied to projects in the future. In addition, matching funds are required for unit production activities. These requirements are typically met through the receipt of non-federal grant funds and tax benefit programs by the developers. The HOME program matching requirements are discussed under the HOME section of this report.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

When the City has available property that is appropriate for redevelopment, it will offer these lots to other entities for development from time to time, including both for-profit and nonprofit developers. In the event land is offered to a developer, the terms of the transfer are evaluated based on the need for the development, the cash flow of the proposed development, and the ability of the receiving entity to pay. Depending on the outcome of this evaluation, the land may be sold or donated to the receiving entity according to terms negotiated on a case-by-case basis. Past examples include the donation of foreclosed homes to nonprofit groups for rehabilitation and resale, the donation of single family lots for the construction of affordable homes, and the transfer of commercial land for the construction of affordable rental units.

The City owns property in the central business district that allows the city flexibility in developing and encouraging affordable housing units and employment opportunities. Projects currently underway include developing an existing surface parking lot at Iowa Avenue and Gilbert Street, The Chauncey project at 404 East College Street, as well as 435 South Linn Street. As a condition of the sale for each property, the City required affordable housing units in all three developments. The City has also allocated over $600,000 in general funds for land banking for affordable housing and is in the process of reviewing properties to purchase.

Discussion

The City regularly uses local resources to meet housing and community development needs beyond what is provided through federal funds. Local funds support public services, owner-occupied rehab, the Housing Trust Fund of Johnson County, and LIHTC match, in addition to numerous other neighborhood-led projects, sustainability, and social justice/racial equity efforts. However, most of these efforts are not detailed in this plan as they occur largely independent of federal funds.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Improve the quality of owner housing	2016	2020	Affordable Housing	Citywide	Preserve Existing Affordable Housing Units	CDBG: $235,000 HOME: $90,000	Homeowner Housing Rehabilitated: 20 Household Housing Unit
2	Improve access to affordable owner housing	2016	2020	Affordable Housing	Citywide	Expanding Affordable Rental/Owner Housing	CDBG: $0 HOME: $53,000	Direct Financial Assistance to Homebuyers: 2 Households Assisted
3	Improve quality of affordable rental units	2016	2020	Affordable Housing Homeless	Citywide	Preserve Existing Affordable Housing Units	CDBG: $0 HOME: $136,000	Rental units rehabilitated: 9 Household Housing Unit
4	Increase the supply of affordable rental housing	2016	2020	Affordable Housing	Citywide	Expanding Affordable Rental/Owner Housing	CDBG: $0 HOME: $359,000	Rental units constructed: 6 Household Housing Unit Other: 12 Other
5	Improve access to affordable renter housing	2016	2020	Affordable Housing Homeless	Citywide	Expanding Affordable Rental/Owner Housing Housing & Services for Homeless/Those at Risk	CDBG: $0 HOME: $22,000	Other: 1 Other

OMB Control No: 2506-0117 (exp. 06/30/2018)

Sort	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Improve and maintain public facilities	2016	2020	Public and neighborhood facility improvement	Citywide	Public Facility Improvements	CDBG: $156,000 HOME: $0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 470 Persons Assisted
7	Provide public services	2016	2020	Non-Homeless Special Needs	Citywide	Public Services	CDBG: $113,000 HOME: $0	Public service activities other than Low/Moderate Income Housing Benefit: 2000 Persons Assisted Homeless Person Overnight Shelter: 1300 Persons Assisted
8	Improve/ maintain public infrastructure/ amenities	2016	2020	Public and neighborhood facility improvement	Citywide	Infrastructure Maintenance & Improvement	CDBG: $75,000 HOME: $0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 350 Persons Assisted
9	Strengthen economic development	2016	2020	Non-Housing Community Development	Citywide	Economic Development	CDBG: $50,000 HOME: $0	Businesses assisted: 2 Businesses Assisted
10	Planning and administration	2016	2020	Program admin	Citywide	Planning & Administration	CDBG: $145,000 HOME: $54,000	Other: 1 Other

Table 6 – Goals Summary

Goal Descriptions

1	**Goal Name**	Improve the quality of owner housing
	Description	Rehabiliation of existing owner-occupied units for LMI homeowners.
2	**Goal Name**	Improve access to affordable owner housing
	Description	Assist homebuyers to purchase quality affordable owner-occupied units
3	**Goal Name**	Improve quality of affordable rental units
	Description	Rehab of existing renter-occupied units
4	**Goal Name**	Increase the supply of affordable rental housing
	Description	Acquire existing rental units for affordable housing, and construct new rental units for affordable housing
5	**Goal Name**	Improve access to affordable renter housing
	Description	In FY16, the City allocated $200,000 to the Iowa City Housing Authority for TBRA, a project which is ongoing. In addition, the City allocated $21,000 to help support a Community Housing Development Organization which will expand access to affordable renter housing
6	**Goal Name**	Improve and maintain public facilities
	Description	Upgrading and expanding public facilities
7	**Goal Name**	Provide public services
	Description	Increase the effectiveness of investments that improve conditions for the elderly, youth, low-income persons, persons with disabilities, and other populations
8	**Goal Name**	Improve/maintain public infrastructure/amenities
	Description	Improving or replacing outdated and deteriorating infrastructure
9	**Goal Name**	Strengthen economic development
	Description	Direct technical and business assistance
10	**Goal Name**	Planning and administration
	Description	Administrative and planning costs to operate the CDBG and HOME programs successfully

Projects

AP-35 Projects – 91.220(d)

Introduction

The following project information for FFY 2019 (City FY2020) provides a comprehensive overview on the broad range of CDBG and HOME activities.

The project funding identified in this document was approved by HCDC with the condition that if federal funding is not within twenty percent of the amount of funds estimated for FFY19, then the Commission will review the allocations again. Otherwise, staff will proportionally adjust the funding to match the final CDBG and HOME funding amounts for FFY19, subject to caps as federally required, such as the CHDO reserve funds, or as requested in the applications of agencies.

Projects

#	Project Name
1	Public Service Activities
2	Public Facility Activities
3	Neighborhood and Area Benefits
4	Homeowner/Rental Housing Rehabilitation
5	Other Housing Activities
6	Economic Development
7	Administration & Planning

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The primary obstacle to meeting underserved needs is the limited resources available to address priorities. Iowa City, like many cities across Iowa, has needs that far outstrip the funds available for housing and community development projects. However, the City has sought to increase local support for such projects through policies, programs, and additional local funding and to pursue outside grant funds as well.

AP-38 Project Summary

Project Summary Information

1	**Project Name**	Public Service Activities
	Target Area	Citywide
	Goals Supported	Provide public services
	Needs Addressed	Public Services
	Funding	CDBG: $113,000
	Description	Funding for a variety of public service activities serving low- and moderate-income (LMI) clientele including: advocacy, case management, referrals, service coordination, education, counseling, and legal assistance and funding for staff to implement these activities.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	Public Service activities are expected to serve on average 3,300 beneficiaries this year.
	Location Description	Public service activities are available citywide to LMI individuals.
	Planned Activities	Funding for a variety of public service activities serving LMI clientele has been proposed for this year, including: • **Homeless and Transitional Housing**: Provides shelter and transitional housing for homeless adults and families. Services include advocacy, case management, referrals, service coordination, meal sites, and funding for the staff to implement these activities. • **Domestic Violence Services**: Advocacy shelter aids and houses survivors of domestic violence. Shelter staff provides crisis line, advocacy, and assistance to survivors in obtaining safe shelter, food, clothing, medical attention, and basic needs. Program provides counseling, referrals, and legal assistance. Also provides community and prevention education programs to individuals age 3 to 18. • **Neighborhood Center Services**: Provides resources to LMI residents at neighborhood centers including computer access, daycare, hang-out, and English Language classes.

2	**Project Name**	Public Facility Activities
	Target Area	Citywide
	Goals Supported	Improve and maintain public facilities
	Needs Addressed	Public Facility Improvements
	Funding	CDBG: $156,000
	Description	Funding for a variety of public facility improvements addressing slum and blight or serving LMI clientele or addressing including: childcare, food banks, healthcare, special needs, as well as other public facilities serving income eligible residents.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	Public Facility activities are expected to serve 470 beneficiaries this year.
	Location Description	Public facility activities are available citywide to predominantly LMI individuals, in addition to limited use for prevention of slum and blight.
	Planned Activities	Funding for a variety of public facilities activities serving LMI clientele and addressing issues of slum and blight has been proposed for this year, including: • **Shelter Facilities**: Funding for improvements at the Domestic Violence Intervention Program shelter for survivors of domestic violence. • **Community Facilities**: Funding to provide ADA and other improvements to the historic Old Brick building, which acts as a nonprofit incubator, community event venue, and facility to provide regular lunches, primarily for those experiencing homelessness.

3	**Project Name**	Neighborhood and Area Benefits
	Target Area	Citywide
	Goals Supported	Improve/maintain public infrastructure/amenities
	Needs Addressed	Infrastructure Maintenance & Improvement
	Funding	CDBG: $75,000
	Description	Improvements to the built environment that enhance the quality-of-life for residents living in LMI neighborhoods.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	Beneficiaries are dependent on the area to be served, so beneficiaries cannot be estimated until the areas to be assisted have been identified. For a placeholder in this plan, 300 persons per year has been used. It is important to note, however, that this is only an estimate and actual number assisted may vary widely. In any given year, the ability to complete infrastructure projects is dependent on funds available, eligible projects coming forward, and availability of public works staff and contractors to carry out the projects. Infrastructure projects may not be completed every year. In this plan, a placeholder of $75,000 is being used to ensure that funds are available in the event an appropriate project comes forward.
	Location Description	Funding is available in LMI areas. However, funds are typically concentrated in older areas of the City due to the age of facilities.
	Planned Activities	Infrastructure and area benefits to benefit LMI households and areas. This could include (but is not limited to), blight removal, improvements to streets, sidewalks, gutters, sewer, alleys, parks, and other neighborhood-based projects. Activities depend on submitted proposals by City departments.

4	**Project Name**	Homeowner/Rental Housing Rehabilitation
	Target Area	Citywide
	Goals Supported	Improve the quality of owner housing
	Needs Addressed	Preserve Existing Affordable Housing Units
	Funding	CDBG: $235,000 HOME: $90,000
	Description	With CDBG and HOME funding in accordance with rules and regulations, assistance will be provided by the City directly to homeowners or landlords to rehabilitate properties, correct substandard conditions, make general repairs, improve energy efficiency, reduce lead paint hazards, and make emergency or accessibility repairs. Housing units assisted will be single family per CDBG and HOME regulations. Beneficiaries of housing activities will be LMI households. Other funding available includes program income generated by the repayment of loan funds. Funding will also be utilized for project delivery costs and administration of housing programs, per CDBG and HOME regulations.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	Homeowner/rental housing units planned for rehabilitation: 22
	Location Description	Funding is available citywide. Exact addresses of housing projects are unknown until applications have been received, processed, and approved. Residents of Targeted Areas are especially encouraged to apply, and may have a portion of their loan forgiven.
	Planned Activities	The City will provide direct assistance to LMI homeowners or landlords renting to LMI tenants in single family units to rehabilitate properties, correct substandard conditions, make general repairs, improve energy efficiency, reduce lead paint hazards, and make emergency or accessibility repairs.

5	**Project Name**	Other Housing Activities
	Target Area	Citywide
	Goals Supported	Improve access to affordable owner housing Improve quality of affordable rental units Increase the supply of affordable rental housing Improve access to affordable renter housing
	Needs Addressed	Expanding Affordable Rental/Owner Housing Preserve Existing Affordable Housing Units
	Funding	HOME: $570,000
	Description	With CDBG and HOME funding in accordance with rules and regulations, assistance will be provided by the City directly to homeowners and developers, as well as to nonprofits, for-profits or CHDOs to acquire and/or rehabilitate properties, correct substandard conditions, make general repairs, improve energy efficiency, reduce lead paint hazards, and make emergency or accessibility improvements. May include: acquisition/rehab/resale, refinance/rehab, demolition/site preparation, new construction, down payment/closing cost assistance and housing counseling. Housing units assisted will be single or multi-unit affordable housing to be sold, rented, or lease/purchased, per CDBG and HOME regulations. The racial equity impact of the sale of any owner-occupied affordable housing activity will be analyzed and reported. Beneficiaries of housing activities will be LMI households. Other funding available includes program income generated by the repayment of loan funds. Funding may also be utilized for project delivery costs and administration of housing programs, in accordance with CDBG and HOME regulations.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	The following are expected to benefit from the proposed activities: • 2 low income owner households • 25 low income renter households, including 23 of whom are individuals in need of housing with supportive services • Those receiving services from the Housing Fellowship Additional funds may be available. The number and types of families to benefit are yet to be determined.
	Location Description	Funding is available citywide. Addresses of activities are unknown at this time

	Planned Activities	Planned activities at this time include: • Assist the Mayor's Youth Empowerment Program in constructing 6 accessible single room occupancy (SRO) units or 2 group homes with access to supportive services • Help Iowa Valley Habitat for Humanity assist 2 homebuyer households for affordable homeownership opportunities • Assist Successful Living in acquiring at least 12 supportive living SRO units • Assist Successful Living in rehabilitating 5 supportive living SRO units • Assist the Housing Fellowship as a CHDO to rehabilitate 2 rental properties ($74,000) • Provide the Housing Fellowship CHDO Operating assistance

6	**Project Name**	Economic Development
	Target Area	Citywide
	Goals Supported	Strengthen economic development
	Needs Addressed	Economic Development
	Funding	CDBG: $50,000
	Description	Funding to facilitate the creation and expansion of businesses and create new employment opportunities for LMI people.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	An estimated two businesses will be assisted, with at least one new job created or retained per $20,000 in assistance through Economic Development CDBG Funds.
	Location Description	Funding is available citywide. The exact addresses of projects will not be known until applications have been received, processed and funds awarded.
	Planned Activities	Funding to facilitate the creation and expansion of businesses and create new employment opportunities for LMI people. Provide economic development assistance including loans, loan guarantees, grants, and technical assistance to businesses locating to or expanding in Iowa City. At least 51% of the jobs created by the assisted businesses must be made available to LMI people. Economic assistance may also be provided to alleviate slum or blighted conditions in designated slum/blight areas or on individual slum/blight properties. Small business loan program will address the impact of credit access and reduction of capital for business startups or expansion.

7	**Project Name**	Administration & Planning
	Target Area	Citywide
	Goals Supported	Planning and administration
	Needs Addressed	Planning & Administration
	Funding	CDBG: $145,000 HOME: $54,000
	Description	Coordinates, administers, and monitors the City's CDBG and HOME programs; prepares reports and plans required by HUD, prepares environmental and historic preservation studies per HUD regulations.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	HUD does not require the reporting of beneficiary data for planning and administration activities. It should be noted, however, that the housing, public facility, economic development, and public service activities that are undertaken with CDBG and HOME funds served more than 10,000 individuals, households, and businesses in City FY18. Without the planning and administration funds available to carry out required planning, environmental, monitoring and oversight activities, none of these activities would be able to receive CDBG and HOME funds and none of the beneficiaries would be able to be served.
	Location Description	Planning and Administration activities will be undertaken by City staff at Iowa City City Hall.
	Planned Activities	Funds will be used to coordinate, administer, and monitor the CDBG and HOME programs; prepare reports and plans required by HUD, and to prepare Section 106 and environmental reviews and historic preservation studies.

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Though funds are available city-wide, the City of Iowa City strives to invest CDBG and HOME funds in areas primarily impacted by non-student low- to moderate-income (LMI) persons. Several of the City's LMI census areas are located downtown and include rental housing stock predominantly occupied by University of Iowa students. While resources other than CDBG and HOME funds may be used in these areas to maintain and preserve housing, infrastructure, and public services, the City's CDBG and HOME funds are focused in areas that are home to families, the elderly, the disabled, and the homeless.

To achieve the greatest impact possible from the limited federal funds available, the City intends to allocate its non-housing community development resources primarily to projects that will have a focused neighborhood impact, as opposed to infrastructure projects of more dispersed expected benefit.

The City's provision of funding for new construction and acquisition of affordable housing is governed by its Affordable Housing Location Model (AHLM). The model utilizes three factors, including distance to existing subsidized family rental housing, elementary school poverty, and crime density, and sets threshold scores below which funding for new City-assisted rental housing is not available (excluding units reserved for the elderly or disabled). This serves three goals of the City:

- Avoiding further burden on neighborhoods and elementary schools that already have issues related to a concentration of poverty,
- Promoting diverse neighborhoods in terms of income levels, and
- Incorporating factors important to the Iowa City Community School District in affordable housing siting as it relates to educational outcomes.

The AHLM, now cited as a best practice, has successfully achieved its intended objective of not adding specific types of assisted rental housing in certain areas which would further concentrate poverty and affect school districts. The City does not restrict the location of funding for owner-occupied housing or for rental rehabilitation, nor does it restrict the location of funding for projects for the elderly or persons with disabilities, as mentioned above.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

In light of the limited amount of federal funds available to the City, not all of the City's housing and community development needs can be addressed over the next five years. Therefore, priorities are established to ensure that scarce resources are directed to the most pressing housing and community development needs. The following two points indicate the rationale behind the city-wide availability of funds with certain restrictions:

1. **Neighborhood-Level Focus:** Addressing non-housing community development needs in non-student LMI neighborhoods reflects the City's desire to create positive and lasting living environments despite limited funds. By focusing on non-student areas, those most in need of assistance can receive it.
2. **Specific Geographic Targeting:** Targeting new family rental housing to different areas according to the AHLM reflects the need to affirmatively further fair housing by directing this type of development to a broader range of neighborhoods, while combating existing segregated settlement patterns. This prevents a concentration of poverty from being reinforced in certain geographical areas.

Therefore, while funds are available city-wide, staff tries to cluster public facility and services investment in focused LMI neighborhoods for increased effect while locating additional affordable homes in areas without concentrations of poverty. Applying these priorities city-wide allows flexibility in selecting projects.

Discussion

The City has some programs targeted to specific geographic areas, but the City does not do so with its more general CDBG and HOME projects. Targeted areas allow half of the cost of owner-occupied rehab projects to be forgiven. For downtown projects, the City typically uses local funds and policies, such as the affordable housing requirement and Tax Increment Financing in the Riverfront Crossings District.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City uses HOME and CDBG funds to create new affordable housing opportunities and to rehabilitate existing housing units. Both adding to and preserving affordable housing are high priorities for the City. The City targets much of its rental programs to persons with special needs, such as persons with disabilities, seniors, or chronically homeless populations. However, with the creation of the Affordable Housing Fund and Affordable Housing Requirements, the City also supports the creation of general affordable rental housing through larger projects. Homeless population are also served through assistance grants to local service providers

The following goals are the number of households expected to be supported based on projects originating in this upcoming fiscal year. These will not necessarily be the numbers reflected in the FFY19 CAPER due to previous years' projects being completed during the fiscal year. Note that these numbers may also change if projects expand or contract due to unanticipated factors:

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	26
Special-Needs	23
Total	49

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	6
Rehab of Existing Units	29
Acquisition of Existing Units	14
Total	49

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

In addition to projects previously mentioned, the City also offers the General Rehab Improvement Program (GRIP) to provide low-interest loans to income-eligible homeowners to rehabilitate their homes. The goal of the program is neighborhood stabilization rather than affordable housing. Approximately $200,000 in general obligation funds are allocated annually for this program. The City also continues to administer the UniverCity program, focusing on neighborhoods located near the University campus that retain a single family character and a demand for single family housing, but

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that also have a large renter population. The City purchases rental homes that are rehabilitated and sold, some of which may be restricted to LMI homeowners. The City allocated $60,000 for the program to purchase, rehabilitate, and resell 1 home in FFY19.

Furthermore, Iowa City Council adopted an Affordable Housing Action Plan in 2016 with 15 action steps to increase affordable housing within the City of Iowa City, including the following steps:

1. Continue to fund existing local programs including GRIP and UniverCity
2. Adopt an Inclusionary Zoning code amendment for the Riverfront Crossings District
3. Adopt code amendments that enable the FUSE Housing First use in the community
4. Provide staff funding direction heading into the FY18 budget process
5. Develop an annual process for distributing dollars from the City's newly created Affordable Housing Fund
6. Hold the $1.9 million in housing authority funds for an opportunity to leverage significant private investment and/or develop/acquire low income replacement housing
7. Consider an annexation policy that proves for affordable housing contributions
8. Consider use of TIF on a case by case basis to support residential development and/or annexation through the provision of public infrastructure and capture the required LMI set-aside for use throughout the community (Ex. McCollister and Foster Road)
9. Pursue regulatory changes to City Code
10. Pursue a Form-based code for the Alexander Elementary neighborhood and the downtown core
11. Strategically seek LIHTC projects through an RFP process overseen by the HCDC
12. Create a committee of staff, developers, and other interested stakeholders to determine the viability and potential parameters of a tax abatement program that would support affordable housing
13. Exempt the Riverfront Crossings, Downtown and University Impact Areas from the Affordable Housing Location model and consider modifications to reduce size of restricted areas and/or account for neighborhood densities
14. Tenant Displacement
15. Rent abatement for emergency orders when vacation of property is not necessary

Most items are currently complete. The most recent update on the Affordable Housing Action Plan can be found in the Appendix. Note that the city is updating its affordable housing policies to create new action items now that the 15 action steps are nearly complete.

AP-60 Public Housing – 91.220(h)

Introduction

The Iowa City Housing Authority (ICHA) works to improve the quality of life for clients, acting as a community leader on affordable housing by providing information and education, housing assistance, and public and private partnership opportunities. ICHA was established in 1969 to administer housing assistance programs throughout Johnson County, Iowa County, and Washington County north of Highway 92. Today, it is part of the City of Iowa City's Department of Neighborhood and Development Services.

Actions planned during the next year to address the needs to public housing

ICHA has several actions planned during the next year to address the needs of public housing. ICHA targets its available assistance to the disabled, elderly, and families with children under 18 residing within its jurisdiction. Tenant-based rental assistance such as the Housing Choice Voucher (HCV) program is targeted to those with household incomes at or below 30% of the Area Median Income (AMI) and public housing units to those with incomes at or below 80% AMI. ICHA strives to maximize HCV and Veterans Affairs Supportive Housing (VASH) budget authority and voucher utilization and lease-up rates for public housing. In 2018, ICHA administered approximately 1,298 vouchers.

The HCV Homeownership program permits eligible participants the option of purchasing a home with HCV assistance rather than renting. Public Housing tenants are eligible for a Special Admission to the HCV Homeownership program if they have lived in a Public Housing unit longer than one year and their total tenant payment (TTP) is higher than $499. ICHA leveraged this program in partnership with Iowa Valley Habitat for Humanity in City FY19.

The Family Self-Sufficiency (FSS) Program promotes self-sufficiency and asset development by providing supportive services to participants to increase their employability, to increase the number of employed participants, and to encourage increased savings through an escrow savings program. This program is designed to work with households on a 5-year plan to attain financial self-sufficiency as well as provide rental assistance.

Public housing provides affordable, decent, and safe rental housing for eligible low-income families, elderly persons, and persons with disabilities. ICHA owns and manages 81 public housing units with the support of HUD. These units are low-density and constructed to conform to and blend with the existing neighborhood architecture. They represent less than one percent of the total number of rental units in the City of Iowa City.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

In March 2009, ICHA surveyed all active Public Housing tenants and Family Self-Sufficiency (FSS) program participants (211 families) to identify interest in serving on a Resident Advisory Board (RAB). 26 families responded. In May 2009, ICHA sent the 26 interested survey respondents a copy of the survey used to collect citizen input for CITY STEPS, Iowa City's Consolidated Plan for Housing, Jobs, and Services for Low-Income Residents 2010 – 2015. 8 families responded.

In June 2008, flooding severely damaged ICHA's Public Housing unit in the 500-year floodplain at 608 Eastmoor, Iowa City. Due to the City of Iowa City's intent to purchase all properties located the 100- and 500-year floodplains, ICHA submitted a Demolition/Disposition application to the U.S. Department of Housing and Urban Development (HUD). HUD requires RAB input/comment for Demolition/Disposition applications. The 26 respondents to the survey were contacted in October 2010 to submit input and comments, but none responded.

