

HOUSING & COMMUNITY DEVELOPMENT COMMISSION (HCDC)

April 15, 2021

Electronic Regular Meeting – 6:30 PM

Zoom Meeting Platform

Electronic Meeting

(Pursuant to Iowa Code section 21.8)

An electronic meeting is being held because a meeting in person is impossible or impractical due to concerns for the health and safety of Commission members, staff and the public presented by COVID-19.

You can participate in the meeting and comment on an agenda item by going to: https://zoom.us/webinar/register/WN_MZp8nKjPQeKEhpnvuu70wg to visit the Zoom meeting's registration page and submitting the required information. Once approved, you will receive an email message with a link to join the meeting. If you are asked for a meeting or webinar ID, enter the ID number found in the email. If you have no computer or smartphone, or a computer without a microphone, you can call in by phone by dialing (312) 626-6799 and entering the meeting ID **966 0132 6956** when prompted. Providing comment in person is not an option.

AGENDA:

1. Call to Order

2. Consideration of Meeting Minutes: March 11, 2021

3. Public Comment of Items not on the Agenda

Commentators shall address the Commission for no more than 5 minutes. Commissioners shall not engage in discussion with the public concerning said items.

4. Review and consider recommendation to City Council on approval of FY21 Annual Action Plan (AAP)

At the March 11, 2021 meeting, HCDC approved the FY22 budget recommendations CDBG/HOME housing and public facilities projects. The FY2022 Annual Action Plan incorporates these recommendations. Staff will provide an overview of the draft, followed by discussion, proposed changes, and consideration of recommending the Plan to Council.

The AAP summarizes actions and resources to help address the needs and goals in City Steps 2025 for FY22. The Plan includes the budget for CDBG and HOME funds, a description of the

projects to be funded, and U.S. Department of Housing and Urban Development (HUD)-required information. Upon approval by Council, the Plan is submitted to HUD for approval.

A 30-day public comment period for the plan began on April 2 and will run through May 4, 2021. The City Council is scheduled to hold a public meeting and formally approve the Plan on Tuesday, May 4, 2021. Due to COVID-19 restrictions the public meeting will be held electronically.

The FY22 Annual Action Plan draft can be found at www.icgov.org/actionplan

5. Discuss Robert's Rules of Order Newly Revised

Chair Padron will discuss Robert's Rules of Order Newly Revised and HCDC Bylaws as it relates to the rules of conduct for the commission.

6. Discuss Potential Change to CDBG and HOME Scoring Criteria to Prioritize Units with Rent Below Fair Market (FMR) Rent Limits

At the March meeting, the Commission discussed Fair Market Rent limits and expressed concern that the FMR is still too high to be affordable for many. The Commission will discuss changes to the CDBG and HOME scoring criteria to prioritize projects that will offer rental units with below FMR rates.

7. Iowa City Council Meeting Updates

Two commissioners are assigned each month to monitor Council meetings. This agenda item provides an opportunity to review assignment schedule and for brief updates on City Council activity relevant to HCDC business.

8. Housing & Community Development Information

9. Adjournment

If you will need disability-related accommodations to participate in this program or event, please contact Brianna Thul at brianna-thul@iowa-city.org or 319-356-5230. Early requests are strongly encouraged to allow sufficient time to meet your access needs.



CITY OF IOWA CITY

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**Housing and Community Development Commission
April 15, 2021 Meeting Packet Contents**

Agenda Item #2

- March 11, 2021 HCDC Draft Meeting Minutes

Agenda Item #4

- FY22 Annual Action Plan draft is available at icgov.org/actionplan or at [this link](#).