In December 2014, ICHA again surveyed all active Public Housing tenants (75 families) to determine interest in serving on an RAB. 7 families responded, 3 stating an interest and 4 stating no interest. Recommendations submitted by Resident Advisory Board (RAB) were analyzed and decisions were made based on these recommendations.

ICHA-participating families show very little interest in serving on an RAB focusing solely on ICHA programs and services. Most comments received via the 3 separate survey instruments are beyond the scope, power, and authority of the ICHA to impact, or other City Departments and Community-Based Agencies are better suited to meet these concerns. Examples include fixing streets, repairing abandoned homes, empowering neighborhoods, dealing with perception of City-wide increase in criminal activity, safety, events, neighborhood development and clean up, etc.

ICHA and the City of Iowa City Neighborhood Services will continue the "Good Neighbors—Strong Neighborhoods" initiative launched in 2008. The idea is to partner with Neighborhood Associations to develop strategies that promote the peaceful enjoyment of the neighborhood for all residents. The goal is increased participation of ICHA clients in activities sponsored by the City of Iowa City's Neighborhood Associations.

Through the Neighborhood Services Division, the City of Iowa City supports and encourages neighborhood action and provides ideas and resources that can help shape the future of a neighborhood. The City coordinates with Neighborhood Associations to work through their short and long-term needs that best serve the interests of the neighborhood within the goals of the larger community. The City of Iowa City also assists by providing information to neighborhoods through social media and meeting notices.

ICHA will repeat the survey process in partnership with the City of Iowa City Housing and Community

Development Commission when citizen input is collected for CITY STEPS Iowa City's Consolidated Plan for Housing, Jobs, and Services for Low-Income Residents 2021 – 2025 and the Iowa City Housing Authority 5-year plan for 2021 – 2025. These initiatives will begin in the upcoming year.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

HUD has continually ranked ICHA as a "High Performance" housing authority and has not designated ICHA as troubled.

Discussion

In the next year, ICHA expects to take possession of 11 affordable units in downtown Iowa City due to recent Tax Increment Financing projects that require a portion of the units to be affordable.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

As a participant in the Johnson County Local Homeless Coordinating Board (LHCB), the City is a partner in its plan to address homelessness and the priority needs of homeless individuals and families, including homeless subpopulations. During FFY2019, the City will continue to use local and federal funds to support programs that provide decent and safe living environments for homeless and those at risk of becoming homeless, through funding such activities as emergency shelter operations, financial assistance for rent, utilities and other critical expenses, and rapid re-housing. The City will maintain support for LHCB, the region's Continuum of Care (CoC) representative for the Iowa Balance of State CoC. The City will also continue to participate as a member of the Iowa Council on Homelessness.

The City will contribute CDBG, General Fund, and utility revenues to help assist local service agencies provide services. Non-profit agencies will apply through the United Way Joint Funding process to access these funds. Applicants can apply for Iowa City's Aid to Agency funds, in addition to those for United Way, Johnson County, and Coralville funds, all under one application. Each funding entity determines how they will allocate the funds they contributed. This year, the City is providing more than $625,500 for public service activities, many of which benefit those experiencing homelessness, at risk of homelessness, and elderly or disabled populations. The City is also exploring additional LHCB projects including rental deposit assistance, landlord education, and a landlord risk mitigation fund.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City's strategies as they specifically relate to reaching out to homeless persons and understanding their individual needs include:

<u>Advocate human services coordination</u>

- Pursue a single application for service system entry
- Continue to strengthen the coordinated intake process that connect clients with services, serves as a database, and provides inter-agency referrals
- Support the Local Homeless Coordinating Board (LHCB)

<u>Support education regarding and for those experiencing homelessness in Johnson County</u>

- Support the creation of a Crisis Reporting system for law enforcement to better understand what types of crises are getting police responses, to improve training for law enforcement, and

to facilitate better outcomes by providing responders information about individuals in advance
- Identify needs for affordable housing, the homeless, and service providers as part of the update of CITY STEPS
- Continue to participate in the Iowa Council on Homelessness's Research & Analysis committee to understand trends regarding homelessness in Iowa as well as in Johnson County

This year, the City will also continue to support Shelter House by providing Project-Based Rental Vouchers for Permanent Supportive Housing for individuals experiencing chronic homelessness.

Addressing the emergency shelter and transitional housing needs of homeless persons

In light of the limited amount of CDBG and HOME funds available to the City, not all of the area's homeless needs can be addressed using federal funds. The City does not receive Emergency Solutions Grant (ESG) or HOPWA entitlement funds from HUD to assist with homeless needs, and it relies on a variety of community agencies to provide basic needs assistance and other support for the local homeless population.

However, the City will continue to support the LHCB in FFY19, and it will continue to implement strategies related specifically to addressing emergency and transitional housing needs for the homeless, including:

<u>Expand/Rehabilitate Emergency Shelter</u>

- Improve and maintain existing shelter facilities
- Support expansion or addition of facilities to meet increased demand
- Expand staff within existing system to provide improved service
- Support Housing First initiatives within Iowa City

<u>Support plans for improving day shelter opportunities</u>

- Expand available services such as social/case worker availability, facilities, childcare opportunities, improved public and private transportation access, and showers

<u>Provide transitional housing for persons with disabilities</u>

- Continue to support the development of transitional housing for persons with mental illness.
- Provide services to support persons with disabilities in non-facility based care environments

<u>Improve transitional housing programs for families</u>

- Continue to develop scattered site, transitional housing programs requiring participation in

supportive services
- Provide transitional housing for single individuals
- Continue to develop Single Room Occupancy (SRO) housing units for persons living alone with access to supportive services
- Continue support of transitional housing for unaccompanied youth

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The Continuum of Care (CoC) addresses the housing and supportive services needs in each stage of the CoC process to help homeless persons make the transition to permanent housing and independent living. The City will continue to support the CoC strategy to meet the needs of homeless persons and those at risk of becoming homeless.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

In recent years, Iowa City has allocated the maximum amount of CDBG funding possible to public services to assist human service organizations. For FFY19, this includes expanding the amount of local funds provided. To the greatest extent possible, the City will provide support to the system of facilities and service providers for LMI families and those who are risk of homelessness. ICHA also locally administers efforts that assist in homelessness prevention, including the Housing Choice Voucher program and administration of 81 units of public housing for residents who are low-income, very low-income, and extremely low-income. In addition, other partnerships, such as its participation in the Livable Communities of Johnson County Housing Action Team and Invest Health Initiative, expand the scope of comprehensive services that the City can support.

Discussion

The City is committed to improving the lives of vulnerable populations within its City. As a result, it strives to expand and improve housing and services for homeless populations, those at risk of

homelessness, and other populations with special needs.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The City of Iowa City will finalize its updated Analysis of Impediments to Fair Housing Choice in 2019. The impediments identified, along with recommendations to address the impediments, will be outlined in the adopted document. In addition, the City is updating its affordable housing policies. These will help the City continue to strategically address barriers to affordable housing.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City is actively involved in presenting to organizations in the region to educate about what affordable housing is and who needs it. Presentations will continue during FFY19. The City will also support the Local Homeless Coordinating Board's efforts to educate the community on affordable housing and put a face on who needs affordable housing, in addition to tenant education.

The City will support the rehabilitation of existing rental units in LMI neighborhoods and work with private property owners to preserve affordable housing throughout Iowa City. The City will also continue to review City and CDBG/HOME-supported housing to ensure it meets the City's Affordable Housing Design Guidelines. Quality design and neighborhood compatibility will assist with neighborhood and community acceptance of affordable housing. In addition, the City will continually reevaluate parts of the AHLM and other affordable housing policies based on its implementation.

In the Riverfront Crossings district, the City will continue to support higher density development under the condition that it provides some affordable housing. This, paired with affordable housing requirements for Tax Increment Financing projects and projects made possible through the City's Affordable Housing Fund, will help provide additional affordable housing opportunities. The City is also in the process of reviewing zoning policies after discussions with the builders and will be creating a new form-based code in the South District.

Finally, the City will work with the Human Rights Coordinator to provide Fair Housing updates to educate local commissions and boards, especially the Housing and Community Development Commission.

Discussion:

The City's 2016 Affordable Housing Action Plan is largely complete. The final steps include identifying which proposed changes to the City's development regulations should be adopted. Updating the the City's affordable housing policies, in addition to the update of CITY STEPS over the upcoming year, will largely guide the City's future affordable housing strategies to identify and overcome barriers.

AP-85 Other Actions – 91.220(k)

Introduction:

The following section provides information about the additional actions being undertaken by the City of Iowa City related to community development.

Actions planned to address obstacles to meeting underserved needs

Iowa City has a long history of successfully implementing HUD funded programs. Serving the needs of the City's various populations drives the city's consolidated planning efforts. Addressing the needs of the homeless populations and persons with disabilities are high priorities for use of resources within Iowa City, as are generally assisting LMI populations.

Due to limited funding and the prospect of reduced funding in future years, the following considerations will be made when determining whether to fund a project:

1. The project must be an identified CITY STEPS priority. Applicant must document the ability of the project to address the specific need.
2. The project budget is justified and leverages other financial resources, including human resources. Applicant must document efforts to obtain outside funding as well.
3. The project has a measurable impact in the community. The project primarily targets LMI persons, utilizes community partnerships, and provides adequate benefits in relation to costs.
4. The applicant can maintain regulatory compliance. Applicant must demonstrate it has strong financial skills, administrative capacity to complete a federal grant, and the ability to complete the project within the required time period.

The City will continue to work with area social service agencies and providers to address obstacles to meeting underserved needs. Declining federal resources have been the key impediment to addressing needs.

Actions planned to foster and maintain affordable housing

The City will continue to support its goals of maintaining and expanding affordable housing by utilizing its CDBG and HOME allocations to create new opportunities for affordable rental and homeownership and rehabilitate existing affordable units. The GRIP program will continue providing $200,000 annually for income-qualified homeowners to rehabilitate their properties. The UniverCity Program will continue as funds are available, and new programs such as the South District Home Investment Partnership will further support these goals. Many of the City's activities are described in other sections of this plan.

Actions planned to reduce lead-based paint hazards

The City will continue to ensure compliance with the HUD lead-based paint regulations that implement Title X of the Housing and Community Development Act of 1992, which covers the CDBG and HOME programs, among others. The State of Iowa passed legislation in 2009 to certify renovators who work in housing and child-occupied facilities and to require all children entering kindergarten to be tested for lead poisoning.

The City's housing rehabilitation programs will continue to implement all aspects of the lead-based paint regulations. In its efforts to evaluate and reduce lead-based paint hazards in all of its CDBG and HOME funded rehabilitation projects, the City provides information and outreach on the dangers of lead-based paint, as well as guidance in the identification and reduction of lead-based paint hazards to all program participants. Blood level tests may be paid through the Housing Rehabilitation program for targeted populations such as children under seven when needed.

Actions planned to reduce the number of poverty-level families

The City, ICHA, and the LHCB work together to address homeless and poverty issues. In addition to the activities outlined in this plan, the ICHA provides supportive services and coordination with the agencies making up the LHCB to support families and individuals achieve their highest level of self-sufficiency.

With respect to economic development, the City has had a long-term partnership with the Iowa City Area Development Group (ICAD) and the Iowa City Area Chamber of Commerce. ICAD is a private non-profit organization whose mission is to position the region as a quality place to work. ICAD works as a confidential advocate for expanding businesses and new industries. ICAD helps businesses pursue state and local financial assistance and serves as a liaison between the City, the Iowa Economic Development Authority, the University of Iowa and other entities. The Chamber of Commerce works to enhance the business climate in Johnson County and provides educational programs on customer service, human resources, and other issues relevant to small businesses. The City also utilizes the Small Business Development Center (SBDC) to provide technical assistance for early stage entrepreneurs.

For more than a decade, the City has been setting aside CDBG funds to promote economic development. Funds primarily support gap financing or start-up capital to micro-enterprises or small business creating jobs for LMI persons. These funds are available throughout the year, instead of a once a year funding cycle to allow greater flexibility and attract a greater number of applicants. Loans have been provided to bakeries, restaurants, small construction contractors, craft retail stores, salons, fitness studios, and more. These are further supported by groups such as the SBDC, ICAD, the Chamber of Commerce, and local financial partners. In addition, the City has funded technical assistance for LMI microenterprise daycares to address two goals: self-sufficiency of LMI entrepreneurs and to provide

affordable daycare for LMI families.

Actions planned to develop institutional structure

The City undertakes extensive consultation as part of its consolidated planning effort, particularly in association with the LHCB's planning process. The City works closely with the LHCB to increase coordination between housing providers, health, and service agencies in addressing the needs of persons that are chronically homeless.

The City facilitates coordination among its partner agencies that results in a broadly shared understanding of community needs, collaborative and complementary approaches to addressing needs, and responsiveness to changes in conditions. Additionally, resources such as Aid to Agencies and City General Funds available for economic development indicate a real commitment to leveraging all possible resources to meet needs. The City also has numerous other partnerships including the Livable Communities of Johnson County, participation in the Greater Iowa City Apartment Association, and Invest Health, to name a few.

Actions planned to enhance coordination between public and private housing and social service agencies

The City created a citizen advisory group, the Housing and Community Development Commission (HCDC), in 1995, to assess Iowa City's community development needs for housing, jobs and services for LMI residents, and to promote public and private efforts to meet such needs. HCDC leads the CDBG/HOME allocation process to determine what projects will be awarded funds based on priorities established in CITY STEPS. Each year the City and HCDC reviews applications on a competitive basis. These processes will be reviewed in the upcoming year to ensure it is still effective in meeting the needs of LMI residents of Iowa City.

Fragmentation and duplication of services in Iowa City is a minor obstacle due to the communication and coordination of existing service providers. Service providers are members of the Johnson County Local Homeless Coordinating Board and participate in the local Continuum of Care planning. However, the City is reviewing ways to better coordinate funding allocations as part of its Consolidated Planning process.

Discussion:

The City is dedicated to improving the lives of those who live, work, and play here, especially for LMI populations. The City will continue to strive towards providing suitable living environments, adding and preserving decent, affordable housing, and creating economic opportunities.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction:

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	70,260
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	**70,260**

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income.Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	94.00%

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is

as follows:

The City typically uses grants and conditional occupancy loans. Other forms of investment beyond those identified in Section 92.205 are not typically used.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

   The City has adopted the following recapture and resale provisions when HOME funds are used to create affordable housing, subject to the following affordability period based on the amount of HOME funds used (if down payment assistance is provided, that amount is added to the total to determine the affordability period):

- Less than $15,000: 5 years
- $15,000 to $40,000:10 years
- Greater than $40,000: 15 years

Recapture Provision

A recapture provision is used when HOME assistance reduces the selling price of a home from appraised value to one of affordability for people with incomes at or below 80% of the area median income (AMI) as determined by HUD. Upon sale of the home, the net proceeds (sale price, minus superior loan repayment and closing costs) shall be distributed proportionately between the City, up to the Principal Amount, and the Buyer (Shared Net Proceeds). The City and/or HUD are not responsible for covering negative net proceeds. The Principal Amount shall be forgiven after the affordability period identified in the Recapture Agreement ends if the homeowner remains in compliance with their written agreement.

Resale Provision

A resale provision is used when HOME assistance subsidizes construction. The affordability period begins with the original HOME-assisted owner's closing date. If the home does not continue as the principal residence of the buyer during the affordability period, the housing must be sold to a buyer whose household income is below 80% AMI paying no more than 35% of income for principal, interest, taxes, and insurance. The buyer shall use the home as their principal residence. The purchase price may not exceed 95% of the median purchase price for single family housing in the Iowa City MSA as determined by HUD for new or existing housing.

The original HOME-assisted owner is entitled to a fair return on investment (homebuyer's down payment plus the value of capital improvements made to the house based on actual costs as documented by the homeowner's receipts and building permit documents). A capital improvement increases a home's value, while a non-eligible repair returns something to its original condition. Replacing a countertop or bathroom feature would not be considered an eligible capital improvement. An example of a capital improvement would be the addition of a bathroom or

finishing a basement. The City will determine the original homebuyer's return on investment by using the percentage change in the Consumer Price Index over the period of ownership. The City will determine if the sale price meets said requirements and must approve the price before Buyers accept a purchase offer.

The City may provide HOME assistance to the subsequent homebuyer to ensure that the original homebuyer receives a fair return and the unit is affordable to the defined low-income population. There may also be a declining housing market where home values are depreciating. If the home is sold for less or the same price as the original price, the original homebuyer may not receive a fair return or any return on their investment. The City and/or HUD are not responsible for covering a loss on the original homebuyer's investment.

HOME regulations allow revocation of HOME's affordability restrictions if an ownership interest is terminated prematurely by foreclosure, transfer in lieu of foreclosure, or assignment of an FHA-insured mortgage to HUD. Under the HOME program, certain requirements must be placed on properties by means of deed restrictions or a recorded note and mortgage.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

   The City uses recapture and resale provisions when HOME funds are used to create affordable housing as detailed above. Recapture guidelines are used for any homebuyer activity where the client receives direct financial assistance (including assistance that reduces the purchase price from the fair market value to an affordable price / the difference between the fair market value of the property and a reduced sales price attributable to HOME development assistance). Resale is used when the homeowner does not receive direct financial assistance. The City prefers to use the recapture provision, though it may use the resale provision for activities such as for the South District Home Investment Partnership.

   HOME regulations allow revocation of HOME's affordability restrictions if an ownership interest is terminated prematurely by foreclosure, transfer in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD. Under the HOME program, certain requirements must be placed on properties by means of deed restrictions or a recorded note and mortgage.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

   Iowa City does not use HOME funds for this purpose.

Citizen Participation Comments

Appendix A: Citizen Participation Comments

OMB Control No: 2506-0117 (exp. 06/30/2018)

MINUTES **FINAL**

HOUSING AND COMMUNITY DEVELOPMENT COMMISSION
MARCH 14, 2019 – 6:30 PM
SENIOR CENTER, ROOM 202

MEMBERS PRESENT: Megan Alter, Charlie Eastham, Vanessa Fixmer-Oraiz, Christine Harms, John McKinstry, Maria Padron and Paula Vaughan

MEMBERS ABSENT: [vacant position], Mitch Brouse

STAFF PRESENT: Kirk Lehmann, Erika Kubly

OTHERS PRESENT: Ryan Holst, Elias Ortiz, Craig Moser, Jake Kundert, Shirley Tramble, Brenda Nogaj, Kari Wilken, Roger Lusala, Roger Goedken, Brianna Wills, Heath Brewer, Ashley Gillette, Anthony Smith, Sara Barron, Michi Lopez, Martha Norbeck

RECOMMENDATIONS TO CITY COUNCIL:

By a vote of 5-0 (Eastham and Fixmer-Oraiz recused) the Commission recommends to City Council the following allocation of FY20 Emerging Aid to Agencies funds: $9,000 to Grow Johnson County, $5,000 to the Center for Worker Justice, and $5,000 to Successful Living.

By a vote of 7-0 the Commission recommends to City Council the following allocation of FY20 CDBG/HOME funds:

	CDBG	HOME
Mayor's Youth Empowerment Program - Lot Acquisition/Rental Construction		$176,000
Iowa Valley Habitat for Humanity - Lot Acquisition/Homebuyer Assistance		$50,000
Successful Living - Rental Acquisition		$164,000
The Housing Fellowship - Rental Rehabilitation		$70,000
Successful Living - Rental Rehab		$59,000
The Housing Fellowship - CHDO Operating		$21,000
Domestic Violence Intervention Program - Shelter Repair	$90,000	
Old Brick – ADA/Structural Fortification Improvements	$10,000	

In the event federal funds are higher or lower than budgeted by 20% or less, these amounts will be prorated accordingly, subject to federal caps/requirements and requested amounts; in the event federal funds are higher or lower than budgeted by more than 20%, another funding round will begin.

CALL MEETING TO ORDER:

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

APPROVAL OF THE FEBRUARY 21, 2019 MINUTES:

Eastham moved to approve the minutes of February 21, 2019 with corrections. Alter seconded. A vote was taken and the motion passed 7-0.

PUBLIC COMMENT FOR TOPICS NOT ON THE AGENDA:

None.

RECOMMENDATION TO CITY COUNCIL FOR FY2020 EMERGING AID TO AGENCIES APPLICATIONS:

Eastham excused himself from this agenda item as he is on the Board of one of the applicants. Fixmer-Oraiz also recused herself as she is employed by one of the applicants.

Lehmann presented the Commission with a summary of the six applications and the requested funding amounts and discussed clarifications about the Forest View Mobile Home Park application. The applicant, Center for Worker Justice, is not able to be present at this evening's meeting but Lehmann can try to answer any questions regarding the application.

Padron began by stating she recommended $9,500 for Unlimited Abilities and $9,500 for Grow Johnson County.

Vaughan recommended $7,000 for Grow Johnson County.

Harms recommended $5,000 for Grow Johnson County.

McKinstry recommended $5,000 for Grow Johnson County and $5,000 for Successful Living and $9,000 for the mobile home park redevelopment.

Alter recommended $3,800 to all the applicants except for Little Creations Academy. Padron noted the minimum allocation should be $5,000 so Alter reconfigured her allocations to $5,000 for Center for Worker Justice, $5,000 for Johnson Clean Energy and $5,000 for Successful Living.

Lehmann added all recommendations into a spreadsheet and calculated the averages.

McKinstry noted there is the most consensus for Grow Johnson County so that allocation should be at least the minimum of $5,000. Given the total amount of funds the Commission has to allocate to emerging agencies, they can only fund at most two other organizations.

Padron noted the next two top vote getters were Successful Living and Center for Worker Justice (Forest View). If both those were awarded $5,000, the total allocated would be $15,000 which leaves $4,000.

Padron asked why McKinstry and Alter wanted to fund the mobile home association. McKinstry noted that Forest View has a tremendous potential for affordable housing in the future. Lehmann clarified the request was not for people to attend the meetings but rather Center for Worker Justice costs which included helping the tenant association start by providing space for them to meet, occasional transportation, some translation for public meetings and childcare. The applicant stated that the most important of these functions is for meeting space rent so this association can meet. McKinstry noted this

is a true startup, it is an emerging organization. Vaughan said her concern was that the organization seemed temporary, project based, and not an emerging agency. Padron noted they are funding the Center for Worker Justice which is an agency, for their project of helping this neighborhood association. However the Center for Worker Justice has been around for more than two years and has received funding from the City so wouldn't they be excluded from this. Lehmann clarified the Center for Worker Justice has not received Aid to Agencies funds which makes them eligible for this funding. Alter supports this application because the Center for Worker Justice is lending aid to a group in community outreach and is helping a neighborhood association.

Vaughan questioned the allocation to Successful Living which appeared to be an allocation to pay employees but that would not be an ongoing payment, it would only be for one year. Her concern is if they are having difficulty paying their employees then perhaps the model for their organization should be reviewed. Harms agreed and noted all the agencies are having difficulty with payments from Medicaid and not getting paid as much as they thought and this may start a trend of all agencies coming forward. The change in Medicaid payment was known to the agencies and some likely prepared for it better than others. Alter feels this application was a creative attempt at a solution to the problem at least for the year and was thinking of the people who are impacted by the care from Successful Living but acknowledges Harms' point that this is not a permanent solution.

Padron noted these funds are for emerging agencies and Successful Living has been around for 20 years and some of the other applicants, like the energy project (Johnson Clean Energy), is very new and interesting. Vaughan noted she would like to see more details on what Johnson Clean Energy will be using the funding for and be able to target their ideas, they appear to have a lot of goals, which are all great, but it is a lot to accomplished and they need to be more focused.

Padron suggested allocating $5,000 to Successful Living and $5,000 to Center for Worker Justice and the remaining $9,000 to Grow Johnson County. Grow Johnson County has never been funded before and is helping many people. Harms noted Grow Johnson County had come before the Commission before but set aside their funding request when hearing another agencies needs and acknowledging that agency needed the funding more.

Harms moved to recommend to City Council the following allocation of FY20 Emerging Aid to Agencies funds: $9,000 to Grow Johnson County, $5,000 to the Center for Worker Justice, and $5,000 to Successful Living. Alter seconded the motion, a vote was taken and motion passed 5-0 (Eastham and Fixmer-Oraiz recused).

RECOMMENDATION TO CITY COUNCIL FOR FY2020 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENTS PARTNERSHIP PROGRAM (HOME) APPLICATIONS:

Lehmann shared a handout with the Commission that had the CDBG/HOME allocations ordered by average score, projects with more than $50,000 should get first consideration and per the City's Consolidated Plan they can only fund two public facilities projects. Additionally, there are staff comments, one is Successful Living has unspent funds from the past fiscal year and if additional funds are allocated they may have difficulty meeting their commitment deadlines, therefore staff recommends not funding Successful Living until they spend down the current funding. Also for new organizations without a lot of history, staff recommends starting with small funding amounts as there may be concerns with compliance and the five year reversion of assets requirement. If a new organization does not last for five years, then the City has to pay back those funds to the federal government and if the organization doesn't own their facility they must be able to lease it for the five year compliance period. Lehmann said this may affect the applications from Little Creation Academy and Old Brick. City Staff will monitor all CDBG/HOME funded projects and work with agency staff to make sure they meet compliance.

Eastham asked about the Successful Living application and how much were they allocated and have left unspent. Lehmann said they have approximately $30,000 from the FY18 rehab allocation unspent, for the FY19 acquisition they have spent around $60,000 and will spend approximately $75,000 shortly which

leaves approximately $60,000 in additional funds they have not spent. The rehab project is the one they have had more delays on, not as much with acquisition projects. Lehmann noted this is a concern staff wanted the Commission to be aware of as they award funds, the Commission can still allocate funds as they see best and staff will work with those agencies to make sure there are no issues moving forward. Eastham noted that the new Successful Living rehab project could get funded and move forward even though the current rehab project is having issues.

Roger Goedken (Successful Living) stated with regards to the FY18 rehab project they anticipate the work being done in April, weather has been some of the hold-up. With the home acquisition funds they have purchased one home and have residents moving in, the other they just closed on and they anticipate to spend those remaining funds by the end of the fiscal year as they are actively looking at houses. He explained there were many issues with the rehab project including when federal agencies shut down, rental moratorium, and issues with finding contractors. He added that even when they have acquisition projects they sometimes have to do limited rehab to those houses to make them accessible for their clients. Lehmann stated there were also some delays with the FY18 acquisition but staff had amended the Annual Action Plan for it and it was completed a couple months back. Goedken said the current application is for a kitchen/bathroom remodel and new HVAC on a house they purchased a few years ago, they do have residents currently living there but the repairs are needed.

Lehmann stated regarding the HUD guidance for the boiler issue for Little Creations Academy, HUD requested additional clarification and Lehmann supplied it but has yet to hear back.

Vaughan began with the public facilities projects (CDBG) and noted they can fund no more than two projects. Lehmann noted they have $100,000 to allocate and also that CDBG funds can be used for housing projects but HOME funds cannot be used for public facility projects. Vaughan stated when looking at the commissioner's allocations it appears everyone was in favor of funding Domestic Violence Intervention Program - Shelter Repair and additionally the Old Brick – ADA/Structural Fortification Improvements. Alter proposed allocating $90,000 to DVIP and $10,000 for Old Brick.

Eastham noted the DVIP application is strong in terms of the need to repair the shelter as well as the need to repair the parking lot however he feels financing the repair to the parking lot could be done in another way and the Commission's priority should be on the repairs to the shelter interior. He noted Council has the ability to provide additional funds to these organizations and the Council should pay for the parking lot repair. Alter agrees however noted that Council just funded a larger allocation in the Aid to Agencies based on Commission recommendation and may point to the fact the Commission indeed has funds to support this application in this case. McKinstry noted with the recent consolidation, DVIP now has to cover a larger geographic area and that is stretching their already dwindling funds. If they had the money to do these repairs, such as the parking lot, they would have done it – they do not have additional funding to support this repair. Padron agreed with McKinstry and noted that what Eastham stated about DVIP is how she feels about Old Brick, perhaps Old Brick could find funding elsewhere. Fixmer-Oraiz agreed with Alter and noted if we send any of these applications to Council they may not fund anything. She also agrees with Padron that Old Brick could have more avenues for funding. Harms feels the Commission should support Old Brick and noted it is always hard for the Commission because there are applications for historical preservation and others for necessary community services. For that reason she feels comfortable with the allocation of $90,000 to DVIP and $10,000 to Old Brick.

Vaughan noted the Commission is to only review what is in the application before them, they are not here to make recommendations on how other agencies might run their business, they are to look at the applications and make recommendations based on the information in those applications.

Eastham noted he is fine with the allocation of $90,000 to DVIP and $10,000 to Old Brick but will keep advocating for City Council to step up and help agencies, we should not solely rely on federal funding.

Lehmann noted that Old Brick is also applying for local and state historic preservation grants as well.

Vaughan next moved to housing applications, there are $540,000 in HOME funds to allocate. Looking at the Commission's individual allocations it appears if they went with the averages for application they

would be slightly under their allocated amount.

Eastham noted he is uneasy allocating money to Habitat for new homes when there are other agencies such as Successful Living and MYEP who have clients living in homes in need of repair. Padron agrees.

Lehmann noted The Housing Fellowship - Rental Rehabilitation would need to be allocated $70,000 based on the estimated funding required for CHDO reserve funds.

Eastham stated Successful Living and MYEP had a clear plan and need for adding to their group homes, they both have waiting lists, both run stellar group home programming for the residents, the rehab amounts seemed reasonable. Eastham added he would be fine not allocating any CHDO operating funds to The Housing Fellowship, he feels that organization would be fine without those funds and would prefer giving MYEP and Successful Living amounts closer to what they applied for.

Vaughan noted her concern with Successful Living having challenges meeting timeframes and payroll (since they requested paying employees from the emerging agencies grant). She is also concerned about the future of Medicaid funding from the State and feels more local aid will be needed for these agencies.

McKinstry agrees with Eastham on the issue of need for affordable rental versus affordable ownership and noted he did not allocate as much to Habitat for Humanity because the money could help more individuals in rentals rather than ownership. He also values the need for affordable homeownership and it addresses historic imbalances and therefore would want to see some homeownership in the mix which should be supported by some public funds as well as private funds.

Fixmer-Oraiz was swayed by the presentation Habitat gave at the last meeting and learned about the overall impact homeownership has on the community. She allocated the full amount but equally can see the need for assisted living as well and will support those as well.

Alter noted that Habitat said they could purchase a lot and get started on a new home with a $50,000 allocation so that is what she feels they should be awarded. That will open up more monies for Successful Living or MYEP. She does strongly support funding Habitat for the reasons McKinstry noted.

Eastham asked if there was any support from other commissioners to reduce The Housing Fund allocation and therefore not fund their CHDO operating request. He stated he has seen their budget and feels this amount requested is not a make or break amount in their overall budget. Those funds from the CHDO operating request could better be served in Successful Living and MYEP to expand the number of residents they could serve.

Fixmer-Oraiz did not agree and felt CHDO operating funds should be funded. Padron agreed and also feels the Habitat allocation should be lowered to $50,000 and any additional funds be split amongst Successful Living and MYEP.

The Commission discussed the reallocations and staff presented a new allocation table for the Commission to vote on. They also discussed what to do in the event the federal funding was different than what they based the allocations on. Lehmann said in the past, staff has prorated the allocations among the agencies unless it was more or less than a 20% difference. Eastham suggested no positive prorated amounts be added to The Housing Fellowship. Vaughan noted they could add if prorated up but to make sure the allocation is not more than the asking amount.

McKinstry moved to recommend to City Council the following allocation of FY20 CDBG/HOME funds:

	CDBG	HOME
Mayor's Youth Empowerment Program - Lot Acquisition/Rental Construction		**$176,000**

Iowa Valley Habitat for Humanity - Lot Acquisition/Homebuyer Assistance		**$50,000**
Successful Living - Rental Acquisition		**$164,000**
The Housing Fellowship - Rental Rehabilitation		**$70,000**
Successful Living - Rental Rehab		**$59,000**
The Housing Fellowship - CHDO Operating		**$21,000**
Domestic Violence Intervention Program - Shelter Repair	**$90,000**	
Old Brick – ADA/Structural Fortification Improvements	**$10,000**	

In the event federal funds are higher or lower than budgeted by 20% or less, these amounts will be prorated accordingly, subject to federal caps/requirements and requested amounts; in the event federal funds are higher or lower than budgeted by more than 20%, another funding round will begin. Fixmer-Oraiz seconded. Passed 7-0

PRESENTATION ON FAIR HOUSING STUDY:

Lehmann presented the Fair Housing Choice Study staff began working on some time ago, beginning with introduction, public input received and initial observations.

Fair Housing Choice is the ability to choose housing free from unlawful discrimination, it applies to owners and renters, and to people providing other housing services as well such as financing. There are many protected classes based on Iowa City's Human Rights Ordinance including age, disability, color, class, race, nation of origin, creed or religion, sex, gender or identity or sex orientation, marital/familial status, presence or absence of dependents and most recently added public assistance as a source of income including Housing Choice Vouchers. The City strives to further fair housing in everything it does, it is a requirement of HUD funds but also applies to all the City's programs. This means the City tries to take meaningful actions to overcome patterns of segregation, promote fair housing choice and ultimately to foster inclusive communities. Lehmann pointed out that fair housing is different than affordable housing although there is a lot of overlap because often affordability is a barrier to housing choice. However, fair housing is the idea that housing is available to all residents of the community whereas affordable housing is housing costs that match incomes. Often protected classes have lower incomes so providing affordable housing is important to fair housing but it is not sufficient to affirmatively further fair housing.

The Fair Housing Choice study is being conducted by Neighborhood Services and the Office of Equity and Human Rights. It includes both qualitative (getting narrative) and quantitative (looking at data) components. In terms of public input so far (qualitative) City staff held a public meeting and six focus groups of different representative groups (a total of 83 attendees), and then also did a public survey for broader public perspectives, which got 234 responses. For the quantitative analysis they looked at private and public data, most of which is from the census. The goal is to complete the study in May 2019 so it is ready for review when the Consolidated Plan is updated. Staff will share a copy of the study draft with Commissioners in May.

For the survey, 234 individuals responded, skewing towards higher incomes. The survey was made available online and hard copies were provided through the public library and social service agencies. They received good feedback in terms of getting representation of protected classes. 70% of respondents were females, 17% were nonwhite or Hispanic, 5% were foreign-born, 20% had a disability, 12% spoke another language, 12% had a Housing Choice Voucher. One big thing that stuck out were only 43% of respondents said they felt they understood their fair housing rights while 26% felt they experienced discrimination. Somewhat shocking but not surprising, was only 3% of those filed a complaint. Most stated they didn't know what good it would do (70% of respondents) while others were unfamiliar with

how to do it or afraid of retaliation. In terms of barriers cited, affordable housing was overwhelmingly cited as the primary barrier to fair housing choice, including all for types of households (large families, small families, persons with disabilities, etc.) and the most common source of discrimination people noted was having a Housing Choice Voucher. In terms of public policies that were identified as barriers none received a majority, but the top ones were City funding practices followed by zoning and housing codes.

At focus groups and the public meeting, the comments mirrored many results from the survey. Iowa City was noted as an expensive housing market, and incomes don't necessary match the cost of the market and it is especially problematic where there is not a diversity of housing choices within a neighborhood (if it is all single family it can be challenging for different groups to find housing). This includes both City assisted housing and privately affordable housing because it is just not City assisted housing that is affordable. For the housing stock it was also mentioned that there are low quality rentals, especially near downtown, which can be problematic for persons who are in protected classes as well as accessibility challenges in older parts of the City with properties not built to visitability standards.

There were several public policy challenges raised, development codes can increase costs and limit flexibility, especially where design review is involved. Policies need to better align with goals and funding that is allocated should match up with the goals the City has (it doesn't always). The City should also streamline processes wherever they can including rental permitting, and the City needs to make sure they enforce their rental housing standards so there is quality housing. Coordination was also cited as an issue, between the City and surrounding jurisdictions and also with other actors (tenants, builders, landlords, etc.) or educational institutions such as the school district and university. Overall education is generally needed for tenants and landlords to better understand what fair housing rights are, what the responsibilities of different parties are in the housing market and to better information people on neighborhoods (people can be informally or formally steered towards certain neighborhoods) and the survey corroborated that.

In terms of data observations, Iowa City is a college town and has more young people, fewer families, and fewer children especially near downtown. Generally, near downtown there are fewer persons with disabilities because it is a younger population, it is more ethnically, racially and culturally diverse, a lot due to immigration into Iowa City especially from Asian populations, but also black/African American populations as well. There are some racial/ethnic concentrations across the City, specifically Black/ Hispanic groups south of Highway 6 and Asian groups concentrated on the west side. None of these concentrations meet the standard HUD for being a racially and ethnically concentrated area of poverty however. Those areas do tend to have lower incomes but the lowest income areas tend to be nearer to the university where students are. There are large limited English proficiency populations, especially Spanish (3100 speakers) and Mandarin (2400 speakers). Segregation by race or ethnicity is considered low in Iowa City based on the dissimilarity index standards, but it has been increasing over time. For the economy, it is focused around education and healthcare, there is a high proportion of low-income households due to student populations and that is increasing as well. Minority households tend to have lower incomes in Iowa City, primarily outside downtown, and LMI (low moderate income) areas are primarily to the south and west but there is a large LMI area downtown as well.

The majority of housing in Iowa City is rental, concentrated in around downtown and near the university. Minority groups tend to have lower homeownership rates in Iowa City, which especially true for Black households and households of two or more races. There has been a large increase in multifamily building permits, peaking in 2016, much of it is downtown, and there are correspondingly higher vacancy rates with that. That being noted, rents have increased faster than incomes or housing values. Housing values have actually been closer to increases in income lately but rents increased more quickly. In terms of cost burden (which means they are paying more than 30% of their income on housing), 16% of homeowners and 64% of renters are cost burdened, a lot of whom are students based on non-familial status. Minority households tend to experience housing issues at higher rates including housing cost burden and other issues such as overcrowding and the quality of facilities.

Lehmann noted there is limited data on fair housing because things don't get reported, but of the data they do have in Iowa City there tends to be around 10-12 fair housing complaints per year. Most of those are based on discrimination by race, disability or sex. 1/3 tend to be outside the City's jurisdiction so they

get referred to the correct jurisdiction, 1/3 get closure at the City or withdrawn due to resolution and the remaining 1/3 require further various levels of investigation. Data from the State or Federal level is even more limited, most is based on Johnson County. Progress since the last plan, there were five findings and while the City was making progress some of these findings have cropped up again. For example, racial ethnic concentrations is still there, outreach and education is still an issue and a huge need.

Staff next looked at policies, public sector policies in addition to private sector policies and Lehmann discussed those and where staff found impediments. For City development codes there is no reasonable accommodation policy for persons with disabilities which is basically a streamlined approach for, say someone in a wheelchair to put a ramp outside their house in a historic district where there are many levels of complex policies to deal with. Staff is looking to adopt some sort of reasonable accommodation policy to ensure people can be housed in older parts of the City without running into bureaucratic barriers. Also staff is looking at generally increasing opportunities or choices for housing by allowing diverse housing throughout the City. That will focus on increasing density because single family can be affordable depending on construction but allowing more multifamily by right in residential areas would be good. They are also looking at bedroom caps in multifamily as that can restrict large families and student living. Finally looking at how permanent supportive housing is currently treated in the community because it is treated as separate use only allowable in specific zones (essentially the Cross Park Place project where it is long-term housing, more than a year lease). Housing Code has new requirements like rental permit cap, increased inspections, which may affect protected classes, these changes are relatively new as of 2018 so it is hard to know the impact or results but it will be tracked.

Vaughan asked if those new requirements were federal requirements. Lehmann replied it was a State requirement change where a city could not distinguish between nonfamily and family households in the zoning code which was a way the City was trying to balance student housing downtown. When the State made that change the City reviewed the process and put a cap on areas near the university and also increased inspections for certain types of units.

For affordable housing assistance, Lehmann stated the City put more local funding towards affordable housing initiatives but it doesn't have the same federal requirements, so staff has not been tracking protected characteristics for beneficiaries. As such, impacts are difficult to ascertain for all City assistance because more than half the units created aren't being tracked. With new funding comes new programs and lots of requirements and staff is making sure administrative rules are well coordinated.

For site selection and neighborhood revitalization, Lehmann stated the Affordable Housing Location Model and rental permit cap interact in complex ways; both affect certain types of housing in certain areas at certain times. Staff is working to identify those affects for affordable housing and service providers, how they impact choices for protected classes and seeing if there are ways to streamline some of these programs as they come into play. Currently there are 1215 Housing Choice Vouchers, about 850 of which are in Iowa City. Within Iowa City, Housing Choice Vouchers are still relatively concentrated in certain neighborhoods, typically the more affordable neighborhoods thus the concentration. However based on the survey there is also some evidence landlords may still be discriminating against Housing Choice Voucher recipients. Therefore providing more information to Housing Choice Voucher recipients is needed, further alerting them of their rights and encouraging them to live in other areas of the City is something staff is recommending. Also The Housing Authority has a preference categories with families, persons with disabilities, and elderly with residency in Iowa City as the first group to receive vouchers. Staff recommends an equity analysis to make sure the policy is targeting the correct populations for service as based on the CITY STEPS Consolidated Plan.

With regards to home lending, Lehmann noted the data showed Black and Hispanic households have elevated rates of denials, however a study that was conducted a year ago showed there are discrepancies in data entry and there are issues with a small sample size. Staff wants to follow up to make sure this is not discrimination and will continue to monitor. Additionally they recommend additional fair housing education for lenders and borrowers.

Alter asked if the City has anyone that works with lenders and people who are applying to help them through the process. Lehmann stated the City does trainings for lenders but is unsure of how regularly it

is done. These trainings are also provided for the general public. Kubly added if a person is part of The Housing Choice Voucher program they are assigned a case worker to help them navigate the process.

Eastham asked about impediments related to realtors. Lehmann said he had no data on it but based on the focus groups it doesn't seem to be much of an issue, it seems the larger issues for steering people to certain locations is word of mouth from others in the community. Eastham said he hears anecdotal statements about realtors engaging in steering certain people to certain locations of town. McKinstry noted when he has talked to realtors it appears everyone is super sensitive to steering and know it is illegal and unethical and are hypervigilant in not steering people to certain locations of town. He was startled to find there are four or five protected classes here in Iowa City more than in other areas of the State or Nation. He stated that two woman in Missouri, this year, were denied the opportunity to live in a retirement center because they were married to each other. Because of situations like that McKinstry is so glad Iowa City has these additional protected classes.

Lehmann noted for the rental market there is a mismatch between the cost of rentals and incomes and staff recommends more rentals in high demand areas, especially downtown, and considering ways to reduce the cost of housing such as group living options. The also recommend more education on the protections for renters and keeping landlords apprised of the protected classes and education of best practices. Additionally staff needs to make sure all fair housing complaints are dealt with in a timely manner and resolved quickly. Since there is a lack of metrics for policy impacts staff will need to make sure they measure these fair housing impacts on protected classes. Lehmann noted staff does not do a lot of testing in Iowa City but it is one of the better ways identify discrimination or steering.

Finally Lehmann talked about other observations worth noting. There are ethnical and racial concentrations so encouraging a range of housing throughout the City while continuing to invest in minority, LMI or protected class neighborhoods is important. Homeownership rates are lower for minority groups so it is important to encouraging homebuyer programs in targeted areas for protected classes. For elderly households and persons with disabilities, especially those with ambulatory issues who cannot walk around easily, there is a need to focus on areas of town with accessibility barriers to help ensure aging in place is possible. Student populations have the lowest incomes, so there is a need to ensure all, especially those who are LMI or in protected classes, can afford to live in the community.

In terms of next steps, Lehmann stated staff is working on the internal review of the draft of the Fair Housing Study, hoping to get a draft to stakeholders in April and start to let the document be public for adoption process, there will be a public meeting with HCDC on May 16 and then go before Council either May 21 or June 4 and have the document adopted prior to June 30.

Eastham stated he wanted to see the data behind this study for the HCDC review.

Harms noted that when someone has an issue, time constraints for resolving the issue is enormous, especially for working individuals. Perhaps the City could increase hours of availability to help the public.

Fixmer-Oraiz noted a recurring theme in the Study is a need for education and outreach and there definitely needs to be more for renters, landlords and potential homeowners. Eastham stated if the City is going to put resources toward this education and outreach it should be for consumers, realtors and banks already have some educational opportunities. Fixmer-Oraiz noted the university does a freshman intake and perhaps the City can provide education on fair housing. Lehmann noted the university does a "Renter 101" event and Iowa City provides information at that. Vaughan suggested something other than just a written brochure, it doesn't often speak to a lot of people, and is easily tossed. She noted it should be written to speak to all individuals, regardless of the level of education.

Padron noted it is important to remember not every resident has a computer or internet and much of what comes from the City is via email or directs one to a website. Harms noted with the elderly or others they may not want to use a computer and the City needs to be cognizant of that. Lehmann noted they did hand out hard copies of the survey in the senior living areas, agencies and also at the library for those that did not want to use a computer. The surveys were provided in multiple languages.

Vaughan asked if there was educational pieces created do they have to be done by staff or can volunteers assist. Lehmann said they would welcome volunteers and partners.

McKinstry is happy to see the interest in collecting data on housing in the City.

Fixmer-Oraiz asked if the City could partner with the school district and send information home in back packs. Lehmann stated the school district has tightened up on allowing things to be handed out but improved coordination between the City and schools is needed.

Any additional comments or questions can be directed to Lehmann.

STAFF/COMMISSION COMMENT:

Lehmann noted that Council has appointed Peter Nkumu to the Commission, he is the president of the Congolese Community of Iowa and will be a great addition to the Commission.

Staff is interviewing consultants for the Consolidated Plan this month.

Staff, Padron and the head of the Human Rights Commission had a brief discussion on the ways to revamp the Aid to Agencies process, conversations will continue in April.

The next HCDC meeting will be April 18 where we will discuss projects not conforming to the unsuccessful delayed project policy which will include a report from The Arthur Street Healthy Living Center. They will also have HCDC monitoring reports and begin Aid to Agency visioning process and also a background information presentation on the Affordable Housing Model. Staff will present the Annual Action Plan and continue the Fair Housing Study review.

Eastham noted he heard from an agency partner some agencies are having discussions with the City Manager on Aid to Agency funds and what those agencies feel the City should be funding. Lehmann said this will be part of the discussion at the next meeting.

Lehmann stated Community Development Week is April 22-26, there will be some type of proclamation and Vaughan suggested doing some type of tour of projects that are complete, to see the impact.

Lehmann noted there is a new tenant education program that the local Homeless Coordination Board is putting together, it is intended as a possible alternative to eviction for tenants. It will start April 9 in the Iowa City Public Library and be held every Tuesday through May 14 for a total of six modules.

Fixmer-Oraiz had a question on monies from other sources and specifically The United Way who gives out all kinds of money to agencies. Lehmann noted the application process does go through The United Way along with Coralville, Johnson County and United Way.

ADJOURNMENT:

Fixmer-Oraiz moved to adjourn. Alter seconded. Passed 7-0

MINUTES **FINAL**

HOUSING AND COMMUNITY DEVELOPMENT COMMISSION
APRIL 18, 2019 – 6:30 PM
SENIOR CENTER, ROOM 202

MEMBERS PRESENT:	Mitch Brouse, Charlie Eastham, Christine Harms, Peter Nkumu, and Paula Vaughan
MEMBERS ABSENT:	Megan Alter, Vanessa Fixmer-Oraiz, John McKinstry, Maria Padron
STAFF PRESENT:	Kirk Lehmann, Erika Kubly
OTHERS PRESENT:	Clare Ferris, Drew Bloom, Sara Barron, Martha Norbeck

RECOMMENDATIONS TO CITY COUNCIL:

By a vote of 5-0 the Commission recommends to City Council approval of the FY20 Annual Action Plan as presented with the addition of the rents of newly created affordable housing units.