Agenda Item #5

- HCDC Bylaws

Agenda Item #6

- Table of Income and Rent Limits (established by HUD)
- FY22 Application Guide

Agenda Item #8

- Community Police Review Board Forum
- Little Creations Academy System for Award Management (SAM) Registration

MINUTES

PRELIMINARY

**HOUSING AND COMMUNITY DEVELOPMENT COMMISSION
MARCH 11, 2021 – 6:30 PM**

ELECTRONIC MEETING

MEMBERS PRESENT: Peggy Aguilar, Megan Alter, Matt Drabek, Lyn Dee Hook Kealey, Theresa Lewis, Nasr Mohammed, Peter Nkumu, Maria Padron, Kyle Vogel

MEMBERS ABSENT:

STAFF PRESENT: Erika Kubly, Brianna Thul

OTHERS PRESENT: Lucy Barker, Sara Barron, Crissy Canganelli, Kathryn Davis, Charlie Eastham, Roger Goedken, Wisal Hussein, Amanda Nichols, Anthony Smith

RECOMMENDATIONS TO CITY COUNCIL:

By a vote of 7-1 (Nkumu opposed and Lewis abstained) the Commission recommends that Council fully fund all three FY22 CDBG/HOME funding requests as submitted.

FY22 CDBG/HOME Budget Recommendation			
Project	Requested	CDBG	HOME
Unlimited Abilities Rental Acquisition	\$125,000	\$0	\$125,000
NCJC Public Facilities	\$37,242	\$37,242	NA
Shelter House Public Facilities	\$225,000	\$225,000	NA
Total Allocation:		\$262,242	\$125,000
Total Expected Available:		\$339,000	\$426,000
Remaining Available for 2 nd Funding Round:		\$76,758	\$301,000

By a vote of 9-0 the Commission recommends that Council fund FY22 Emerging Aid to Agencies at the following levels.

FY22 Emerging Aid to Agencies Budget Recommendation		
Project	Requested	eA2A
Sudanese American Community Services	\$15,000	\$5,000
Center for Worker Justice	\$15,000	\$15,000
Dream City	\$15,000	\$10,000
Corridor Community Action Network	\$14,891	\$0
Total:		\$30,000

CALL MEETING TO ORDER:

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

CONSIDERATION OF MEETING MINUTES: FEBRUARY 18, 2021:

Vogel moved to approve the minutes of February 18, 2021. Alter seconded and a vote was taken and the motion passed 9-0.

PUBLIC COMMENT FOR TOPICS NOT ON THE AGENDA:

Sara Barron (Director, Affordable Housing Coalition) wanted to just take a quick moment to update the Commission on where things stand with assisting Iowa City residents in applying for the Iowa Rent and Utilities Program, which is federal money that's being administered by the State of Iowa. She spoke with the Commission last month a bit about this program and wanted to let them know the progress they've made so far. Unfortunately, the biggest piece of progress is that the money is not actually available yet and they still don't have a specific date when the State will open up for applications. However, any household in Johnson County, Iowa City included, that would like in person assistance in completing the application will be able to make appointments at a number of locations or also come by some drop-in locations. Citizens can call and make an appointment with Johnson County Social Services anytime they're open for regular business hours, which is 8:00 to 4:30 Monday through Friday. They will also be offering help by appointment at the Coralville and North Liberty Public Libraries for people for whom that's more convenient and they'll have drop-in times available at the Center for Worker Justice. Those hours are not set up yet, but right now the goal is to have that three times per week, once during the week, once on a weeknight, and once on a weekend which is based on the feedback that they got from families that need the assistance. They're also working with other providers, including the student family advocates at the Iowa City Schools, as well as the Iowa City Johnson County Senior Center, and I-C Compassion and other groups to continue the outreach to people who they think are most likely to be looking for some in-person assistance and applying for that. Barron also noted that once it's open, anyone who has access to the computer and feels comfortable applying for that themselves is more than welcome to. She said they will also be doing some recruitment of volunteers through United Way so if anyone is interested in helping look for some more information about that. They are also very close to securing some money to help pay for translators so that they can ensure for the different language communities in Iowa City will have someone there who can assist them in their preferred language. Barron noted that is the update so far, she did thank the Commission for their letter to Council.