CALL MEETING TO ORDER:

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

APPROVAL OF THE MARCH 14 2019 MINUTES:

Eastham moved to approve the minutes of March 14, 2019 with corrections. Harms seconded. A vote was taken and the motion passed 5-0.

PUBLIC COMMENT FOR TOPICS NOT ON THE AGENDA:

Martha Norbeck (Johnson Clear Energy District) is part of the organizing group for Johnson Clean Energy District and wanted to share her observations about the Emerging Aid to Agencies process. Her understanding of the grant was it was intended for emerging agencies, with language specifying no funds in the past five years and being formed within two years. Specifically the language reads "This application is for emerging agencies, those that have not existed as a legal entity for at least two years or have not received Aid to Agency funds in the last five years." Norbeck was surprised when she looked at the submitted grants and the years other applicants were in business and the order they were listed in the packet were 6, 20, 1, 22, 20 and 1 years. And the three organizations that received funding were the ones that had operated for 20, 20 and 6 years. Norbeck acknowledged those agencies' presentations were polished and had excellent reference letters, they should be as they have been in operation for years and have a track record for success to stay in operation for 20 years. Norbeck acknowledged the Johnson Clean Energy Group may have been disorganized, they have a lot to learn as an organization and learned valuable lessons from the grant proposal process. She noted they do not feel shunned as the Johnson Clean Energy District, she understands they are just getting started, but rather it is challenging that the representation of the grant was for emerging agencies but the committee's actions supported agencies that had already been in existence and had a track record of success. That felt like a discontinuity and she wanted to communicate that she feels the language and parameters need to be more clearly outlined if the intent is truly to support agencies that are gaining a foothold.

Sara Barron (Johnson County Affordable Housing Coalition) wants to share two things with the Commission, the first is the Affordable Housing Coalition has sent a formal request to the City Manager

and cc: the Council and some staff asking for rental unit prices to be collected as rental permits are issued or renewed. It is surprising to a lot of people to learn they don't have very reliable data, or really any type of comprehensive data about city-wide rental prices which makes it difficult to track progress in creating and maintaining affordable rental units. Because the City is in the process of upgrading their rental permitting software right now, Barron feels now is the perfect time to include a field to collect information about what the landlord will charge for the units. Having that information can be used a number of ways, the Affordable Housing Coalition's intention is to use it in an aggregated way that will give them raw data that can be sorted to show what rental prices are throughout the community and how many units are actually available to the households that need more affordable rentals. The second item Barron wanted to share, because this Commission is concerned with affordable housing, Council is continuing to discuss the comprehensive rezoning of the North Dubuque Forest View project which includes the Forest View Mobile Home community and that redevelopment would include many permanent affordable homes for people who currently live at Forest View. There is a lot to consider about that rezoning but the Johnson County Affordable Housing Coalition is in favor of moving forward with the rezoning and hopes it goes through soon because at this point it is at a three year process and the residents of Forest View have worked hard with the developer to create a plan that will allow for a private developer to provide affordable housing. The fact that commercial and residential are mixed together is precisely one of the reasons it makes it possible for the developer to create the affordable housing option.

Eastham stated an interest to put on an upcoming agenda the inclusion of rental amounts in the City's permitting process.

Eastham also acknowledged the comments regarding the emerging agency funds, he did not participate in those discussions because of a conflict of interest but feels the Commission should look at that process more closely.

DISCUSSION OF PROJECTS THAT HAVE NOT COMPLIED WITH THE 'UNSUCCESSFUL OR DELAYED PROJECTS POLICY':

Lehmann gave updates from reports received on unsuccessful and delayed projects. He noted the Commission can reclaim funds if they feel insufficient progress is being made.

FY18 Little Creations Academy Daycare Rehab – Little Creations does not yet have a contract for the amended project scope, that is, the additional $36,141 which was added to their initial $73,000 budget. The reason is that there have been issues with the contractor that are being worked through. Little Creations is exploring the possibility of switching contractors for the remainder of the work, otherwise they are trying to finish out the work the contract they have, trying to get the access panel done, and will continue to work through the challenges. Lehmann noted the amendment was approved in January so they have only had the additional funding for about three months.

FY19 Aid to Agencies: Domestic Violence Intervention Program – Lehmann received an email update on this project, noting that DVIP has not billed any funding so far. They are finishing up a CDBG reimbursement of $21,000 for expenses in January through March. They expect other reimbursement requests shortly. Due to the amount of federal funding they receive and how the State allocates, it is cleaner for DVIP to expend full amounts from local, state or federal for same activities, in this case shelter indirect activities. They do so to show all funds are required to perform the services and are used to complete the contract period and is one of the ways DVIP can clearly show federal funds are not supplanting state or local funds. Holding off on expending City funds is different this year to accommodate this, they have never been in a position of not expending half their funds from the City by a specific deadline in the contract period. DVIP added that one issue they face is the contractors fees include both state and federal funding but they don't know how that is divided up until a couple months into the contract, in addition based on the State's process, which differs year to year, DVIP doesn't always know if they are documenting expending federal or state funds first until a couple months into the contract as well. DVIP noted this is a fairly new process within the last three years so one of the ways they are hoping to resolve this issue moving forward is matching their fiscal year spending to the federal year.

Eastham asked if these funds are Aid to Agency Funds. Lehmann confirmed it is Aid to Agency funds and stated typically Aid to Agency funds get billed quarterly but this year DVIP changed how they are billing. Eastham asked if the source of the funds were local funds. Lehmann said they are using their federal funds first, followed by state funds and then tap into the local funds, but if they don't spend it out by June 30 they will lose any unused funds from the City due to the federal public services cap for CDBG, which is not something they can roll over. Eastham notes he understands why federal funds cannot be carried over but questions why local funds cannot. Lehmann stated it is a decision by the City Finance Department, that they were awarded federal, not local funds.

FY19 Arthur Street Healthy Life Center – Lehmann received an email right before this evening's meeting stating it appears the building will be sold to another buyer and Tess will withdraw her CDBG grant. Therefore that $51,000 will go back into the CDBG pot.

Brouse asked if those funds would just be added to the next funding cycle. Lehmann confirmed that it could or also be tied into the Annual Action Plan. The order for uncommitted CDBG and HOME funds can be spent various ways by levels of consideration. (1) Existing projects that did not receive full funding can be considered. (2) Projects that had submitted projects that did not receive any CDBG or HOME funding will be considered. (3) New proposals in an extra funding round or (4) go back into a contingency fund to cover cost overruns.

Eastham stated the Commission should follow the policy established and reallocate those unused funds. Lehmann said it can be discussed with the Annual Action Plan discussion later in the meeting.

FY19 Neighborhood Centers of Johnson County Siding Improvement – Lehmann reported they sent out bids in August and only received one bid significantly higher than budget, about 60% above estimated. A second batch of letters were sent out in January and NCJC received two bids, and fortunately the lower of the two bids was close to the target budget. In March they signed an agreement with the contractor and the project is slated to begin on Monday, April 15 and is expected to take two to three weeks to complete. Lehmann stated he has been to the project site and they are making progress.

FY19 Prelude Transitional Housing Improvement – Ron Berg was not able to attend tonight's meeting but provided a written report. Prelude has selected RM Boggs as the vendor to install the new water heater, they will be meeting on Friday, April 19 to confirm wages requirements and make sure all the paperwork is in order before proceeding. RM Boggs indicated the timeline for the project is two weeks for the water heater to be delivered and will be able to install shortly after receiving. The project is within budget.

BEGIN AID TO AGENCIES PROCESS MODIFICATIONS DISCUSSION:

Lehmann stated he included a discussion guide in the packets of things the Commission has talked about regarding Aid to Agencies and reflective questions to start the discussion. Lehmann noted this discussion covers emerging and legacy Aid to Agencies processes.

Vaughan followed the discussion guide beginning with what the Commission feels worked well and what needs to be improved.

Eastham believes the Council's recognition of the Commission's recommendation and implementation worked well, he was quite pleased with the presentation.

Lehmann has comments received from Fixmer-Oraiz, Alter and McKinstry. Fixmer-Oraiz noted overall it was good for the first time trying the Emerging Aid to Agencies and is open to hearing what others think can be done better. One thought she had was to make sure the Commission splits up the times when they are hearing from legacy versus emerging groups, but she liked the length of time the Commission had to review applications and ask questions. Fixmer-Oraiz suggested sending a survey out to agencies for their input on the process asking for their top concerns and aspects they wish the Commission to address. It would be good to know what organizations and staff thinks and make best practices from there. Alter stated she liked being able to talk with the agencies before filling out the scoring sheets, she is still not entirely sure how to handle priorities and scoring high, medium and low with numbers that can

range from 1 to 10, she would like to see the matrix be able to capture when the funding ask goes to salary. She finds that useful because of the section that discusses the impact on persons. There are agencies that impact a great number of persons but the funding request goes to deal with salary, the score on the matrix may be high but it is not reflecting the money impacting many. Alter would like to have an easy to find piece of info that reflects the percent of cost directed to salary. She also likes having information showing what the applicant has received from Aid to Agencies in years past. McKinstry hopes the process will remain dynamic as they try to make it responsive to emerging needs while trying to offer stability for established services based on official stated priorities somewhat quantified by a numerical scoring system yet interpreted through the experiences of people involved in the process. It is an orderly process yet filled with the drama of unmet human needs represented by underfunded nonprofits. McKinstry states he along with everyone on the Commission needs to find a way to put the overall Aid to Agency need total to be gathered early enough in the City budgeting process so that it doesn't quietly shrink as it had over the past few years.

Eastham stated having the dialogue with agencies was very helpful to him and he has heard the agencies want to have that opportunity to clear up any misunderstandings or confusion with their applications. Eastham noted it is important to maintain the schedule that has been developed.

Brouse agrees but admitted he was a little bit uncomfortable when the Commission was talking about allocations and some agencies were interjecting themselves into the conversation. While it is important to have the back and forth conversations, when it is time to discuss allocations it is a conversation just amongst the Commission. There needs to be a structure maintained of when open discussion time is and when is only Commission discussion time.

Eastham commented on Alter's statement of the agencies using the funding for salaries, he is not in agreement with her and feels agencies have to pay salaries and he doesn't care what they use the monies for as long as it benefits the agency and they are accomplishing their missions.

Brouse agrees and noted the nice thing about the Aid to Agency funds is there aren't strings attached and the funds can be used how the agency best sees fit. Some agencies have all their federal funds tied to direct services and these are the only funds available to pay salaries.

Vaughan agreed the scoring sheet was challenging because there were a lot of yes/no and therefore all the ending numbers were very close and hard for her to distinguish the agencies and decide how the scoring would match the funding.

Eastham noted a comment from agencies saying they found little correlation between scoring and funding amounts. That is a measurable thing. Lehmann said he did with Commission averages and it was roughly correlated. Lehmann said when the scores don't correlate is often with the $15,000 threshold and that can throw off the data.

Lehmann noted he also heard feedback the Commission wants to spread the funding and agencies want them more targeted to priorities in City Steps. Additionally information was asked that was not part of the scoring criteria and also as heard earlier the emerging agency funds went to more established agencies despite the intent of the funds.

Vaughan noted she is in agreement with the comments heard today regarding emerging agency funding and the wording on the application was confusing. It stated if one had ever received funding, not specifically Aid to Agency funding which is how it should have been worded.

Brouse noted they do need to be clearer on what the intent for Aid to Agencies and Emerging Agencies, he feels emerging should be new agencies but the actual policies in place indicate it can be new agencies or just ones that haven't received this specific type of funding. He noted the Commission needs to decide what they are prioritizing and direct the funds towards that.

Eastham noted the difficulty not including an agency that has been in existence for 30 years being eligible for emerging funds is it excludes and takes away possible funding source for agencies with history. He

feels it is fine to allow one year old organizations to go head to head with 30 year old organizations for this source of funds.

Lehmann stated part of the rational for allowing established agencies who had not received Aid to Agencies funding to compete for the emerging funds was the legacy agencies are the agencies that provide core services in the community and have received funds for a long time, whereas there are some agencies that have been around for a long time but were never part of that initial core set of services. So competing this allowed them to join the core Aid to Agencies funding cycles.

Brouse noted then perhaps is shouldn't be called emerging agencies then if it will include established organizations.

Vaughan agreed and noted there was a subcommittee that established the emerging category so perhaps that subcommittee can now reconvene to review the process after the first year and discuss concerns and clarify intent.

Lehmann asked if the Commission felt the intent of the emerging agency funds was met with regards to the agencies that ultimately received the funding.

Vaughan felt so at the time, however after tonight's discussion she feels maybe it does need to be reviewed. She agrees the term emerging makes it sound like new agencies so the wording may need to be clearer.

Harms noted that all the Commissioners went through each of these applications diligently and that is how the decision of funding was decided, it wasn't a quick decision without thought.

Vaughan agreed and noted she is comfortable with the decisions made in this funding cycle it is just now perhaps a matter of clarifying the wording for the future.

Lehmann asked if it is the intent of the Commission to continue to allocate 5% of the funding to emerging agencies. The Commission agreed, noting it is the only way for an agency to get into the legacy agency cycle. Lehmann said they could dissolve the emerging agency funding and legacy funding categories and then any agency could apply generally to Aid to Agency funds.

Lehmann stated this conversation will continue at the next meeting as well for the Commissioner's that are not able to be present this evening. The subcommittee for this process was Padron and Fixmer-Oraiz who are both absent this evening.

Eastham asked about the allocation of monies based on low priority or medium priorities. He feels that didn't seem to sit very well with some agencies. Lehmann noted that agency questions he received were more about misunderstanding how the priorities would be used and they may not have fought being a medium priority which had the highest funding ratio of applications to availability. There was only one low priority application. Eastham said feedback he heard was funding should target the highest need. Lehmann noted his interpretation of that is in City Steps there are particular priorities and the Commission voted in the past to try to target more monies towards those priorities but never that medium or low priorities should not be funded. Lehmann also noted again with the $15,000 threshold there wasn't a willingness to defund agencies that scored low, which scewed results. Eastham noted in future discussions that the Commission should ask agencies if they want the City to keep the levels of priorities.

Vaughan noted that if they do not allocate funds for low, medium and high then those agencies that are low priority will never get funding. There are just not enough funds to go around.

Brouse stated that the goal is to spread the funding, but that is just a target, if the projects aren't there then an agency should not receive funding just because they are the only low or medium application.

Vaughan also said in the next round of funding it should be decided if the Commission is funding the project or the agency, there has been a back and forth on that and a decision needs to be made up front

so the applicants know when they are filling out the applications.

Eastham noted in the scoring criteria they use budget and income target which have nothing to do with projects.

Brouse feels it is better to base priority on the agency because all the scoring criteria is based on the agency not project. However it may not be all or none, some may be based on the project.

Lehmann said the scoring criteria could be looked at, he used what was used previously for CDBG funds which needs a project but also looks at applicable agency criteria as well.

Lehmann noted some feedback he received from the agencies were they didn't feel like there was predictability to the funding and if they knew the Commission was basing funding off one or the other they would write their applications to fit.

Brouse noted that it can't just be about the data, there is a human aspect to these agencies and that is why discussions take place before funding is awarded. Vaughan agreed noting that everyone looks at the applications independently and then when they come together for discussion it is a more rounded view after hearing others input.

Lehmann stated at the February 2019 Council work session Council asked staff to reach out to Legacy Agencies this summer to discuss Aid to Agencies budget levels. The City Manager's office will lead the effort and will discuss with Legacy Agencies. The City Manager's office will also review growth projections as they consider a proposed FY21 Aid to Agencies allocation. Neighborhood Services staff may attend meetings but will not lead them. This is the first year of the Legacy/Emerging process and HCDC will need to review how it went as there will be a FY21 funding cycle as an annual funding round rather than a two year cycle. HCDC will need to review the process and identify if any changes are necessary. Every two years additional emerging agencies will be able to apply for legacy funds and emerging agencies get funded annually, so it is possible that every two years 6-8 new emerging agencies can apply for legacy funds. This will have a significant impact on funding levels for agencies who have historically been funded and should be considered. It is not reasonable to assume the Aid to Agency budget will increase by $90,000 or $120,000 every two years so HCDC needs to review priorities and how to approach funding should additional agencies come on board. Lehmann noted the City's budget process begins in August. NDS staff will have duties above and beyond current workloads and staff must complete the fair housing study and the Consolidated Plan in the upcoming months, additional research and correspondence for items not required by Council will not be priority items for staff as the City Manager's office is taking the lead for this item (working on the Aid to Agency process), it will not be a priority item for NDS staff.

Eastham asked if for Aid to Agency budgeting the Commission should get the City Manager to come to a meeting Lehmann said it is that they are taking the lead while NDS staff will be working on the Fair Housing Study and the Consolidated Plan and they will come back to HCDC. Kubly said the City Manager's office will be working with agencies and are recommending HCDC wait until the City proposes the budget and then if the Commission has recommendations at that point to bring them forward.

Eastham stated it is a good idea for the City Manager to be talking with the agencies about what they believe a reasonable Aid to Agency budget amount should be. However, he would also like to hear from agency directors directly what they think an Aid to Agency budget should be. Then HCDC can recommend a reasonable amount to the City on what the budget should be for Aid to Agencies.

Lehmann noted that may be difficult depending on what happens at the State level because they are currently discussing revisions to the budget process and how much revenue cities have. Eastham doesn't believe what the State does really affects what the City does with its monies because the taxable valuation which includes everything in the City has increased every year. So as long as the taxable valuation continues to go up Eastham will continue to argue for increased budget for Aid to Agencies.

Vaughan asked if HCDC's role is to advocate to the City Manager for increasing funding. Eastham stated the Commission was appointed by the City Council, not the City Manager so they should talk to Council

and the budget setting process should include this Commission's recommendations on what the annual budget for Aid to Agencies should be.

Sara Barron (Johnson County Affordable Housing Coalition) spoke on behalf of their partner agencies that participate in all the various processes that come before the Commission for funding allocations, she noted the Commission gets to see very detailed applications for how the money will be used and that is done at the City Council's request on their behalf and then somehow that information has to be provided back to City Council on all the Commission has learned through the process because it seems clear that City Council is not getting all that detailed information. While she does not have a recommendation from the agencies on how exactly the budgeting process should go, she feels the Commission needs to remember not only are they charged with making the funding allocation but they are also learning all that information from the agencies on behalf of the Council and without that relaying that back, City Council doesn't have all the information about what the need is for the organizations.

Lehmann noted that Council receives the minutes from the HCDC meetings, perhaps in the future the HCDC Chair could prepare a cover letter to Council with a summary. Vaughan said that might be good for situations where there is a need to call attention to something specific.

Eastman noted that providing City funds to agencies doing social justice work is one of the key things this Commission is established to do and a vital function of this Commission is to inform Council why they are making the budget recommendations they are making. He would advocate for the Aid to Agencies funding process to not start out with a budget cap amount.

Lehmann stated regarding overlapping funding HCDC has discussed on disclosing the various City funding going to each agency and he wants to invite the Human Rights Commission to the next meeting to discuss their processes as well. Eastham agreed it would be good to know if an agency is receiving funding from various City funds. Eastham asked what other Commissions the Council charged with providing funding. Lehmann stated Sustainability has funds to disburse, Historic Preservation may have funds, and Community Development. Brouse stated he would be interested in learning about the Human Rights Commission's processes. Lehmann is imagining having a liaison from each Commission that will go to the other Commission's meetings and bring back information.

Lehmann asked if a member of the Commission wanted to reach out to the agency partners with a survey to ask about the process and ideas for improvement. Eastham is much more interested in hearing the feedback on budget amounts rather than process. Lehmann said that could be one survey. Eastham would rather have the agencies come to the May or June meeting and talk about the budget needs and process rather than do a survey. Vaughan is in favor of a survey or email asking for feedback rather than meeting. Brouse agreed. Lehmann noted that Fixmer-Oraiz volunteered to put together a survey. Eastham stated he would approach executive directors directly for in-person discussion.

MONITORING REPORT:

City of Iowa City – Kubly will review the City's CDBG/HOME projects. The City has $75,000 for the Neighborhood Improvement set-aside. The City typically works with Parks & Rec and Engineering to develop projects each year. Most recently they have are working in Villa and Highland Parks. They used funding for accessible trails, playground equipment, a permanent shelter, and drinking fountain. Kubly noted Parks is looking at paving trails at Wetherby and a project at Fair Meadows for next year.

The next allocation is a $50,000 set-aside for economic development for low- and medium- income (LMI) business assistance, it is typically for job creation, retention, technical assistance for micro-enterprises (i.e. businesses with five or fewer employees, one or more of whom owns the business). They provided $25,000 to 4Cs to support the development of micro-enterprise daycare providers, a $10,000 no interest loan to a cell-phone repair business, and a $5,000 no interest loan to Iconic Salon located in the Sycamore area. Both loans are in repayment and the City still has funds available on a first-come first-serve basis if a business meets the criteria. She noted they are looking for opportunities to provide technical support for entrepreneurs looking to start a business and may partner with the UI as well as the Small Business Development Center for classes and once they have completed classes, they could get

funding. Lastly the City may do an event for home-based businesses this year.

The next project was owner-occupied housing rehab, the City provides grants and loans for homeowners, and those who live in targeted LMI areas can get half the assistance as a grant. Mobile homes also get grants. The City received $90,000 from HOME and have three comprehensive rehab projects underway. From CDBG they get $235,000 and to date have six mobile home projects, one emergency, one exterior, seven in target areas and four projects that are in the hopper doing lead assessments and bid estimates. The City has a single application for all housing rehab programs so if someone applies and meets the HOME or CDBG criteria they will receive funding from that program. If their income is over 80% and under 110% AMI they can receive funds through the GRIP program which is local funds, a low-interest loan (the City receives $200,000 annually for that program). Lastly related to owner-occupied rehab is requiring energy audits for homeowners and have completed 10 audits so far this year.

The last project is the South District Program, the City received $100,000 in HOME funds to rehab two duplexes, four total units, where the City will purchase properties, rehab them and then sell them to LMI homebuyers. The City selected properties and reached out to the landlords and followed up with the tenants to make sure they were not displacing any tenants but the tenants stated they were not interested in moving and not interested in homeownership so the City needs to look for other properties and perhaps expand the area (initially they just looked at Taylor and Davis Streets). One positive is the partnership with Habitat and Horizons for homeowner courses for anyone who is interested in homeownership.

REVIEW AND CONSIDER RECOMMENDATION TO CITY COUNCIL ON APPROVAL OF FY20 ANNUAL ACTION PLAN – PLAN AVAILABLE ONLINE AT http://www.icgov.org/actionplan

Lehmann noted a lot of the packet is information that is the same as last year but went over the highlights. One addition this year was as part of the Consolidated Plan where it goes goal by goal set in City Steps and the progress being made on each step they now report specifically on the progress of the goals. Of the eleven goals set four years ago, two are complete (increase the supply of affordable rentals and strengthening economic development). Five are on track to meet their goals and the remaining four are behind what would be expected at the point. However three are expected to be complete on time. Two probably won't meet the goals set, improving and maintaining public infrastructure facilities because the City decided to do fewer, bigger projects rather than more smaller projects as originally planned, a policy in line with City Steps which states they should focus funding in places to make a bigger difference. The other goal that will likely not be met is for façade improvements, the City went away from façade improvements and now it is being funded through local dollars and thus is not reflected in the CAPER.

Lehmann noted another change that happened from the original version, the Departmental and Commission Guidance is something that was not initially added, and how those fit into the preparation of the Plan and for soliciting public input. Consultation is much the same as it was last year although Lehmann has participated more in the local homelessness coordinating board so homelessness initiatives are featured more prominently in the current Action Plan. Also in the Plan is the list of who participated in the creation of the Consolidated Plan.

For the timeline, the Annual Action Plan is typically due 45 days prior to the end of the fiscal year which would be around April 15. This year the City did not get their federal funding allocation until April 12, so it due 60 days from that date, currently June 11. The Plan notes the Commission is reviewing it today, there is a 30 day public comment period that starts on May 3 and people can come comment on the Plan at the next HCDC meeting. Council will then consider the Plan following a public hearing on June 4.

For federal allocations, the City became aware of them on April 17, so Appendix B shows updated allocations. For HOME and CDBG funds, CDBG funds went up by $500 from budgeted so essentially unchanged from last year, HOME funds were decreased by $97,000 when the City was expecting an 8% decrease and fortunately had appropriately budgeted for this fiscal year, so they actually had slightly more HOME funds than expected which is reflected in Appendix B. Lehmann also noted the funding amounts for prior year resources are slightly higher because they had more program income than expected. Total budget amounts for FY20 are $799,000 and $739,000 for CDBG and HOME respectively.

Lehmann next moved to the goals, objectives, and project descriptions. Project descriptions are broken into categories. Public Service Activities are Aid to Agencies and were increased by $9,000 in CDBG funds from the budget. $8,000 went to Shelter House, $50,000 to DVIP and $55,000 to Neighborhood Centers. They focus CDBG funds to larger agencies because they can handle it. Public Facility Improvements include DVIP and Old Brick, initially the allocation for DVIP was $90,000 and $10,000 for Old Brick. Since funding amounts were within 10% of what was expected, staff prorated the amounts and reallocated to DVIP up to their ask of $120,000 and the rest went to Old Brick for a total of $36,000. The Neighborhood Improvement set-aside, which goes to Parks or Public Works, remained unchanged at $75,000; Comprehensive Rehab is another set-aside that remained stable at $235,000 for CDBG and $90,000 for HOME; the Other Housing Activities increased from $540,000 to $570,000 so the allocation was prorated with Mayor's Youth receiving $186,000 in HOME funds; Habitat receiving $53,000; Successful Living receiving $173,000 for acquisition and $62,000 for rehab; The Housing Fellowship receiving $74,000 for rental rehab and $22,000 for CHDO operating. Economic development set-aside remained at $50,000; CDBG and HOME administration went up to the cap per the Council set-aside which leaves $25,000 buffers each for HOME and CDBG in case issues arise, which excludes the additional $51,000 de-obligated for the Arthur Street Healthy Living Center.

Lehmann next discussed geographic distribution, the City for federal purposes does not distinguish between target areas and city-wide, all programs are city-wide although the City uses target areas to allow some loans to be forgiven, for example on rehab. While the programs are city-wide staff tries to target specific areas by using the affordable housing location model to distribute affordable housing throughout the community.

For affordable housing, the City will assist 28 households overall, 23 will be special needs households through Mayor's Youth and Successful Living. 14 units acquired, 8 units rehabbed and 6 new units constructed.

For public housing it is similar to last year, homeless and special needs is also similar though a risk mitigation fund is something the local homeless board is exploring where they would provide an insurance pool for landlords if there was a homeless tenant and someone didn't want to rent to them because they were afraid they would destroy the unit, the City insure the landlord who could apply for funds to correct any issues. Some communities have such policies. The Affordable Housing Plan is also included which works to ensure there are affordable housing options and people are not in poverty just trying to pay for someplace to live.

Lehmann noted the updated Plan is available for viewing on the City's website, it has all the appendices and updated action plans.

Eastham asked if there was anywhere in the Plan stating the actual rental amounts for units and noted if anyone under an income level of $20,000 per year can afford the rental units the City says are affordable units. Therefore he would this Plan to include a report on rental prices for the parts of the report that refer to affordable rental housing. Additionally the table labeled "AP 20 Annual Goals and Objectives" in the goal outcome column it states there are a total of 11 rental units constructed but it doesn't say what the initial rent prices were. Lehmann noted the problem with rental prices is they change every year. Eastham said just to see the initial ones is fine. Lehmann will add that to the report.

Eastham moved to recommend to City Council approval of the FY20 Annual Action Plan as presented with the addition of the rents of newly created affordable housing units. Brouse seconded. A vote was taken and it passed 5-0.

DISCUSSION OF THE COMMUNITY DEVELOPMENT CELEBRATION:

Lehmann said the community celebration is April 22-26, Council will make a proclamation set up, there will be a tour of CDBG/HOME projects Wednesday, April 24, and he encourages Vaughan as chair to write an editorial to the paper.

The tour will be as follows:

5:30 P.M.: Tour of 80 Whitechapel/15 Colchester, Mayor's Youth Empowerment Program

5:50 P.M.: Tour of 2620 Muscatine Avenue, The Arc of Southeast Iowa

6:10 P.M.: Discussion at 1105 S. Gilbert Court, Domestic Violence Intervention Program.

6:30 P.M.: Tour of 820 Cross Park Avenue, Shelter House

STAFF/COMMISSION COMMENT:

Next meeting is May 16. Will need to consider Commissioner's whose terms end June 30, there may be openings.

Eastham stated there is a national firm that has been buying mobile home parks in this area, including the Sunrise Village Mobile Home Park in Iowa City. The firm's practice has been to increase lot rents in the range of 40% to 60%. Council members Cole and Salih are asking the Council to take some action and are requesting a work session to discuss adding mobile home parks to the affordable housing plans. They are also asking for the consideration of the City's acquisition of a mobile home park for the purposes of reselling to a nonprofit or possibility a resident led cooperative. Eastman feels HCDC might want to communicate to Council the support of this work session agenda item. The Commission agrees it is a conversation that needs to be had.

ADJOURNMENT:

Brouse moved to adjourn. Eastham seconded. A vote was taken and passed 5-0.

MINUTES **PRELIMINARY**

HOUSING AND COMMUNITY DEVELOPMENT COMMISSION
MAY 16, 2019 – 6:30 PM
SENIOR CENTER, ROOM 202

MEMBERS PRESENT:	Mitch Brouse, Charlie Eastham, Vanessa Fixmer-Oraiz, Christine Harms, John McKinstry, Peter Nkumu, and Maria Padron
MEMBERS ABSENT:	Megan Alter, Paula Vaughan
STAFF PRESENT:	Kirk Lehmann, Erika Kubly, Tracy Hightshoe, Steve Rackis
OTHERS PRESENT:	Peggy Aguilar, Laura Bergus, Mark Sertterh, Sara Barron, Cady Gerlach

RECOMMENDATIONS TO CITY COUNCIL:

By a vote of 7-0 the Commission recommends City Council approve the Iowa City Housing Authority 2019 Annual Report.

CALL MEETING TO ORDER:

Fixmer-Oraiz called the meeting to order at 6:30 PM.

APPROVAL OF THE APRIL 18 & APRIL 24 2019 MINUTES:

Eastham moved to approve the minutes of April 18 and April 24, 2019. Brouse seconded. A vote was taken and the motion passed 6-0.

PUBLIC COMMENT FOR TOPICS NOT ON THE AGENDA:

None.

PRESENTATION ON THE AFFORDABLE HOUSING LOCATION MODEL (AHLM):

Tracy Hightshoe (Director of Neighborhood and Development Services) came to present background information on the AHLM and answer questions from the Commission. She stated the City has used the current AHLM since 2011, it has been modified since that time, but the reason behind the model is that when the City provides assistance to affordable housing in certain areas, especially multifamily and rental housing, there has been neighborhood concern or outright opposition to place any more. The City, this Commission, and Council have always struggled to find the right balance of where to allow, encourage, and subsidize affordable housing. Hightshoe stated for a while they had a model based on census data, that only certain census tracts could add affordable housing, but it was modified over the years. In 2010, the Iowa City School District held a symposium regarding barriers to education and one of the main barriers was concentrations of lower income students in certain parts of Iowa City and the School Board asked Council to look at placing affordable housing in areas that did not already have concentrated areas of lower income students. Hightshoe noted at the same time there was also a controversial situation where the Commission awarded HOME funds to an applicant to build a multifamily building but the funds were denied when that went to Council due to the neighborhood opposition of an already high poverty area. This prompted the creation of a task force to decide what areas in the City should be encouraged to

add affordable housing. The Council developed three goals, which have been consistent since 2010.

1. To not further burden neighborhoods and elementary schools that already had issues related to a concentration of poverty.
2. To have diverse neighborhoods in terms of income.
3. Determine the views of the School District on the issue of affordable housing.

The School District recommended not putting any additional affordable housing in elementary school areas that already had high free and reduced lunch or high mobility rates. Based on those goals, Hightshoe stated the City met with HCDC, Council, and staff to develop seven criteria for an AHLM.

1. Distance to existing assisted housing, 400 feet or approximately one city block from existing subsidized housing.
2. The elementary school mobility rate, how often are children moving in and out of that school.
3. Median household income.
4. Change in residential sales price.
5. Crime density.
6. Elementary school performance.
7. Elementary free and reduced lunch rates.

Hightshoe noted this was not to say affordable housing was a trigger to crime, but rather that the City wanted to place affordable housing in neighborhoods with low crime to benefit the families placed in assisted housing. That being said, only two areas of the City light up when looking at the 95 percentile of crime, and the biggest is downtown where there is not much assisted housing because it is so expensive.

Based on those seven criteria the City came up with a "score" for each area of Iowa City and based on the score (over or under a certain threshold) it either encouraged or discouraged new affordable housing. Hightshoe showed the map and noted this only applied to new rental construction or new rental permits for families. This model does not apply to rental rehab, housing for seniors or persons with disabilities, or homeownership. Since this model has been in effect, the City has continued to invest in areas that don't allow new development, including around $1.2 million in the South District between HACAPs transitional housing on Broadway and Southgate's Orchard Place which renovated over 100 units.

In 2017 the City modified the AHLM per a recommendation of their Analysis of Impediments to Fair Housing, and as some of the data made no significant difference in the model. So they looked at the data to see what was meeting the Council's 3 goals. The model was updated to only prohibit new rentals in areas that feed into elementary schools with free and reduced lunch rates of over 50%, areas within 400 feet of two or more subsidized units (original model was just one unit), and areas with crime densities in the 95th percentile (which is just two areas, downtown and a small area by Town & Campus apartments; to be updated every three years). All the exceptions listed in the original model still apply.

In 2018 HCDC voiced an interest in reviewing and perhaps revamping the AHLM and that request went to the City Manager, the City Manager noted staff was working on the Fair Housing Study and the new City Steps Plan so there was not staff capacity to undertake this project at this time. Council agreed with the City Manager. Therefore, this is the AHLM used today.

Eastham asked if the AHLM has been subjected to a racial equity analysis. Hightshoe acknowledged it has not noting at the time of creation and updates to the AHLM they did not have that toolkit.

Padron wondered if this model is the right way to disperse the affordable housing because if people want to live close together this may deter that. Hightshoe stated that if people choose to live close together it is not a problem, but it may become an issue if they have to live close in certain areas because there is no other location that is affordable.

Eastham stated the AHLM method does not include factors indicating where lower priced housing is located in the community, as to where people have options to move if they want to. Hightshoe noted Council is aware of the cost difference of land prices in certain areas of the City.

Fixmer-Oraiz questioned if the new school on the south side, Alexander, which was built to attract new housing and families was given any type of overlay to allow affordable housing because at this point it can't happen in that area but it is an emerging area. Hightshoe noted one of Council's goals of not

placing additional affordable housing in areas where elementary schools already have high free and reduced lunch rates was the main concern so unless Council changes that goal it will not change the map. She also noted the City does not have control over where the School District sets their attendance areas and over time with new housing the rates at Alexander may change to allow for more affordable housing in the area. The AHLM map is updated every school year with the free and reduced lunch data.

Eastham stated Council could adopt a policy to say they will avoid placing more affordable housing in an area with a high free and reduced lunch rate unless it causes a racial disparity. He also noted most of the people of color in Iowa City live south of Highway 6 and do not live in publicly assisted housing, it is just a more affordable area.

Lehmann added there are HUD standards for HOME rental new construction, if it is an area of "minority concentration" they must meet standards to not negatively impact neighborhoods. They City's standard is more restrictive in that it also affects new rental acquisitions.

Eastham noted the director of the largest nonprofit affordable housing in Iowa City despises this model. Also Council has never followed through on the commitment to provide additional rental subsidy dollars for projects that can be located in non-embargoed areas. Hightshoe noted Council created the Affordable Housing Fund and committed $1 million to that fund with 50% going to the Housing Trust Fund. Eastham said in his view there has been no systematic effort to maintain a comparable rate of affordable units in the non-embargoed areas.

Brouse noted the purpose of the AHLM was to put affordable housing in the non-embargoed areas. Eastham said the purpose of the AHLM was to decrease the rate of affordable housing in the embargoed areas only. Hightshoe noted since the model has been in place they have a new project going up on Dubuque Street and 36 units gong up on Rochester Street. Eastham acknowledged affordable housing units have been built, but their prices are too high. Brouse understands that a lot of the more affordable lots for new construction are in embargoed areas, so to build new affordable housing in areas where the City wants to increase available affordable housing to create more diverse neighborhoods may require additional positive incentives, such as more funds, etc. Eastham stated the data does not support that the land costs in the areas embargoed are significantly lower than land costs in other areas of the City. Hightshoe stated Council is aware of the cost differences in areas of the City and it would cost more to subsidize housing in certain areas but that was a choice they made at that time.

Eastham reiterated the major problem with this model's approach is it disproportionately impacts black and Hispanic families. Lehmann noted that based on the information he has seen it doesn't seem to negatively impact the amount of Hispanic or non-white housing households that are getting affordable housing in Iowa City, those households are still getting benefits. Eastham said that is true if they want to relocate. Lehmann said it only affects them if they want to move to a newly constructed house or apartment in a neighborhood where that is not allowed, not for rehab. Eastham stated that is an issue.

Hightshoe added that the City has contracted with Opticos to do a form-based code in the Alexander Elementary area, which is different than what a standard subdivision looks like, it will address the missing middle and not create all single family homes in one subdivision. A subdivision can only have a certain percentage of single family and a certain percentage has to be multifamily so there is a mix of options and diversity of housing types. Riverfront Crossings is also a form-based code area but that is producing mostly multifamily high-rise and commercial properties because of its location. Eastham asked if an implementation of a form-based code works in the Alexander area it would be nice if affordable housing providers could build there using public dollars to produce very low priced rental housing.

Fixmer-Oraiz noted her take on the AHLM is it is one approach and her concern is not just housing but also quality of life and the South District in terms of walkability, connectivity, parks and accessibility to things like grocery stores is more concerning. Hightshoe stated the City did a survey of the Broadway area and most people reported they were happy where they lived. Fixmer-Oraiz stated in graduate school they did a survey of the area and knocked on doors and the response to how they like the area was met with "this is my neighborhood".

Padron asked if there was data showing if people could choose, where they would want to live. Would they go somewhere else because they want to be in a more diverse area or do they want to stay in their current neighborhood? What she heard from the Forest View neighborhood was one of a strong community that did not want to move away from each other. Eastham agreed, people definitely form communities and neighborhoods no matter what their incomes and don't want to leave it. But if they want better housing they will have to leave. Padron stated as a Latina she would want to be close to other Latinos but that may not be true for all people.

Eastham said the Housing Choice Voucher program offers a glimpse into where people are choosing to live and he did an analysis of the data provided from that program of where participants from different racial groups were actually living, noting there are limitations on the Housing Choice Voucher program, but it showed people are definitely choosing to live in specific areas, including the southeast side. He acknowledge the City could invest in a survey to see if that is true. Lehmann added the Housing Choice Voucher program allows people to live housing that is not publicly assisted.

Sara Barron (Affordable Housing Collation) noted Eastham raised issues that the AHLM measures the incomes of families based on participation in school free and reduced lunch rates but doesn't measure the number of units available at specific price points. Barron stated it is difficult to collect rental information for units throughout the City and this is really a question of opportunity across spaces and places. If a family has $500 a month to pay in rent can they afford to choose any neighborhood in Iowa City as the place that feels like the right fit for them? Barron raised this same question with the School District and said if they feel economic segregation is a problem, then there are two categories of neighborhoods that are segregated. One is areas that contain higher percentages of low income families and the other is neighborhood that contain a high percentage of high income families, both would be considered economic segregation. So when the City is thinking about where to incentivize building new affordable rental units, and looking at the Coalition's value (Opportunity Across Spaces) then a family with a low income could choose to live in this neighborhood if it felt like the right fit for their family and incentivizing the opportunity to create housing in neighborhoods that are economically segregated toward wealthier families is ultimately where you would want to see that goal met. Barron stated there is some deficit thinking to say "not in this area because there is already too much", it can cause some natural resistance to the City's policy even if that is not the intention of the policy. Barron reiterated it should be about opportunity of choices and if a family wanted to live in a certain location, could they, and that is what the policy should address.

Eastham noted that language is important and when this approach was being developed, the two or three years preceding this model there were Council members, including Connie Champion, who referred to the southeast Iowa City as a ghetto.

McKinstry stated economic and racial segregation in Iowa City and Ames, because of the large universities, has actually been increasing rather than decreasing over the last 40 years. Because of the universities there is a more diverse population and due to the pressure on housing economic segregation happens and because race and ethnicity in our culture are so closely tied to economics they cannot be separated. For that reason there is also an increase in racial and ethnical segregation.

Fixmer-Oraiz agreed and noted institutionalized racism is at the heart of this and asks whoever is doing the City's GIS to visualize the areas of high incomes and low incomes on the map. Lehmann said just looking at the free and reduced lunch rate maps will show that data.

Hightshoe noted because of the Fair Housing Study and Consolidated Plan they just don't have the staff time to work on the AHLM and staff was instructed by Council in October to not revisit this for a while and to focus on other things. She added all communities struggle with this topic.

Fixmer-Oraiz agreed she does not want to overburden staff but perhaps just having a map so this committee could see the concentration areas would help in future discussions. Lehmann said that data could be pulled from census data and a map could be created.

Eastham is interested in working with Council members to persuade them to revisit the goals. Fixmer-

Oraiz agreed and having a map to show the economic segregations would help. Hightshoe said the Council is looking at affordable housing action steps and staff is recommending to Council to change the HOME owner-occupied group to include HOME rental rehab instead of having nonprofits or private landlords having to wait for just once a year to apply for funds, they could apply throughout the year and have the same financial incentive as homeowners. This would especially help in one of the targeted rehab neighborhoods to give them 50% grants. This is important because it is found that most low-income housing folks live in existing homes and not new construction due to costs. This would allow the ability to improve where people are living now.

REVIEW AND CONSIDER RECOMMENDATION TO CITY COUNCIL ON APPROVAL OF IOWA CITY HOUSING AUTHORITY 2019 ANNUAL REPORT:

Rackis noted this is a HUD required document and an annual report showing the data of who the Housing Authority serves, reports on funding, reports on programs, demographics, etc.

Eastham noted there was no changes in participation rules so he assumes there will be no changes this year. Rackis said this is just a demographic report, there will be another plan created following the Consolidated Plan, a five-year plan, that will be substantially equivalent and matches the goals of the Consolidated Plan. The Housing Authority will partner with Community Development during the development of the Consolidated Plan to set goals. They also have an Admissions and Continued Occupancy which is the plan that states how they will operate their public housing program and also the housing choice voucher program. At this time there are no changes to either one of those documents.

McKinstry acknowledged it is a very well run operation.

Rackis noted there was this notion in the general public that the housing choice voucher program was driving free and reduced lunch numbers, but as seen on page 9 of this report he has captured what the School District is reporting. They report all the kids they determine are eligible for reduced lunch and lower. This year the School District had 5184 kids that qualified for free and reduced lunch, when he matched the incomes of the families in the housing choice voucher program against the guidelines of the free and reduced lunch program, they can only account for a little over 1000. Also with The Housing Fellowship, they have about 170 units and at any given point and time 60% of those units contain voucher holding families. Pheasant Ridge has 240 units and even with those kids, plus the other 40% from The Housing Fellowship does not add up to the other 4000 kids. So there are a lot of families eligible for the free and reduced lunch that are not receiving assistance from anywhere. The School District published a map a few years ago that showed a large concentration of free and reduced lunch are contained in the mobile home parks that are in Johnson County, not necessarily in the city limits of Iowa City, nor in the South District, but predominately mobile home parks. Rackis added this is also important to show why there is a need for more affordable housing knowing there are 4000 kids in the free and reduced lunch program that could also benefit from more stabilized housing.

Eastham noted it was perfectly clear before the City adopted this AHLM that the concentration of free and reduced lunch students in different elementary schools was not be driven by location of assisted housing or number of housing choice vouchers.

McKinstry agreed noting the population served by vouchers is a lot older, whiter and more employed than the presumed recipient. Rackis agreed, those benefiting from affordable housing are elderly, disabled and working families.

Eastham added the School District has never tried to study whether or not students whose families participate in housing choice vouchers, publicly owned housing or other publicly assisted housing have more or less academic proficiency than other students.

Rackis noted there is a snapshot in the report on what the public housing looked like at that particular point and time, but there are other documents that will have different numbers. HUD processes on a fiscal year budget and other documents are on a calendar year basis. So it looks like they went from a

99% occupancy rate in public housing down to 94%, and the difference is based on a point in time versus what the calendar year utilization is or fiscal year.

Brouse moved to recommend to City Council approval of the Iowa City Housing Authority 2019 Annual Report. Eastham seconded the motion, a vote was taken and the motion passed 7-0.

PERIOD FOR COMMENT ON THE FY20 ANNUAL ACTION PLAN – AVAILABLE AT www.icgov.org/actionplan:

Lehmann updated the Plan based on comments from the last meeting and added the rents to appendix and also updated the numbers for The Housing Fellowship with the increased funding to be used to rehab two units.

Eastham appreciated the including of rent information and noted the rents in the $499-$599 range are mostly group home rates, not a single family home. Lehmann agreed and said to break down the number of units assisted versus the number of people assisted can be tricky because SRO units inflate the unit counts.

DISCUSS MODIFICATIONS TO THE AID TO AGENCIES PROCESS:

Fixmer-Oraiz noted after reading the discussion at the last meeting she put together a draft survey to get a sense of what agencies feel about the process. She outlined the changes of extending the deadline to apply, eliminating redundant questions on the application, inviting agencies to respond only if their applications had gaps or questions arose, changing method of allocating funds based on priorities, and creating a separate emerging agencies grant for newer agencies or those that had not received funding in the past. Fixmer-Oraiz would like to know if the others felt those were good changes and if there was feedback on the survey before sending it out to agencies.

Padron would like to know if the agencies feel the process is objective and if there are suggestions for improvements. Fixmer-Oraiz agreed and hopes that will come from the survey. Lehmann stated he talked with the City of Duluth and they use what seems like an objective ranking system where it shows instructions for what the points mean for each ranking criterion. This would help to understand the reason for the ranking. He can send the Duluth application out to the Commission for review if interested, it appears to be a good model. The Commission could modify it for our needs.

Fixmer-Oraiz noted another issue is the tenure of the Commission, since the membership changes whomever comes next needs guidance on rankings and why.

McKinstry stated the agencies may feel the Commission doesn't have all the knowledge to make informed decisions and likes the survey Fixmer-Oraiz created, especially the open-ended questions.

Padron noted some of the questions are not applicable to all agencies and it is hard to rank or put a number on those questions and the agency shouldn't be punished for not being able to supply information. Perhaps certain questions should be eliminated for some agencies. McKinstry agreed, certain agencies do not collect certain information about their clientele because to do so would be a violation of the relationship whereas some other agency could collect such information easily. Brouse agreed and stated the Commission is trying to allocate money to agencies that all do different things so it is hard to have a perfectly objective grading system and you can't compare providing food, providing shelter, and assisting battered families. The Duluth system is more project based so the applications are probably more similar. He feels they could do better, but it will never be perfect. Fixmer-Oraiz agreed the collecting of data is important but does question if it should be a ranking criterion. The data is helpful and important but should be more as a tool and not a ranking point.

Lehmann noted it is an undertaking for an agency to do the joint application process so he is curious if there is a way to get together with Coralville, United Way and Johnson County to see what data they use

when making their decisions and possibly cut back some of it. Fixmer-Oraiz agreed that would be helpful and those municipalities may be facing similar questions as this Commission. Eastham would support having a combined application. Lehmann agreed but is interest in condensing the application so agencies aren't asked for information no one uses. Brouse agreed and feels that would help with the objectiveness.