Mohammed asked if the eligibility criteria has been set for who can apply or not. Barron replied one can go to <https://www.iowafinance.com/iowa-rent-and-utility-assistance-program/> and there's the eligibility criteria listed there. She noted they have loosened the rules from the assistance that was available in 2020 to people who have been directly or indirectly impacted by the pandemic which certainly broadens it. They have a number of different kinds of documentation that one can use to show need, including any type of past due notice, credit card bills showing that they acquired debt to pay bills in the past and that one pays more than half of their income on their rent. One group that's not currently eligible are people who are already receiving public assistance through public housing or section eight vouchers because they have, at least in theory, another route to decrease the amount of rent they have to pay through those programs. Barron also added there is going to be a companion program for lower income homeowners that being administered by the State directly and that's going to look more like the eligibility criteria from the assistance that was available in 2020.

UNSUCCESSFUL AND DELAYED PROJECTS CHECKPOINT:

Padron explained the City's Unsuccessful or Delayed Projects Policy requires that all CDBG projects expend a minimum of 50% of the assistance provided by the proposed project by March 15 of each year. HCDC will hear from the Little Creations Academy and determine whether extenuating circumstances exist and if so, whether the project is anticipated to proceed. HCDC may recommend the recapture and reuse of funds to City Council.

Anthony Smith (Little Creations Academy) gave an update on his project and said he is having a hard time getting his DUNS application finished, he has tried several times ever since the month of August. He

does have his contractors in place but they can't do anything until he gets that application done. He had just tried it again today to submit it and they cancelled my account, and then they had to resubmit it again, but every time they resubmit it at least 10 days are needed for it to go through. He has been trying August and is so frustrated and doesn't know what to do.

Padron asked for clarification of if he is submitting the application and then are they rejecting the application. Smith replied he first submitted the application in August and thought it was done but he got a call from the City and was told they couldn't access it. So he went back and redid and it got rejected because there wasn't a comma between Little Creations and Inc. He resubmitted it again and there was a spelling error so it got kicked back again. He finally got on the telephone and asked them to walk him through the process and it got rejected again because some information didn't show up. He talked with DUNS people and they said he had to wait 10 days. He is just so frustrated.

Padron asked how much of the of the funds had been already spent and how much do they have left to spend. Smith replied he couldn't spend any of the funds because he couldn't do the report. The City can't release the funds until they have access to the DUNS.

Kubly confirmed by March 15 they should have spent 50% of the funding but they've spent nothing so far because they're not under agreement with this project yet because they can't enter into the agreement until the application gets processed. She noted it does take a little time to set up and get the DUNS number, they have to go to sam.gov and register and it's kind of a tricky process as Pastor Smith has mentioned.

Padron asked if HCDC recaptures these funds and the City uses them for another project or to fund another agency can in the meantime Pastor Smith finish processing that application and everything and then reapply for more funding later this year when he's ready with that application and everything else. Thul confirmed that could be an option but since they have more funding than applications right now, the funding is not going to go to another project until they do another funding round.

Kealey asked if there is any resource that can help Pastor Smith get through this piece, is there someone in the community that can help out. Thul said she has a video she can send and can also connect him with another sub recipient that went through the same process. Smith said he looked at all the videos and he did everything he was supposed to do, it has to be a system thing, not a procedural thing, because the very people that do this are the ones that handheld him through the application.

Vogel asked about the timeline, if in 10 days Pastor Smith is successful and gets his Sam's number, or code, what would be the timeline for him to spend 50% of the funds. Smith said the contractor already set up. Vogel said then if they give him 45 days to come back and show that they've done the work, got the code, got the contractor is that enough, or does he need 60 days or 90 days. Vogel is not comfortable giving him a six-month extension in addition to the almost 300 days he's already had, Vogel is okay with another 90. Smith said he is not prepared to answer that question because he was having so many problems getting the approval he hasn't talked to the contractor since the end of July. He has already done the bidding process and has a contractor lined up.

Padron stated right now they need to focus on the application being approved so can they revisit this at the next meeting in April to see if they got their application approved by April.

Padron asked if they recapture the funds when would those funds go to another project. Thul said they would do a mid-year funding round in the fall and any unallocated funds will be available during that funding round.

Alter noted when Pastor Smith came before them a couple of months ago to talk on progress at that time he unfortunately had COVID and also there were some family issues. In this time of pandemic, it has been a difficult period of time and that may explain why there is a longer lag right now. Smith admitted he has been a rough time, he wasn't going to bring it up because he was trying to keep this professional but

his family has had their share of instances, his brother had COVID and died, his mother had COVID and two weeks ago his dad died.