Fixmer-Oraiz returned to the survey, which asked if the ranking was inadequate or an improvement and asked why. She also asked if there were additional information to help with the application process what they would prefer, grant workshops, etc., what is one thing they would change about the process and one thing they would change about the application. She hoped to get comments from both those statements separately. She also wanted to know what they like about the new application process and finally asked for any additional feedback. She tried to cover a broad array of things in the survey with some specificity.

Eastham asked if there would be a question asking specifically if the HCDC is an appropriate way to go about this process. Fixmer-Oraiz will add the question of if HCDC is the appropriate avenue for recommending these allocations to City Council.

Padron liked the positive question on what the agencies like about the application process and maybe add if there is anything they would not want to change about the process. Lehmann said to word it as what is one thing you like about the application process and would want to keep the same.

Fixmer-Oraiz will amend the survey with suggestions made this evening and send out to the agencies next week.

Eastham called three agency directors this week and had an informative discussion with each regarding how to come up with a change of the amount of money the City is allocating to the Aid to Agencies budget and their view of the current City process. Regarding the funds part, as he understands it the City Manager has held one or more meetings over the last few weeks with one or two groups of agency directors to identify changes to the current process for developing an Aid to Agencies budget. One thing being considered is inviting agencies into the process earlier than the HCDC process and treating it like he does when developing department budgets. Eastham feels that is an encouraging change and suggests this Commission encourages that change in the process. He also feels the recommendation of how much money the City awards to the Aid to Agencies fund should be made from the agencies. He is not clear on how those conversations are progressing and when decisions will be made.

Also when talking with these three agency directors, Eastham heard their thoughts on the current and past processes and the feedback is not positive. A fundamental question to him is if HCDC as appointed by Council is an adequate body to do these kinds of review. One agency commented that some reviews have been done by program officers, which is an entirely different level and amount of expertise, and Eastham feels it is possible for staff to do the review the Commission is currently doing and making estimations. Other Commissions such as Planning and Zoning have the staff review the application, make a recommendation to the Commission and the Commission can choose to follow the staff recommendation, make changes to it, or deny it. Eastham feels there is a question among agency directors of whether the City has a review process with expertise. Lehmann agreed he has heard some of this same feedback in informal conversations with agencies. Fixmer-Oraiz feels that is a surprising reaction given the level of commitment the Commission made to Council on behalf of the agencies this year and may have not been received by Council if by staff. Eastham believes it could have happened in previous years if staff had been more involved in asking about funding and asking for increases.

Eastham stated they also talked about improving the process by doing what United Way does in assigning each committee review member three agencies to visit and become familiar with and then advocate for or against their agencies. This allows the review members to have more knowledge of the agencies and why they need the money. He suggested members of this Commission go ahead and reach out to agency directors to learn more about all the agencies.

Kubly noted that historically Aid to Agencies was allocated by staff and there was just a limited number of agencies that applied, it wasn't open to all different agencies. Eastman said one method is for staff to make a set of recommendations and for the Commission to look at the recommendations and make a

choice about what the staff recommends.

Eastham also was told by one agency director they should drop the minimum allocation requirement because there are situations where they actually need less for an important purpose. Fixmer-Oraiz noted the minimum was set due to staff time. Lehmann added the idea was it takes the same amount of staff time to administer a $1,000 award as it does a $15,000 award.

Personally Eastham is looking forward to some significant changes the Commission can agree upon by the end of the summer and feels the City should at least double if not more the allocation they give to Aid to Agencies.

Mark Sertterh (Shelter House) noted he was not one of the people Eastham spoke to but would echo what they told Eastham and wanted to stress it is not that agencies don't think the Commission is doing a great job, it is just hard for an agency because the membership on the Commission changes all the time and therefore can add some subjectivity in the process. Two years ago Shelter House could have gotten a lot of money from HCDC based on the members then and then membership changes and the new group has other funding priorities. Also while there are high, medium and low priorities set by the City, most requests fall into the high category. As such, it is important to talk about the Consolidated Plan which is a good opportunity for the Commission and City to lay out what they want to fund and what should be classified as high, medium and low. If everything is a high priority, it is virtually impossible to read the applications and score them objectively.

Eastham asked if Sertterh and other agencies would take a firm role in working on the Consolidated Plan. Sertterh said he knows his agency will give input and feels others will too. Lehmann agreed knowing there needs to be better communication, cooperation and coming together of the agencies and the City to figure out priorities for the Plan. He also noted based on the conversations the City has had with the consultant so far they are encouraging agency participation. The consultants will come to the next HCDC meeting as well to talk to the Commissioners.

Lehmann noted Eastham also attended the Human Rights Commission meeting to discuss overlapping funds. Eastham attended their work session and one of the issues they are working on is whether or not the social justice grant process should be focusing on new, previously un-city funded organizations. It occurs to Eastham that HCDC is also working on the same thing with the Aid to Agencies funding so he tried to suggest to the staff on the Human Rights Commission to get together with staff on HCDC to make some recommendations on a new organization receiving some social justice funding and then some more permanent Aid to Agencies funding. Because it is two different commissions, perhaps there needs to be some coordination so the agency has an easier time going from one commission to the other. Fixmer-Oraiz asked if that's what came out of the meeting. Eastham indicated it was not and that he wasn't sure what the HRC Commission thinks about that approach.

DISCUSS REQUESTING RENTS FOR RENTAL PERMITS:

Lehmann added this to the agenda to give an update and included in the packet the formal request from the Affordable Housing Coalition for Iowa City to include a field that will include the unit price at the time of permit application or renewal. Also included in the agenda packet was the City Manager's response to the request. First the City had concerns about legal standing to require such data on the application, because there must be a clear connection between the information requested and required to do a rental permit versus what is in the application. Secondly, staff would not have the ability to verify data that is submitted because rents are subject to change and many rental permits are on a two year cycle. Finally it is difficult to account for unique offerings that may influence rental amounts such as utilities, parking, size of rooms, etc. The City Manager noted that as they design and customize new permit software they can look at its functionality and see what types of inputs could be offered. Lehmann added it will be some time before this new permit software is online. Kubly added this request came at a good time as they are working on the software, next week they will be looking at demos from the software company, but they are about 18 months out from full implementation and to start collecting this information.

Eastham asked if the software will not be able to capture the rent amounts could the City do a survey. Lehmann said the City has done informal surveys to inform staff, they do not share these results with the public because it is an informal survey. Eastham feels data on rent prices city-wide would be a great help in deciding where to site rental assisted projects as well as the overall approach. Lehmann recently discovered the Comprehensive Housing Assessment Strategy (CHAS) data shows the amount of units affordable to individuals at different income levels and what family types are at different income levels. This information will be in the Fair Housing study and may be of interest to the Commission. There is also the American Community Survey which has an average over five years, so it is more current but less accurate than a census count.

Eastham asked if the Commission is willing to recommend to the City Manager to see if a survey approach to gather rental amounts could be done. McKinstry asked if that would mean they don't want to pursue having rental amounts collected at the time of rental permits. Kubly noted the software they would collect that data with won't be implemented for another 18 months and due to the rental cycles of one or two years it would be several years before all information was collected. She added it would be voluntary, the City cannot force a landlord to provide accurate information. Eastham noted a survey would have the same issue of accuracy of information, if provided at all. McKinstry is in favor of doing a survey as an interim process until the software can be used to gather this data.

Sara Barron (Affordable Housing Coalition) thanks the Commission for the support of an idea of a survey if the software isn't available. She noted they are exploring a third option to use the Assessor's Office to collect data. The City Attorney has been asked by Council to inform them of their legal opinion about how far the Assessor's Office can go in requiring rental information, rental prices per unit specifically. One of the three methods Assessor's use to determine the value of a property is how much income it generates. Barron noted the Iowa Code may grant Assessors the right to ask questions that will help them fairly determine the value of a property. The Johnson County Assessor's Office cites that Code in the letter they send to landlords and they get a much higher response with that specific information on the rents charged. The Iowa City Assessor's Office as advised by the City Attorney has a slightly different read. Barron believes the City Attorney will provide Council an update on this and the reasoning for limiting the City Assessor's ability to request that information. Before a survey is considered, the Coalition would like to explore the two ideas of collecting the data at rental permitting or from the City Assessor further.

McKinstry stated it makes sense if this data can be collected as part of a general process that has to be done anyway rather than a special survey. He noted this data needs to be collected continuously and consistently to see trends and the best way it through the City. Fixmer-Oraiz agreed, a survey would be just a snapshot of that one point in time. Brouse stated the Assessor data would be particularly helpful noting they already collect lots of data. Lehmann agreed noting it would likely be more accurate than what may be provided on a rental permit.

Eastham asked for the City Manager to give an update on his action plan for this topic within the next meeting or two. The Commission agreed.

DISCUSS MOBILE HOME PARK RENT INCREASES:

Lehmann added this to the agenda as it was brought up at the last meeting and is a topic of interest. The history of this is outside investment firms have bought a couple of mobile home parks in Johnson County and have increased lot rent prices steeply. This impacts quite a few folks and the Affordable Housing Coalition put out some information about Habitat trying to help residents move to other mobile home parks where these predatory practices are not present and there are ongoing discussions about what the City can do. The Affordable Housing Coalition is currently creating a task force to address.

Sara Barron (Affordable Housing Coalition) stated the idea to form a task force to discuss mobile home parks came from Councilors Salih and Cole and the discussion is what they can do to prevent this from happening to other mobile home parks in the future. There can also be discussion on what possible mitigating things can be done for the current parks undergoing these rate hikes. The goal is to find a way to make sure mobile home parks are stable housing for the residents that live there. There are about

3000 households in Johnson County that live in mobile home parks and probably one of the biggest naturally occurring affordable housing options in Johnson County. During the Council work session they discussed the idea of a task force and asked if the Affordable Housing Coalition would be willing to convene the task force and they agreed. There will be two Iowa City Councilors that will serve on the task force and a member of the Johnson County Board of Supervisors, and are also hoping Coralville and North Liberty want representation as well and finally they identified some other stakeholders such as mobile home residents or mobile home park owners. Barron is welcome to suggestions and feedback from the Commission. Once the group is complete they will finalize a schedule to meet and want the end goal to be a set of strategies, big and small goals, short, medium and long-term actions on what the communities can do with the leverage and resources available to stabilize mobile home parks and keep these predatory investors from disrupting housing.

Padron is interested in knowing when the task force is meeting to be able to listen to the conversations.

Lehmann asked if the task force meetings would be open to the public. Barron replied it hasn't been determined yet, they won't have a majority of any of the public bodies present so they won't have to follow the public open meeting rules, but they want to make sure all voices are heard on this topic. She imagines the task force will discuss how to get more public input on this topic for recommendations.

Eastham is interested in this topic and strategies particularly the one Salih and Cole emphasized which is alternative ownership.

Nkumu asked if this is similar to what happened to tenants at Lakeside Apartments (Rose Oak) and if the Coalition will assist residents. Barron said there are some similarities, there are different tenant rights for people who live in multifamily housing versus tenants in mobile homes. There are actually fewer rights for people who live in mobile homes. However the City of Iowa City is better positioned as it has the history and capacity to address large scale displacement because of what happened at Rose Oaks and is probably ahead of the game compared to the other municipalities in Johnson County who haven't looked at displacement on this scale before and need to figure out what resources they have available. With Rose Oaks the Iowa City was able to fund some relocation through Shelter House and other community services and also gave a direct relocation stipend to families who were impacted by the move. Barron also noted the Forest View residents are another example of how potential displacement catalyzed a stronger neighborhood. Eastham added that Golfview and Sunrise Village residents are not literally being forced out of their homes, but they are certainly being priced to a point where it may be hard for some of them remain there. McKinstry agreed but there is speculation that some of the out of state investors that buy mobile home parks raise the rent to make money in short run but to also hold onto properties so they can later sell the land for redevelopment. Eastham said if they want to redevelop they would have to rezone and meet a variety of conditions. McKinstry agreed noting that is why there needs to be in place strategies of inclusive zoning, relocation plans, etc. Brouse noted that most of the mobile home parks outside of the City are actually zoned commercial and may not need to be rezoned for development. McKinstry noted some of this may need to be addressed at the State level with legislature too.

Lehmann will keep the Commission posted on the task force.

STAFF/COMMISSION COMMENT:

Lehmann said they originally had a break with no meeting in June scheduled however since the consultants will be in town in June and will attend this Commission's meeting. The summer break will likely be pushed back to August so we have the July meeting for new commissioners and orientation.

Lehmann gave an update on some CDBG/HOME projects. Neighborhood Centers of Johnson County siding project is now complete, Successful Living purchased its final home, Mayor's Youth purchased its final home and The Housing Fellowships housing rehab from FY17 is now complete.

Lehmann noted the rental permit moratorium that the City has in effect because the rental permit cap that existed for neighborhoods near downtown capped rental permits for single family and duplex rental

permits at 30% and new ones would not be issued above that percentage. The cap did not apply to multifamily. The State overturned the ability of cities to create rental permit caps, the City will have a third reading to pass a rental permit moratorium for new single family and duplex permits for those areas where rental permits are at or above 30%. The moratorium would be in effect for 10 months so staff has time to research and recommend ways to approach the situation.

Lehmann noted they are starting on the form-based code project for the South District. The first hearing of the Forest View rezoning passed, second hearing will be at the next meeting.

With other news, Lehmann announced the Aging in Place forums. The Johnson County Affordable Living Communities look at Aging in Place in Johnson County and will hold monthly forums over the summer and he included a flyer in the Commission packet. The next forum is June 12.

Eastham noted in the current Council work session packet there is a memo from Kubly about the South District home investment program where staff proposed in the FY19 CDBG/HOME funding round buying two duplexes on Taylor and Davis Streets After Council guidance to look for rentals where the tenants were interested in becoming homeowners, staff only found four or five duplex owners willing to sell and none of the current occupants were interested in home ownership. So staff is proposing to modify the program and will present it to Council at the next work session with three different options, the third one is the one Eastham supports which is to discontinue the program. The other two options involve displacing tenants, which he feels the Commission is adamant they don't want tenants displaced under any program. The second option is to increase the price of the units they will buy which would then make it so a low income resident would not be able to afford. Eastham is upset that staff is considering displacing tenants in favor of homeownership in an area where the residents are heavily from underrepresented communities. Kubly noted the City was not able to continue with the program under the current parameters, none of the tenants were interested in homeownership so this would allow the City to look at properties that are currently for sale and they would prioritize properties that are vacant to not displace any tenants. Eastham stated in this area of town the numbers indicate this type of program would disproportionately displace residents and the proposal also doesn't say where the homeowners would come from, if solely within the project area or from anywhere. Kubly said it would be the same parameters from the initial program. Eastham is not in favor of this modification of this program. Kubly noted the properties that are for sale, the tenants will be displaced either way and by the City purchasing the property the tenants will get the relocation benefits. Eastham stated if the property is sold in the private market they may not be displaced.

Lehmann read the recommendations as they are listed in the memo to Council for the work session:

1) The City considers duplex properties with a rental permit listed for sale in the larger neighborhood as identified in the equity analysis as seen below. The City would not consider listed properties that have long term tenants (those in the unit for five or more years). If tenants will be impacted, staff would provide financial counseling to either or both tenants interested in purchasing their unit or provide the federally required relocation benefits to ease their transition to a comparable unit.
2) The City expands the program to include single-family homes with rental permits that are listed for sale under $165,000 within the larger neighborhood as identified in the equity analysis. This option will increase the number of homes available, but has the disadvantage that the home's selling price, compared to a duplex unit, will be higher and we may not be able to offer homeownership opportunities to those at much lower incomes. The rehabilitation costs for single family homes will likely be higher as well.
3) Discontinue the program and re-allocate the funds to other eligible housing projects. The City would need to conduct a mid-year funding round to solicit applications for eligible housing projects that could proceed quickly.

Lehmann noted the Commission's recommendation to Council when they allocated the funds still stands. When HCDC recommended the funding, it was for the application which stated the City would purchase, rehabilitate, and sell two duplex properties on Taylor Drive or Davis Street as affordable, owner-occupied homes. HCDC did not recommend additional parameters except for an equity analysis. After completing the equity analysis and identifying policies to help prevent displacement, Council asked for the additional

program modifications. Therefore, the program remains the same as recommended by HCDC and it is up to Council to decide what they feel is the best course of action to proceed.

Fixmer-Oraiz asked if the three options in the memo are options or recommendations. Lehmann said staff is looking to Council for guidance, so they are all options for Council. Staff is not looking to purposely displace tenants as is being insinuated. Eastham noted the memo states that staff recommends Option 1. Lehmann agreed.

Fixmer-Oraiz feels at this point it is not an agenda item for HCDC so they will have to revisit another time and see what guidance Council gives.

Brouse noted he is moving away from Iowa City so this will be his last HCDC meeting.

ADJOURNMENT:

Fixmer-Oraiz moved to adjourn. Padron seconded. A vote was taken and passed 7-0.

6A ▮ FRIDAY, MAY 3, 2019 ▮ IOWA CITY PRESS-CITIZEN

Public Comment Period
FY20 Annual Action Plan

The City of Iowa City is soliciting public comments on the proposed Federal Fiscal Year 2019 (City FY20) Annual Action Plan. The Annual Action Plan is a portion of Iowa City's 2016-2020 Consolidated Plan (a.k.a. CITY STEPS).

The Annual Action Plan will include information on the proposed use of Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds for housing, jobs and services for low-moderate income persons. The Annual Action Plan outlines proposed activities, project locations, budgets and the scope of activities being funded.

Copies of the draft Annual Action Plan are available from Neighborhood Services, City Hall, 410 East Washington Street, Iowa City 52240; Iowa City Public Library, 123 South Linn Street; and online at www.icgov.org/actionplan.

Comments may be submitted in writing to the Neighborhood and Development Services Department at the address above or by email to Kirk-Lehmann@iowa-city.org. A 30-day public comment period will begin with the publication of this notice and end on June 4, 2019.

PRESS-CITIZEN.COM ▮ MONDAY, MAY 20, 2019 ▮ 3B

Public Meeting Notice
FY20 Annual Action Plan

The City Council will hold a public meeting, accept comments, and consider approval of Iowa City's FY20 Annual Action Plan on June 4, 2019. The meeting will be held at Emma Harvat Hall, 410 East Washington Street at 7:00 p.m.

The Annual Action Plans are a portion of Iowa City's Consolidated Plan (a.k.a. CITY STEPS). The Annual Action Plan includes information on the proposed use of Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds for housing, jobs, and services for low-moderate income persons. The Annual Action Plan outlines proposed activities and their budgets for the fiscal year starting July 1, 2019.

Copies are available from the Neighborhood and Development Services Department, 410 East Washington Street; the Iowa City Public Library, 123 S. Linn Street; or on Iowa City's web site (www.icgov.org/actionplan). Additional information is available by calling 319-356-5230.

Comments may be submitted in writing to the Neighborhood and Development Services Department at the address above or by email to Kirk-Lehmann@iowa-city.org. If you require special accommodations or language translation please contact Tracy Hightshoe at 356-5230 or 356-5290 TTY at least seven (7) days prior to the meeting.

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$100,000 toward recreational equipment. Approval will allow the development of a mix of commercial uses mainly along N. Dubuque Street and Interstate 80 and a mix of single-family and multi-family residential development south and west of the proposed Forest View Drive, including relocation of the Forest View Mobile Home Park.

10.b. Capital Subdivision - Preliminary and Final Plat

Resolution approving the preliminary and final plats of Capital Subdivision, Iowa City, Iowa.

Comment: At its May 16 meeting by a vote of 5-0 (Dyer and Baker absent) the Planning and Zoning Commission recommended approval of the preliminary plat. Staff recommends approval of the final plat subject to approval of legal papers and construction drawings by the City Attorney and City Engineer. It is anticipated that legal papers and construction drawings will be approved prior to the June 4 City Council meeting. Approval will allow the creation of one commercial lot located at the northwest corner of Moss Ridge Road and Highway 1.

Regular Formal Agenda

11. Hate Crime

Ordinance amending Title 8, entitled "Police Regulations," Chapter 5, entitled "Miscellaneous Offenses" to add Hate Crime as a criminal offense. (First Consideration)

Comment: City staff has worked with the Johnson County Interfaith Coalition (JCIC) to prepare an ordinance that makes it a simple misdemeanor with a penalty including jail time to commit harassment or trespass with the intent to harass because of a person's actual or perceived race, color, religion, creed, national origin, sex, gender identity, sexual orientation, age, disability or marital status.

12. Support for Developing Local Food Hub

Resolution authorizing the City Manager to sign an agreement with Field to Family for payment of up to $45,000 towards the development of a local food hub.

Comment: This Resolution will authorize the City Manager to sign an agreement with Field to Family for payment of up to $45,000 towards the development of a local food hub. The food hub organization will invoice the City for establishing online presence (website) for the food hub, purchasing a refrigeration truck, and securing cold storage. Required by the agreement, a mid-year and final report will include the number of persons served and pounds of food distributed.

13. Approval of the FY20 CDBG/HOME budget

Resolution adopting Iowa City's FY20 Annual Action Plan which is a sub-part of Iowa City's 2016-2020 Consolidated Plan (City Steps).

Comment: A resolution is required for the use of federal CDBG and HOME funds for local projects. The Housing and Community Development Commission (HCDC) met on April 18, 2019 to formulate a funding recommendation, within the FY20 Annual Action Plan, for Council consideration. Attached to this resolution is the Appendix that lists the FY20 CDBG and HOME projects and planned activities recommended for funding.

14. FY20 Emerging Aid to Agencies

Resolution allocating human services Emerging Aid to Agencies funding for the Fiscal Year 2020, July 1, 2019 – June 30, 2020.

Comment: The City Council annually budgets financial aid to human service agencies. This

10.a. **Ordinance conditionally rezoning approximately 73.15 acres of property located south of Interstate-80, west of N. Dubuque Street, and north of Foster Road, from Interim Development Single-Family Residential (ID-RS), Low Density Single-Family Residential (RS-5), Low Density Multi-Family Residential (RM-12), and High Density Single-Family Residential with a Planned Development Overlay (OPD/RS-12) to OPD/RS-12 for 50.82 acres, Highway Commercial with a Planned Development Overlay (OPD/CH-1) for 20.45 acres, and Neighborhood Public with a Planned Development Overlay (OPD/P-1) for 1.88 acres. (REZ18-00013) (Pass and Adopt)**

Motion to pass and adopt Ordinance 19-4794, Passed. (6 Ayes) Absent: Salih.

10.b. **Resolution approving the preliminary and final plats of Capital Subdivision, Iowa City, Iowa.**

Motion to defer to 6/18, Passed. (6 Ayes) Absent: Salih.

Regular Formal Agenda

11. Ordinance amending Title 8, entitled "Police Regulations," Chapter 5, entitled "Miscellaneous Offenses" to add Hate Crime as a criminal offense. (First Consideration)

Motion to give first consideration, Passed. (6 Ayes) Absent: Salih.

12. Resolution authorizing the City Manager to sign an agreement with Field to Family for payment of up to $45,000 towards the development of a local food hub.

Motion to approve Resolution 19-147, Passed. (6 Ayes) Absent: Salih.

13. Resolution adopting Iowa City's FY20 Annual Action Plan which is a sub-part of Iowa City's 2016-2020 Consolidated Plan (City Steps).

Motion to approve amended resolution 19-148, Passed. (6 Ayes) Absent: Salih.

14. Resolution allocating human services Emerging Aid to Agencies funding for the Fiscal Year 2020, July 1, 2019 – June 30, 2020.

Motion to approve Resolution 19-149, Passed. (6 Ayes) Absent: Salih.

15. Resolution allocating human services Legacy Aid to Agencies funding for the Fiscal Year 2020, July 1, 2019 – June 30, 2020.

Motion to approve Resolution 19-150, Passed. (5 Ayes) Nays: Mims. Absent: Salih.

13.

Prepared by: Kirk Lehmann, Neighborhood Services, 410 E. Washington St., Iowa City, IA 52240 (319) 356-5230

RESOLUTION NO. 19-148

Resolution adopting Iowa City's FY20 Annual Action Plan which is a sub-part of Iowa City's 2016-2020 Consolidated Plan (City Steps)

Whereas, the U.S. Department of Housing and Urban Development (HUD) requires the City of Iowa City, Iowa, to prepare and submit the FY20 Annual Action Plan as part of the City's 2016-2020 Consolidated Plan (CITY STEPS) to plan the use of federal funds to assist lower income residents with housing, jobs, public facilities, and public services; and

Whereas, the Iowa City Housing and Community Development Commission has held a series of meetings regarding the use of federal Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds for City of Iowa City FY20; and

Whereas, the City has disseminated information, solicited public input, and held a public meeting on the FY20 Annual Action Plan; and

Whereas, the FY20 Annual Action Plan contains the allocation of CDBG and HOME funds attached hereto as Appendix; and

Whereas, the Iowa City Housing and Community Development Commission had recommended approval of the attached Appendix except that the HOME funds were to be used for the rehabilitation of only owner occupied properties; and

Whereas, the City Council amended the housing rehabilitation project to allow HOME funds to be used for the rehabilitation of single family and duplex rental properties in targeted neighborhoods in addition to owner-occupied rehabilitation activities; and

Whereas, adoption of the FY20 Annual Action Plan will make Iowa City eligible for federal and state funds administered by the U.S. Department of Housing and Urban Development; and

Whereas, the City Council finds that the public interest will be served by the adoption of the FY20 Annual Action Plan and submission to the U.S. Department of Housing and Urban Development.

Now, Therefore, be it resolved by the City Council of the City of Iowa City, Iowa, that:

1. The City of Iowa City FY20 Annual Action Plan as amended, containing the allocation of CDBG and HOME funds attached hereto as Appendix, is hereby approved and adopted.

2. The City Manager is hereby designated as the Chief Executive Officer and authorized to act on behalf of the City of Iowa City in connection with the FY20 Annual Action Plan.

3. The City Manager of Iowa City is hereby authorized and directed to submit the City of Iowa City FY20 Annual Action Plan to the U.S. Department of Housing and Urban Development, and is further authorized and directed to provide all the necessary

OMB Control No: 2506-0117 (exp. 06/30/2018)

certifications or documents required by the U.S. Department of Housing and Urban Development.

4. The City Manager is hereby authorized to execute, terminate, or amend CDBG and HOME Agreements executed in connection with the allocation of public funds with sub-recipients, Community Housing Development Organizations (CHDOs), or other legal entities.

Passed and approved this 4th day of June, 2019.

Mayor

Attest:
City Clerk

City Attorney's Office

Resolution No. 19-148
Page 3

It was moved by Mims and seconded by Cole the Resolution be adopted, and upon roll call there were:

AYES:	NAYS:	ABSENT:	
X			Cole
X			Mims
		X	Salih
X			Taylor
X			Teague
X			Thomas
X			Throgmorton

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Appendix
FY20

Project	Planned activities	CDBG Award	HOME Award	Persons / Households / Facilities Assisted
Public Service Activities	Shelter House - A2A	$ 8,000	NA	700
	Domestic Violence Intervention Program - A2A	$ 50,000	NA	600
	Neighborhood Centers of Johnson County - A2A	$ 55,000	NA	2,000
Public Facility Activities	DVIP - Shelter Repair	$ 120,000	NA	340
	Old Brick - ADA Improvements	$ 36,000	NA	130
Neighborhood and Area Benefits	Neighborhood Improvements Set Aside	$ 75,000	NA	300
Homeowner/Rental Housing Rehabilitation	Comprehensive rehabilitation	$ 235,000	$ 90,000	22
Other Housing Activities	MYEP - Rental New Construction	$ -	$186,000	6
	Habitat - Homebuyer Assistance	$ -	$ 53,000	2
	Successful Living - Rental Acquisition	$ -	$173,000	12
	Successful Living - Rental Rehabilitation	$ -	$ 62,000	5
	THF - Rental Rehabilitation	$ -	$ 74,000	2
	THF - CHDO Operating	$ -	$ 22,000	NA
Economic Development	Economic Development Set-aside	$ 50,000	NA	2
Administration & Planning	CDBG Administration	$ 145,000	NA	NA
	HOME Administration	NA	$ 54,000	NA
	Total	$774,000	$714,000	4,121

Grantee Unique Appendices

Appendix B
FY20

Project	Planned activities	CDBG Award	HOME Award	Persons / Households / Facilities Assisted
Public Service Activities	Shelter House - A2A	$ 8,000	NA	700
	Domestic Violence Intervention Program - A2A	$ 50,000	NA	600
	Neighborhood Centers of Johnson County - A2A	$ 55,000	NA	2,000
Public Facility Activities	DVIP - Shelter Repair	$ 120,000	NA	340
	Old Brick - ADA Improvements	$ 36,000	NA	130
Neighborhood and Area Benefits	Neighborhood Improvements Set Aside	$ 75,000	NA	300
Homeowner/Rental Housing Rehabilitation	Comprehensive rehabilitation	$ 235,000	$ 90,000	22
Other Housing Activities	MYEP - Rental New Construction	$ -	$186,000	6
	Habitat - Homebuyer Assistance	$ -	$ 53,000	2
	Successful Living - Rental Acquisition	$ -	$173,000	12
	Successful Living - Rental Rehabilitation	$ -	$ 62,000	5
	THF - Rental Rehabilitation	$ -	$ 74,000	2
	THF - CHDO Operating	$ -	$ 22,000	NA
Economic Development	Economic Development Set-aside	$ 50,000	NA	2
Administration & Planning	CDBG Administration	$ 145,000	NA	NA
	HOME Administration	NA	$ 54,000	NA
	Total	$774,000	$714,000	4,121

Anticipated Rents

Rent Range	Units
$0-$399	0
$400-$599	23
$600-$799	1
$800-$999	1
$1,000 and more	0

Appendix C: Current Income, Rent, and Sales Price Limits

OMB Control No: 2506-0117 (exp. 06/30/2018)

CITY OF IOWA CITY

Table of Income and Rent Limits

Community Development Block Grant (CDBG)
HOME Investment Partnerships Program (HOME)

Income Limits

(effective 6/1/2018)

Household Size	Extremely Low Income 30% Median Income	Very Low Income 50% Median Income	60% Median Income	Low Income 80% Median Income
1	$18,300	$30,450	$36,540	$48,750
2	$20,900	$34,800	$41,760	$55,700
3	$23,500	$39,150	$46,980	$62,650
4	$26,100	$43,500	$52,200	$69,600
5	$28,200	$47,000	$56,400	$75,200
6	$30,300	$50,500	$60,600	$80,750
7	$32,400	$53,950	$64,740	$86,350
8	$34,500	$57,450	$68,940	$91,900

Rent Limits

	Effective	SRO	Efficiency	1 BDR	2 BDR	3 BDR	4 BDR	5 BDR	6 BDR
CDBG Fair Market Rent	10/1/2018	$459	$612	$684	$902	$1,304	$1,584	$1,822	$2,059
Low HOME Rent	6/1/2018	$468	$625	$723	$956	$1,131	$1,262	$1,392	$1,522
High HOME Rent	6/1/2018	$468	$625	$723	$956	$1,391	$1,684	$1,885	$2,045
HOME Fair Market Rent	6/1/2018	$468	$625	$723	$956	$1,391	$1,684	$1,937	$2,189

Review your agreement to determine applicable rent limits. All HOME and many CDBG agreements limit rent to the applicable rent limit minus the tenant-paid utility allowance as provided by ICHA or HUD. Example: Tenant pays for electricity only and the utility allowance for electricity is $50. Rent for a one-bedroom HOME-assisted unit cannot exceed $643 ($723-50) if the HOME agreement restricts rent to the Low HOME rent.If a HOME-funded project assists five or more units, 20% of units must be leased at or below the low HOME rent.

The Fair Market Rents (FMR) for units larger than six bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. FMRs for single-room occupancy units are .75 times the zero bedroom (efficiency) FMR.

NOTE: The payment standard for Section 8 tenants may be higher than the rent limits shown here. Regardless of the payment standard, rent cannot exceed the rent limit identified in your agreement minus the tenant paid utliity allowance if included.

Updated 9/10/2018

CITY OF IOWA CITY

Table of Sales Price Limits

HOME Investment Partnerships Program (HOME)

HOME Purchase Price Limit

(effective April 15, 2019)

	1-Unit	2-Unit	3-Unit	4-Unit
Existing Homes Purchase Price Limit	$244,000	$313,000	$379,000	$469,000
New Homes Purchase Price Limit	$244,000	$313,000	$379,000	$469,000

The initial purchase price or after-rehabilitation value of homeownership units assisted with HOME funds cannot exceed 95 percent of the area median purchase price for single family housing, as determined by HUD. These amounts are different for newly constructed homes and existing homes

Newly Constructed Housing. The new HOME homeownership value limits for newly constructed HOME units is 95 percent of the median purchase price for the area based on Federal Housing Administration (FHA) single family mortgage program data for newly constructed housing. Nationwide, HUD established a minimum limit, or floor, based on 95 percent of the U.S. median purchase price for new construction for nonmetropolitan areas. This figure is determined by the U.S. Census Bureau. HUD has used the greater of these two figures as their HOME homeownership value limits for newly constructed housing in each area.

Existing Housing. The new HOME homeownership value limits for existing HOME units is 95 percent of the median purchase price for the area based on Federal FHA single family mortgage program data for existing housing and other appropriate data that are available nationwide for sale of existing housing in standard condition. Nationwide, HUD has established a minimum limit, or floor, based on 95 percent of the state-wide nonmetropolitan area median purchase price using this data. HUD has used the greater of these two figures as their HOME homeownership value limits for existing housing in each area.

In lieu of the limits provided by HUD, a PJ may determine 95 percent of the median area purchase price for single family housing in the jurisdiction annually in accordance with federally established procedures and may submit these limits as part of its Consolidated Plan/Annual Action Plan. Iowa City does not determine its own Sales Price Limits.

Updated 4/18/2019

Appendix D: City of Iowa City Affordable Housing Action Plan

OMB Control No: 2506-0117 (exp. 06/30/2018)

Affordable Housing Action Plan

CITY COUNCIL WORK SESSION

JUNE 21, 2016

CITY OF IOWA CITY
UNESCO CITY OF LITERATURE

Presentation Overview

Existing programs

Recent progress

Current efforts

New strategies
- City driven affordable unit production
- Market driven affordable unit production

Miscellaneous other topics

Summary of recommendations

Final thoughts

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Existing Programs

Creating and maintaining an affordable housing stock

Existing Programs

Public Housing / Publicly Owned Housing
- 81 public housing units
- 10 publicly owned housing units in the Peninsula

Housing Choice / Veteran Supportive Services Vouchers
- 1298 vouchers with 98% utilization (1215 HCV / 83 VSS)

Community Development Block Grant (CDBG)
- 137 units supported in the last 3 years

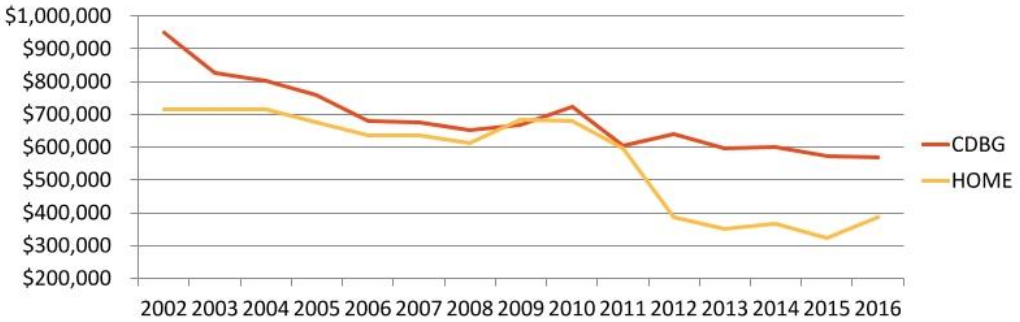
Home Investments Partnership Program (HOME)
- 93 units supported in the last 3 years

General Rehabilitation Improvement Program (GRIP)
- 24 units supported in the last 3 years

UniverCity Program
- Primary objective is neighborhood stabilization
- Secondary objective is affordable homeownership opportunities
- 16 of 54 houses have been sold at or below 80% of AMI

RFC Density Bonus Option

Trends in CDBG and HOME Funding



As demand for affordable housing has grown, traditional resources have declined and further reductions are anticipated

2013 Property Tax Reform

Pending financial pressures:

- Significant drop in multi-residential taxable value (11% of all taxable value)
- State revenue outlook will place increasing risk on 'backfill' dollars ($1.6m)
- Declining agriculture values will start to have impact on the 'rollback' further dropping taxable value of all residential properties
- Continued volatility in insurance and pension costs

Recent Progress

Expanding affordable and workforce housing through TIF and advancing Fair Housing

Recent Progress

Expanded Affordable / Workforce Housing Through TIF
- Sabin Townhomes (3 of 28 units to be affordable rentals)
- Riverside West Apartments (12 of 96 to be workforce rentals)
- Chauncey (5 of 66 units to be publicly owned housing)

CA Ventures Court / Linn (32 of 320 to be affordable rentals plus $1 million affordable housing contribution to the City)

Towncrest LIHTC Senior Housing- $600k City contribution (36 of 40 units to be affordable)

Single Family New Construction concluded with 141 new homes built with an average sales price under $180,000

Revised Tax Increment Financing Policy
- Adopted May 3, 2016 covering all Urban Renewal Districts
- 15% affordable housing requirement for projects with ten units or more
- Maximum 60% AMI for rental and 110% AMI for ownership
- Fee in lieu of may be negotiated to maximize impact

Strategy for Advancing Fair Housing
- Amended Human Rights Ordinance on February 16, 2016 to include Housing Choice Vouchers as a Source of Income

Current Efforts

Inclusionary housing, Housing First, and establishment of an affordable housing fund

Current Efforts

Inclusionary Housing in Riverfront Crossings

- City Council will consider adoption of an inclusionary zoning policy to be triggered by re-zonings in the Riverfront Crossings District

Housing First

- City Council considering code amendments to pave the way for the State of Iowa's first FUSE Housing First operation
- $275,000 of CDBG/HOME funds were also committed to the project in May 2016

Establishment of the City's First Affordable Housing Fund

- $1 million from the sale of the Court / Linn property was deposited into a newly created affordable housing fund
- Sale proceeds are not restricted in use

New Strategies – City Driven Affordable Unit Production

Adding new affordable housing stock through direct investment or mandates

New Strategies

City driven affordable unit production

Creation of units through annexation / development

- Traditional annexations
- Annexations / developments utilizing Tax Increment Financing

Development of a funding source

Use of the Iowa City Affordable Housing Fund

OMB Control No: 2506-0117 (exp. 06/30/2018)

Opportunities with Annexation /Development

Traditional annexations

- Mandatory contribution to affordable housing
- Land dedication in or outside of annexation area
- Density bonuses

Annexation / development utilizing TIF

- When City assistance with public infrastructure is needed (Ex: Alexander School area)
- State law requires LMI set-aside when City participates in infrastructure to support residential development

Annexation / Development with TIF

McCollister Extension = $3,500,000

Required LMI set-aside = $1,575,000

- 45% LMI in County
- Collected over life of TIF as increment is produced (10 year period)
- Set aside can be used within the Urban Renewal Area or elsewhere in the community

Note: City does not need to use 100% of the TIF increment. In many cases it may be necessary to use a portion of the increment and allow the remainder to be distributed to the taxing bodies for operational support

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Development of Funding Sources

Source	Annual Revenue	Notes
Local Option Sales Tax	$9-14 million	Requires referendum and neighboring community support. Could be coupled to address other needs (roads, parks, public facilities, CIT, etc.)
Utility Franchise Fee	$900,000 per every 1% increase (up to 4% increase is possible)	Requires City Council vote. This source may be needed in the future if we expand public safety operations as the community grows.
GO Bond	$100,000 - $1,000,000+	Requires City Council approval in the annual budget process and competes directly with other capital needs including roads, parks, trails and public facilities. City would pay interest on each issue thus increasing the cost.
Emergency Property Tax Levy	Up to $900,000	Requires City Council approval in the annual budget process. Levy can be adjusted from year to year. Conflicts with financial goals of diversifying revenue sources and lowering the tax rate

Development of Funding Sources

Source	Annual Revenue	Notes
Tax Increment Financing (TIF)	Varies based on district	District-wide increment can be used to support affordable housing projects in the same urban renewal area. This strategy is most viable in the Downtown and Riverfront Crossings areas. (City captures TIF increment for affordable housing; not project based)
Proceeds from Broadway Condo Sale	$1,300,000	Currently held one-time proceeds from previous sale of public housing. Funds must be used to purchase/develop low-income housing (80% AMI or below). Ultimately subject to HUD approval.
TOP / ADHOP Funds	$600,000	Currently held one-time proceeds from a previous sale of public housing units. HUD has approved use of the money for low income home ownership, public housing or the development/acquisition of new accessible affordable rental housing units for families at or below 80% AMI.

Iowa City Affordable Housing Fund

Newly established fund that includes the $1 million sale proceeds from Court / Linn and potential future annual revenue from the City and/or fee in lieu of contributions

No existing process for distributing the collected funds. Options include:

- Contribute all or portion of available funds to the Johnson County Housing Trust Fund
- Charge the Housing and Community Development Commission (HCDC) to make an annual recommendation in conjunction with the CDBG / HOME fund distribution process
- Hold and strategically seek land appropriate for banking
- Provide a local match for the Low Income Housing Tax Credit (LIHTC) program
- Seed a down payment assistance program that can be used in conjunction with affordable housing units produced through the Riverfront Crossings Inclusionary Zoning ordinance

Staff recommendation (to be adopted by City Council resolution and subject to change by the same action)

- 50% of all contributions to the Johnson County Housing Trust Fund
- 30% of all contributions held in reserve for land banking or emergent situations determined by the City Council
- 20% of all contributions directed toward projects seeking LIHTC with remainder going to the CDBG/HOME process
- Future contributions to the fund may be geographically restricted and will be accounted for accordingly

New Strategies – Market Driven Affordable Unit Production

Adding new affordable housing stock through changes in regulation and incentive programs

New Strategies

Market driven affordable unit production

Regulatory changes

Tax abatement

Strategic Low Income Housing Tax Credit Investments

Regulatory Changes

Waive parking requirements for affordable units in the Riverfront Crossings and Downtown areas
- Lower the cost of construction and provide incentive to include affordable units

Review opportunities to relax multi-family design standards but do not create a separate standard for buildings with affordable units
- Lower the cost of construction and expedite building approvals

Eliminate minimum size for Planned Unit Developments (PUD)
- Create flexibility to cluster density in infill situations and provide for units that are affordable by design

Increase allowable bedrooms from 3 to 4 outside of the University Impact Area (keep occupancy restrictions at 3 unrelated)

Permit more building types by right as opposed to requiring a PUD, which many developers seek to avoid
- Density bonuses by right
- Greater use of duplex, triplex and fourplex types in certain zones
- Introduce Cottage Clusters as an allowable use in residential zones and permit them by right
- Tradeoff between allowing by right versus a public process that allows for neighborhood input

Contemplate a form-based code for the Alexander Elementary School neighborhood and for the downtown transitionary neighborhoods

Tax Abatement

State law provides the ability for cities to create a revitalization area and subsequently provide for tax abatement on residential projects (tax abatement is an exemption of the value of specified improvements that are subject to property tax)

While residential tax abatement programs have been offered by cities throughout the State, staff is not aware of any that are tied directly to the provision of affordable units

A tax abatement program may potentially be created that provides exemption from taxes on a specified scale

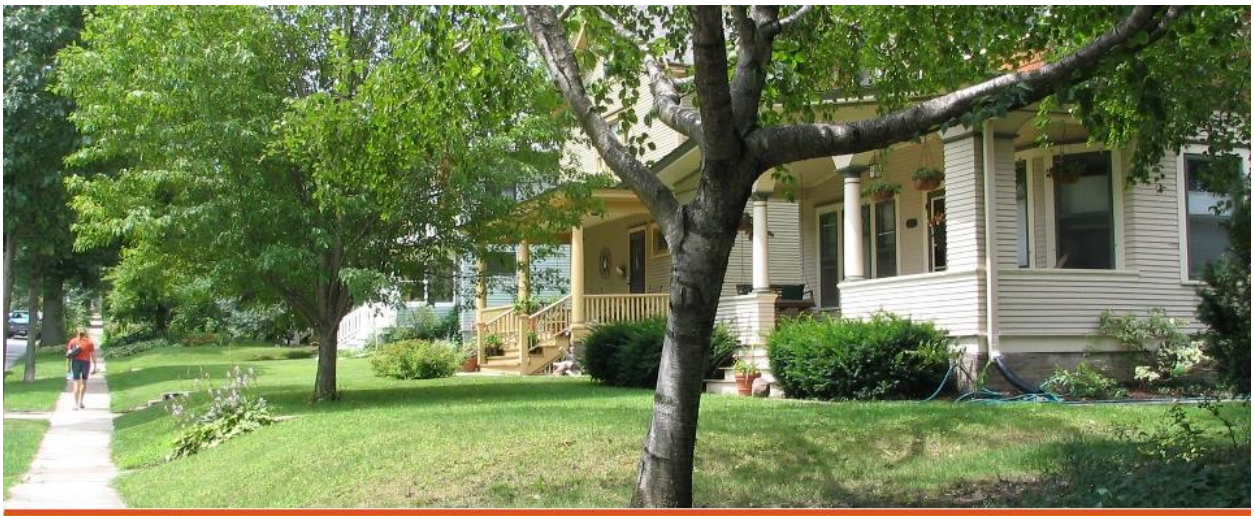
- Could include new construction and rehabilitation
- City may be able to create certain requirements such as affordability standards and accessibility features beyond what the building code requires
- In order to limit financial exposure, the City may be able to cap the annual amount of taxes that can be exempt under such a program

Staff recommends a stakeholder committee be created to vet this concept similar to the process used for the RFC Inclusionary Zoning effort

Low Income Housing Tax Credits (LIHTC)

Conduct an annual Request for Proposal Process (RFP) for LIHTC projects

- Process would seek proposals that align with the state scoring criteria
- City staff and the Housing and Community Development Commission (HCDC) would review proposals and award funding from the Affordable Housing Fund
- If no LIHTC projects are received or determined to be viable then HCDC would use such funds in the regular CDBG / HOME application process or recommend rolling funds over to the following year's LIHTC RFP process
- City could consider such an RFP process specifically for land it has banked in the future
- Project based vouchers could also be considered along with locally funded vouchers in order to make applications for LIHTC more attractive



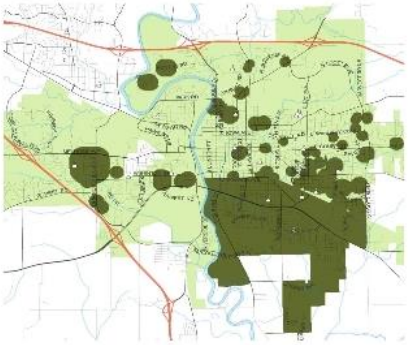
Miscellaneous Other Topics

Tenant displacement, location models and rental permits

Miscellaneous Other Topics

Affordable Housing Location Model

- Exempt the RFC, Downtown and the University Impact Area
- Consider changes to reduce distance of restricted areas and/or account for neighborhood densities in a manner that might allow for additional units in restricted areas.
- Staff does not support eliminating the model and believes scattered site subsidized housing is a long-term strategy that is in our best interest as a community



OMB Control No: 2506-0117 (exp. 06/30/2018)

Miscellaneous Other Topics

Collecting Rent Data on City Permits

- The need for reliable rent data is understood, but rental permits are not the best mechanism for collecting such data
- Permits are on a two year cycle and rents can fluctuate within that period
- Staff has no ability to verify accuracy of rents and limited resources to analyze the data in any meaningful manner
- A point in time analysis using rental advertisements or other similar methodologies may produce more meaningful results

Miscellaneous Other Topics

Tenant Displacement

- Council approval of major site plans when 12 or more households will be displaced and there is no accompanying rezoning
  - Such applications would require a transition plan to better inform residents and the general public (requires a comprehensive plan amendment)
  - Mailings to current residents could be required upon application and a good neighbor meeting would be encouraged consistent with current policy

Rent abatement for emergency orders when vacation of property is not necessary

OMB Control No: 2506-0117 (exp. 06/30/2018)

Conclusion

Summary of Recommended Actions

1. Continue to fund existing local programs including GRIP and UniverCity
2. Adopt an Inclusionary Zoning code amendment for the Riverfront Crossings District
3. Adopt code amendments that enable the FUSE Housing First use in the community
4. Provide staff funding direction heading into the FY 18 budget process
   - Staff recommends aiming for $500,000 to $1,000,000 depending on budget conditions
   - Recommended revenue sources include district-wide TIF in the urban core and property tax
5. Develop an annual process for distributing dollars from the City's newly created Affordable Housing Fund
   - Staff recommends 50% to the Johnson County Housing Trust Fund
   - 30% held in reserve for land banking or emergent situations determined by the City Council
   - 20% directed to HCDC for LIHTC support or supplemental aid through the CDBG / HOME application processes

Summary of Recommended Actions

6. Hold the $1,900,000 million in housing authority funds for an opportunity to leverage significant private investment and/or to develop/acquire low income replacement housing
7. Consider an annexation policy that provides for affordable housing contributions
8. Consider use of TIF on a case by case basis to support residential development and/or annexation through the provision of public infrastructure and capture the required LMI set-aside for use throughout the community (Ex: McCollister and Foster Road)
9. Pursue regulatory changes to City Code:
   - Waive parking requirements for affordable units in RFC and downtown
   - Review possible changes to the multi-family design standards for all units in an effort to reduce cost and expedite approvals
   - Eliminate minimum size requirements for PUDs
   - Increase allowable bedrooms from 3 to 4 outside the University Impact Area (keep occupancy at 3)
   - Permit more building types by right as opposed to requiring a PUD process (density, multiplex units, cottage clusters, etc)
10. Pursue a Form-based code for the Alexander Elementary neighborhood and the downtown core

Summary of Recommended Actions

11. Strategically seek LIHTC projects through an RFP process overseen by the HCDC (ties to use of the Affordable Housing Fund)
12. Create a committee of staff, developers and other interested stakeholders to determine the viability and potential parameters of a tax abatement program that would support affordable housing
13. Exempt the Riverfront Crossings, Downtown and University Impact Areas from the Affordable Housing Location model and consider modifications to reduce size of restricted areas and/or account for neighborhood densities
14. Tenant Displacement
    - Council approval of major site plans when 12 or more households will be displaced and there is no accompanying rezoning
      - Such applications would require a transition plan to better inform residents and the general public (requires a comprehensive plan amendment)
      - Mailings to current residents could be required upon application and a good neighbor meeting would be encouraged
15. Rent abatement for emergency orders when vacation of property is not necessary

Final Thoughts

Expectations for action should be high, but realistic. Progress will take years, if not decades, and span political terms. Strategies must be flexible, provide for opportunistic action, and be able to be maintained over time.