Nkumu stated obviously it's no fault of Pastor Smith that the process is not working, it sounds like he's doing everything he can to submit the application but that is a technical issue that he has no control over. If the City were to recapture funds could Little Creations continue to try to get the DUNS process completed. Thul confirmed they could, and in the future she is hoping to have organizations start the DUNS process earlier to avoid such issues.

Vogel noted since they don't have anybody that's in serious needs of these funds right now, it seems like there is no need to recoup these funds. He like to make a motion that they extend Little Creation Academy's timeline to provide the 50% and proof of project viability to the May meeting which would give them enough time to get the DUNS application, get the funds release, get the contractor started, get two or three weeks' worth of work in and potentially be able to come back and show movement on this.

Lewis asked if it's not completed by May then would that recommendation be to reallocate the funds. Vogel said that would be a decision made at the May meeting.

Kealey said it would be nice for Pastor Smith to come back in a month and give them an update on where he is and they could go from there hoping that he will have the Sam's stuff taken care of. However she is okay with what Vogel has proposed, to wait until May to see if there is progress and agreed there has been extenuating circumstances.

Padron wanted to make an amendment to the motion and have HCDC receive an email or some kind of notification from Pastor Smith at the April meeting, just stating where he's at. Vogel second that friendly amendment.

Vogel motioned to allow the FY21 Little Creations Academy public facilities project to move forward with the understanding that the subrecipient will be required to report to the Commission again on May 20, 2021 with documented progress, and that the subrecipient will provide a written update on the SAM registration status to the Commission at the April 15, 2021 meeting. The motion was seconded by Lewis, a vote was taken and it passed 9-0.

DISCUSS FY22 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME PROGRAM FUNDING REQUESTS AND CONSIDER BUDGET RECOMMENDATION TO CITY COUNCIL:

Padron noted this process can be very stressful and clarified that the scores are only the initial part of the process and during this meeting as they talk about the applications the scores can change. Finally, together they will decide on a recommendation to City Council. There were several applications or agencies that dropped out so there is likely enough funding for all three agencies.

Thul confirmed there are two agencies requesting CDBG request funds, the City actually got their allocation from HUD last week and there's actually enough CDBG to fund both projects if the Commission decides to do that.

Kealey did not submit her scores, she was overwhelmed with the scoring and reached out to Thul and Padron. She agreed all applications look good and if she had to give scores, she would give a 75 for Neighborhood Centers of Johnson County, an 85 for Shelter House, and a 70 for the Unlimited Abilities Rental Acquisition.

Padron stated then they have an average score of 72 for the Neighborhood Centers of Johnson County, an average of 80 for Shelter House and an average of 61 for the Unlimited Abilities acquisition. The medians are 73, 86 and 62 respectively. She noted as they were going through the applications and the

scoring sheet, there isn't much room for personal opinion on the scoring because all the questions are so limited, it is just the numbers and the data directly from the applications.

Lewis asked if an organization falls below a certain score, would they get a percentage of what they asked, or does it not matter what their score is and what are the overall guidelines about funding amounts.

Alter stated historically, this has been a really difficult process for the Commissioners as well as the agencies because there have not been enough funds to go around so it's always been a percentage of the ask and sort of proportional. Drabek added the Commission is able to vote whatever however they want, the scores are just a conversation guider.

Lewis noted they should think about that for the future, as someone who's written grants in the past if they're asking people to respond to an RFP and assigning value to different criteria, then they need to probably think about a way to make that important otherwise what does it matter about the need or the quality of the grant, or how well it fits into the goals and objectives of HCDC.

Padron noted in the past they have given recommendations based on scores so they do look at the quality of the grand and the goals. If an agency scores high, they get a higher percentage.

Drabek stated the scores are a conversation guide, for example this year it can be seen that almost all completely agree about the Neighborhood Centers, as those are extremely close scores. Whereas the other two applications, the scores are more variant and perhaps in need of a conversation to come to consensus.