No silver bullet solutions – cities across the country are struggling immensely with this issue and many tools utilized in other States may not be permitted in Iowa (e.g. rent control)

Market rate housing is not the enemy – all supply matters

- From 2010-2014 Iowa City averaged 197 single-family, duplex and townhome housing permits per year (Coralville 60, North Liberty 199) and 285 multi-family permits (Coralville 72 and North Liberty 71)
- Demand for housing projected to be strong across all demographics, particularly students and seniors, but also families and urban dwellers
- If these demands are not met there will be more pressure on the overall housing stock and competition drives prices up for all buyers

Iowa City must be strategic about growth

- Smart growth strategies and a focus on quality will sustain strong demand for decades and ensure public services can be delivered efficiently and cost effectively – build up more than out – expect neighborhood pushback
- Should not lose sight of scattered site location principles
- Student housing demand will continue to place more pressure on neighborhoods and create demand for large scale student developments on the periphery of the community and in neighboring communities. We must continue to provide student housing opportunities close to campus, which will most appropriately be in the form of dense urban developments.

Next Step

Community feedback

- Request comments from the City's Housing and Community Development Commission
- Allow for feedback from local housing organizations , advocacy groups., and developers. Staff is able to present this to various groups who express an interest in the strategy
- Consult with adjacent cities and Johnson County to see if there is interest in a regional funding source or shared action strategies
- Utilize one of the August or September work sessions to review feedback and provide staff direction on which strategies to pursue

CITY OF IOWA CITY
UNESCO CITY OF LITERATURE

CITY OF IOWA CITY
MEMORANDUM

Date: November 14, 2018

To: Geoff Fruin, City Manager

From: Tracy Hightshoe, Neighborhood and Development Services Director

Re: Affordable Housing Action Plan Update

The City Council approved fifteen affordable housing strategies to encourage and develop additional affordable housing in Iowa City on June 21, 2016. The strategies and their corresponding status can be found on the table below.

	Strategy	Status
☒	1. Continue to fund existing local programs including GRIP (owner-occupied housing rehab.) and UniverCity.	FY19 budget includes $200,000 for GRIP & $180,000 for the UniverCity program (three homes). To date, the City has purchased 68 homes for the UniverCity program. 65 have been rehabilitated and sold for homeownership.
☒	2. Adopt an Affordable Housing Requirement for the Riverfront Crossings District. (10% of total units for 10 years or fee in lieu)	Completed 6/2016.
☒	3. Adopt code amendments that enable the FUSE Housing First (Cross Park Place) use in the community. *24 1-bedroom apartments for persons who are chronically homeless and habitually cycle through mental health services, corrections systems, shelter and support services.*	Completed 6/2016.
3. Cont.		**Cross Park Place update:** Anticipate opening in January 2019. 10-2-18 Council approved a Targeted Preference for individuals referred by Shelter House for HUD funded Permanent Supportive Housing. Converted 5% of tenant based vouchers to project-based vouchers. 24 project based vouchers will support Cross Park Place (FUSE project).
☒	4. FY19 Budget Process: Provide a line item for affordable housing (goal of $500,000 based on budget conditions).	FY19 budget includes $1,000,000 for affordable housing.

OMB Control No: 2506-0117 (exp. 06/30/2018)

☒	5. Distribution of Affordable Housing dollars: • 50% to the Housing Trust Fund of Johnson County (HTF) • 25% held in reserve for land banking • 5% reserved for emergent situations (if unused, reserved for land banking) • 20% directed through HCDC for LIHTC support or supplemental aid for housing applications	The FY19 breakdown of funds: • $500,000 to be issued to the HTF in August 2019. • $250,000 reserved for land banking. ($711,000 available. Currently evaluating possibilities.) • $50,000 reserved for emergent situations. Any remaining balance, as of 6/30/2019, will be shifted to land banking. • $200,000 directed through HCDC for LIHTC support.
☒	6. Hold the $1,500,000* million in Housing Authority funds for an opportunity to leverage significant private investment and/or to develop/acquire low income replacement housing. *$2.5 million was available, $1.0 million committed to the Chauncey units, for a balance of $1.5 million)	City Council approved an agreement for Augusta Place on 5/2/2017. The City will purchase six units for permanent affordable rental housing at $1,080,000. The City anticipates the building will be completed in August 2019. City Council approved a developer's agreement for the Chauncey building on 6/18/2015. The City will purchase five units at $1,000,000 for affordable rental housing. The City anticipates the building will be completed in August 2019. There is approximately $420,000 remaining to develop/acquire low income replacement housing.
☒	7. Consider an annexation policy that provides for affordable housing contributions.	Completed 7/17/2018. 10% of total units affordable for preferably 20 years or more.
☒	8. Consider use of TIF on a case by case basis to support residential development and/or annexation through the provision of public infrastructure and capture the required LMI set-aside for use throughout the community (Ex: McCollister and Foster Road).	Development agreement for Foster Road approved 7/17/18. Anticipated to generate $2-3 million for affordable housing over 10 years. Staff evaluating multiple possibilities including McCollister and Forest View Drive.
☐	9. Consider regulatory changes to City Code: • Waive parking requirements for affordable housing units. • Review possible changes to the multi-family design standards for all units in an effort to reduce cost and expedite approvals. • Eliminate minimum size requirements for PUDs. • Increase allowable bedrooms from 3 to 4 outside the University Impact Area (keep occupancy at 3 unrelated).	• Parking waived in Riverfront Crossings for affordable housing, June 2016. *Staff initiated a review by soliciting input from the Home Builders Association and the Johnson County Affordable Homes Coalition. Recommendations will be forthcoming in early 2019.*

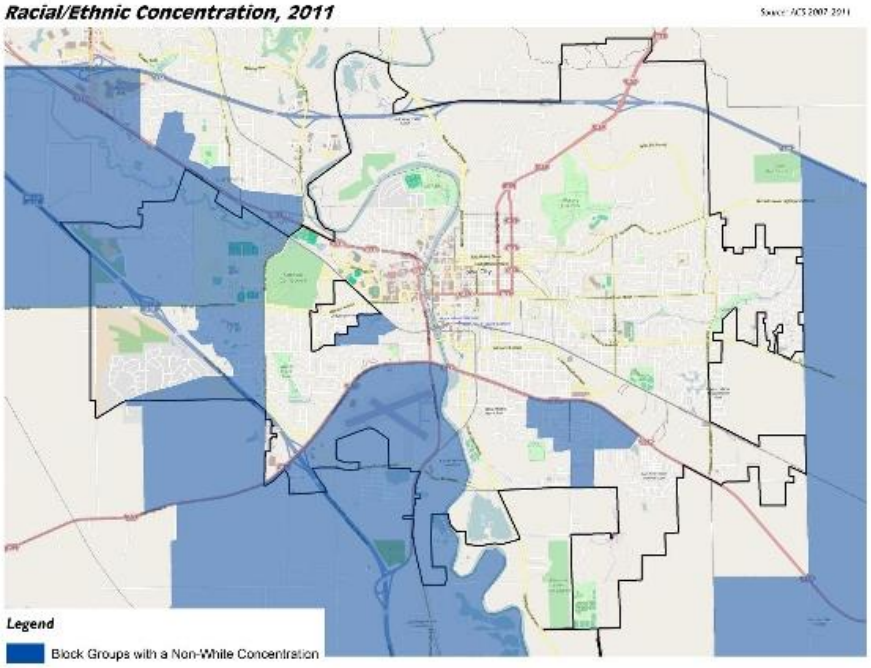
	• Permit more building types by right as opposed to requiring a PUD process (density, multiplex units, cottage clusters, etc.).	
☒	10. Pursue a form-based code for the Alexander Elementary neighborhood and the Northside.	The consultant analysis of a form based code was completed in September 2017. NDS staff anticipates entering contract with Opticos in December 2018.
☒	11. Strategically seek LIHTC projects through an RFP process overseen by the HCDC (in conjunction with #5).	RFP scheduled annually. • Awarded the Del Ray Ridge LP project $330,000 (FY17 & 18 funds). 33 units (29 LIHTC, 4 market rate units) at 628 S. Dubuque Street. • Awarded IC Housing Group, LLC $200,000 (FY19 funds). 36 units (32 LIHTC, 4 market rate units) located off Herbert Hoover Highway, east of Eastbury Street.
☐	12. Create a committee of staff, developers and other interested stakeholders to determine the viability and potential parameters of a tax abatement program that would support affordable housing.	Committee of six community members and City staff formed to review tax exemption possibilities. First meeting held 1/17/17. Staff anticipates a recommendation for Council in early 2019.
☒	13. Exempt the Riverfront Crossings from the Affordable Housing Location Model (AHLM) and consider modifications to reduce size of restricted areas and/or account for neighborhood densities (consider University Impacted and Downtown neighborhoods for exclusion as well).	Completed 4/2017
☒	14. Tenant Displacement • Council approval of major site plans when 12 or more households will be displaced and there is no accompanying rezoning. • Such applications would require a transition plan to better inform residents and the public (requires a comprehensive plan and a site plan ordinance amendment).	Completed 10/2017
☒	15. Rent abatement for emergency orders when vacation of property is not necessary • Increase education about housing code violations and how to report.	Completed 10/2017

Should you have any questions about the strategies or their status, please contact me at 319.356.5244 or tracy-hightshoe@iowa-city.org.

Appendix E: Other Unique Appendixes

NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Racial/Ethnic Concentration, 2011



SP-80 Monitoring – 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Reporting

The City requires each organization receiving CDBG and/or HOME funds to submit quarterly reports until project close-out. The quarterly reports include information on the number of clients served, income level, and race/ethnicity. The reports also include a brief narrative providing an update of the activity. Each organization must also submit a year-end report summarizing all required data as needed for entry into IDIS and for inclusion in the City's CAPER.

Neighborhood Services performs on-site monitoring visits for each activity at least once after the project is funded. The City monitors projects on an annual basis until project close-out. All housing providers, during a stated period of affordability or as required by agreement, must also submit an annual tenant rental housing report to document compliance with all applicable regulations, specifically household income and program rents. In addition, members of the City Council appointed citizen commission, Housing and Community Development Commission, choose CDBG and/or HOME funded projects to visit and monitor.

The members meet with the project stakeholders to discuss the project, ensure that the project is proceeding properly by serving the intended clientele, and that it will be completed on time. The commission members then report back to the full commission at a regularly scheduled meeting.

Timeliness of Expenditures

Neighborhood Services staff require that each CDBG and HOME recipient attend a City-sponsored workshop just prior to the beginning of each year to review the CDBG and HOME regulations and reporting requirements. The timeliness of expending the funds is one of the topics discussed at the workshop. In addition, each recipient of CDBG

and/or HOME funds signs a formal agreement after the funds have been released that includes a copy of the City's policy, as stated below:

From time to time there may be Community Development Block Grant (CDBG) and/or HOME Investment Partnership Program (HOME) projects that do not meet the anticipated schedule for implementation as presented to the Housing and Community Development Commission (HCDC). These circumstances may be due to unforeseen events (e.g. unfunded applications for other financing). HCDC recognizes the need to utilize CDBG, HOME and other funding as effectively and efficiently as possible to meet the needs of low/moderate income household for housing, jobs, and services within Iowa City.

To assist HCDC in evaluating a project's status and ability to proceed, the following policy was adopted and became effective July 1, 2003:

1. All CDBG projects will have entered into a formal agreement with the City of Iowa City for the utilization of federal funds by September 30 each year. Should a recipient fail to meet this threshold, the project will be reviewed by HCDC to evaluate if extenuating circumstances exist. If extenuating circumstances exist and it is anticipated the project will proceed, a new timeline will be established for the completion of the project. If circumstances do not warrant an extension of time, HCDC may recommend the recapture and re-use of the funds to the City Council.
2. All CDBG projects (except applicants for LIHTCs) will have expended a minimum of fifty percent (50%) of the assistance provided for the proposed project by March 15 each year. This provides the recipient with approximately 255 days following the start of the fiscal year to reach this threshold for CDBG projects. All HOME projects will expend their funds on a timely basis per the applicable HOME regulation. Should a recipient fail to meet these thresholds, all unexpended CDBG/HOME funding will be recaptured by the City and recommendations will be made by the HCDC for re-use of the funds or HCDC may allow the recipient to retain the funds for the previously approved project.
3. If housing projects are applying for other funds through various state or federal agencies, the recipient must apply for those funds in the first available application period offered. Should a recipient fail to meet this application threshold, all CDBG/HOME funding will be recaptured by the City and recommendations be made by the HCDC for re-use of the funds.
4. Should a recipient be unsuccessful in obtaining the funds listed in the application round immediately following the allocation of local CDBG/HOME funds, and the project will not be able to proceed without the aforementioned funds, all CDBG/HOME funds will be recaptured by the City and recommendations will be made by the HCDC for re-use of the funds or HCDC may allow the recipient to retain the funds for the previously approved project. If the project is unsuccessful in obtaining the required funds listed

in the application after two consecutive funding rounds following the allocation of local CDBG/HOME funds, the City will recapture all CDBG/HOME funds.

Housing Code Compliance

Each agreement between the CDBG/HOME recipient and the City states the following: "The project shall be completed in compliance with all applicable state and local building codes; and upon completion, shall be operated in compliance with all applicable state and local laws." Neighborhood Services staff verify that the appropriate permits are taken out and that Neighborhood and Development Services have inspected the structure for compliance with local building codes and local rental inspection housing codes (if the project is a rental project).

Neighborhood and Development Services annually inspect each HOME funded rental unit where the tenant receives Section 8 funds to ensure compliance with housing codes. In addition, the City inspects all rental units every two years to ensure compliance with rental housing codes.

MBE/WBE Policy

Each CDBG agreement contains language specifying that the subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of its contract. As used in the contract, "small business" refers to a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632) and "minority and women's business enterprise" means a business at least 51% owned and controlled by minority group members or women. Sub-recipients may rely on written representations by businesses regarding their status as a minority and female business enterprises in lieu of independent investigations.

Grantee SF-424's and Certification(s)

OMB Number: 4040-0004
Expiration Date: 10/31/2019

Application for Federal Assistance SF-424

* 1. Type of Submission:	* 2. Type of Application:
☐ Preapplication	☒ New
☒ Application	☐ Continuation
☐ Changed/Corrected Application	☐ Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received: 06/04/2019	4. Applicant Identifier: 42-6004605
5a. Federal Entity Identifier: 42-6004605	5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:	7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: City of Iowa City

* b. Employer/Taxpayer Identification Number (EIN/TIN): 42-6004605	* c. Organizational DUNS: 1451059960000

d. Address:

* Street1:	410 E. Washington Street
Street2:	
* City:	Iowa City
County/Parish:	
* State:	IA: Iowa
Province:	
* Country:	USA: UNITED STATES
* Zip / Postal Code:	52240-1825

e. Organizational Unit:

Department Name: Neighborhood & Dev. Services	Division Name: Neighborhood Services

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Ms.	* First Name: Erika
Middle Name:	
* Last Name: Kubly	
Suffix:	

Title: Neighborhood Services Coordinator

Organizational Affiliation:

* Telephone Number: 319-356 5230	Fax Number:

* Email: erika-kubly@iowa-city.org

OMB Control No: 2506-0117 (exp. 06/30/2018)

Application for Federal Assistance SF-424

* 9. Type of Applicant 1: Select Applicant Type:

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.218

CFDA Title:

Community Development Block Grant - Entitlement Grant

* 12. Funding Opportunity Number:

NA

* Title:

NA

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

* 15. Descriptive Title of Applicant's Project:

Community Development Block Grant funds to assist Iowa City with housing and non-housing community development activities

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

OMB Control No: 2506-0117 (exp. 06/30/2018)

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: IA-2 * b. Program/Project: IA-2

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 07/01/2019 * b. End Date: 06/30/2020

18. Estimated Funding ($):

* a. Federal	684,740.00
* b. Applicant	0.00
* c. State	0.00
* d. Local	0.00
* e. Other	70,260.00
* f. Program Income	70,500.00
* g. TOTAL	795,500.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E.O. 12372

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix:	Mr.
* First Name:	Geoff
Middle Name:	
* Last Name:	Erwin
Suffix:	
* Title:	City Manager
* Telephone Number:	319 336 5010
Fax Number:	
* Email:	geoff-erwin@iowa-city.org
* Signature of Authorized Representative:	
* Date Signed:	6/7/19

OMB Control No: 2506-0117 (exp. 06/30/2018)

OMB Number: 4040-0004
Expiration Date: 10/31/2019

Application for Federal Assistance SF-424

* 1. Type of Submission:	* 2. Type of Application:	* If Revision, select appropriate letter(s):
☐ Preapplication	☒ New	
☒ Application	☐ Continuation	* Other (Specify):
☐ Changed/Corrected Application	☐ Revision	

* 3. Date Received: 06/04/2015	4. Applicant Identifier: 42-6004805
5a. Federal Entity Identifier: 42-6004805	5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:	7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: City of Iowa City	
* b. Employer/Taxpayer Identification Number (EIN/TIN): 42-6004805	* c. Organizational DUNS: 1454099050000

d. Address:

* Street1:	410 E. Washington Street
Street2:	
* City:	Iowa City
County/Parish:	
* State:	IA: IOWA
Province:	
* Country:	USA: UNITED STATES
* Zip / Postal Code:	52240-1826

e. Organizational Unit:

Department Name: Neighborhood & Dev. Services	Division Name: Neighborhood Services

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:	Ms.	* First Name:	Erika
Middle Name:			
* Last Name:	Kubly		
Suffix:			

Title: Neighborhood Services Coordinator

Organizational Affiliation:

* Telephone Number:	319 356 5230	Fax Number:	
* Email:	erika-kubly@iowa-city.org		

Application for Federal Assistance SF-424

* 9. Type of Applicant 1: Select Applicant Type:

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.239

CFDA Title:

HOME Investment Partnerships Program - Entitlement Grant

* 12. Funding Opportunity Number:

NA

* Title:

NA

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

* 15. Descriptive Title of Applicant's Project:

HOME funds to assist Iowa City with housing activities.

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

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Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant IA-2 * b. Program/Project IA 2

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

17. Proposed Project:

* a. Start Date: 07/01/2019 * b. End Date: 06/30/2020

18. Estimated Funding ($):

* a. Federal	482,816.00
* b. Applicant	0.00
* c. State	0.00
* d. Local	0.00
* e. Other	153,184.00
* f. Program Income	65,000.00
* g. TOTAL	700,000.00

* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E.O. 12372.

* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)

☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr. * First Name: Geoff

Middle Name:

* Last Name: Erwin

Suffix:

* Title: City Manager

* Telephone Number: [illegible] Fax Number:

* Email: geoff-[illegible]@[illegible]-city.org

* Signature of Authorized Representative: * Date Signed: 6/7/19

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CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing --The jurisdiction will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan – It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying –To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan --The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.

Signature of Authorized Official

6/7/19
Date

City Manager
Title

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Specific Community Development Block Grant Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that that have been developed in accordance with the primary objective of the CDBG program (i.e.. the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

Following a Plan -- It is following a current consolidated plan that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. Overall Benefit. The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) _____, _____ [a period specified by the grantee of one, two, or three specific consecutive program years], shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

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Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint – Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, Subparts A, B, J, K and R.

Compliance with Laws – It will comply with applicable laws.

Signature of Authorized Official

6/7/18
Date

City Manager
Title

OMB Control No: 2506-0117 (exp. 06/30/2018)

OPTIONAL Community Development Block Grant Certification

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having particular urgency as specified in 24 CFR 570.208(c):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

Signature of Authorized Official

8/7/18
Date

City Manager
Title

OMB Control No: 2506-0117 (exp. 06/30/2018)

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If it plans to provide tenant-based rental assistance, the tenant-based rental assistance is an essential element of its consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR §§92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Subsidy layering -- Before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;

Signature of Authorized Official

6/7/19
Date

City Manager
Title

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Emergency Solutions Grants Certifications

The Emergency Solutions Grants Program recipient certifies that:

Major rehabilitation/conversion/renovation – If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation.

If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion.

In all other cases where ESG funds are used for renovation, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

Essential Services and Operating Costs – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the recipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the recipient serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – The recipient will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for these individuals.

Matching Funds – The recipient will obtain matching amounts required under 24 CFR 576.201.

Confidentiality – The recipient has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement – To the maximum extent practicable, the recipient will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

Consolidated Plan – All activities the recipient undertakes with assistance under ESG are consistent with its consolidated plan.

Discharge Policy – The recipient will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

Signature of Authorized Official

6/7/19
Date

City Manager
Title

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Housing Opportunities for Persons With AIDS Certifications

The HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building – Any building or structure assisted under that program shall be operated for the purpose specified in the consolidated plan:

1. For a period of not less than 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,

2. For a period of not less than 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

Signature of Authorized Official

6/7/19
Date

City Manager
Title

OMB Control No: 2506-0117 (exp. 06/30/2018)

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:

Lobbying Certification
This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.