Padron stated since the agencies can provide such different and wide range of services, one of the questions is does the project have a reasonable per person cost. Some agencies like the Shelter House have a huge cost per person, because they're providing shelter, and then there is the lunch program where the cost per person is very much lower. So they need to be careful and understand why some agencies are scoring low on some of the questions, and why other agencies are scoring so high. Additionally, the Free Lunch Program is another issue in the past with one of the questions about providing information about race or gender or ages and they don't collect any of that information so on that question they will always get zero and other agencies may get a really high score on that question.

Lewis asked if they fund all three projects at their ask, that still leaves additional money and if they do a mid-year funding, those funds can still be available for another funding round. Thul confirmed that is true.

Nkumu wanted to mention while there is enough money to go around, the purpose of the money to fund projects and be good stewards with the public funds and make sure that the agencies are not just getting what they asking because there is enough money to share. The projects need to be viable and can be completed. For example, with Unlimited Abilities there was a concern that they have vacancies right now, but they're looking to buy another house, and with some other outside sources, maybe a loan, so he was a little skeptical to give a higher scoring for that. He believes it is a very noble thing for the community but wanted a little bit more information and that was reflected in his scoring.

Vogel noted that a percentage of their vacancy issue right now is a personality issue of being able to put different personalities in the same house and part of the ability of having another house is to give them a greater ability to match similar personalities. They have some vacancies simply because they have people move in and move out and try different properties. He knows this because his company manages a couple of properties that currently have their residents in. Regarding the matching funds, at first he had some issues but then looked at the Neighborhood Centers and their percentage isn't that much better. In the end does he feel they can fulfill the purpose of the money which is to purchase a house for living.

Vogel asked about the 15 years of HOME compliance, does it mean they have to keep the home for 15 years. Thul responded that yes, they must be in business for 15 years and every year all of the

affordable housing projects that are HOME funded are supposed to submit a rental housing report to the City and have to track every tenant, their lease terms and they have to meet all the HOME requirements. The City reviews the tenant selection criteria and other such things every year. She added ideally a shorter compliance period is usually easier for people who are just getting started. Thul added she met with Shirley Tramble from Unlimited Abilities today at the closing of their FY21 project so they now have five more units to fill which is exciting. However, as Kubly notes in her memo, the second funding round would timeout well to give them a chance to get the first project with five new units leased up. Thul is working with Tramble on making sure their lease meets the requirements for compliance and making sure their tenant selection criteria is okay so it'll be easier as things get up and running.

Lewis asked if there was a conflict of interest for Commissioner Vogel with Unlimited Abilities since his organization manages some of their properties. Vogel said that was discussed at the last meeting and it was discussed with the City legal department and they said there is not a conflict of interest due to the relationship with a secondary party on a different deal.

Alter noted they do have the ability to fully fund because they have the money however it seemed that on the one hand there was the desire to acquire more houses but was there a staffing consideration. Thul noted they do have a small staff. Alter noted Unlimited Abilities has done a really wonderful job in a short amount of time becoming a player and in helping with this need in the community.

Vogel does question that one of the comments in the memo was Tramble was interested in possibly increasing it to 200 or maybe 150 from the 125 so perhaps pushing this back to the next funding round would allow Unlimited Abilities to come back with the proof of the 25% matching funds, as well as being able to come back and ask for the \$150,000 amount which is what they're aiming for at this point because of the increase in home prices in the area.

Drabek is a little reluctant to speculate too much on what they might need later, the application in front of them is for \$125,000 and he favors that.

Lewis noted the lower score on her end was the fact that they had no matching funds and nothing else to support what they wanted to do. She definitely could go either way but does like the fact of them coming back with some additional funding to support their efforts.

Mohammed is in favor of fully funded this organization as long as they have enough money.

Nkumu reiterated he is not against funding Unlimited Abilities, he just feels it is their role to also make sure that they put the agency in the best position to be successful when they're asking for public funds and he didn't feel like, at least for this round, that Unlimited Abilities was ready to receive the funds and this would not put them in the best position to be successful in the future. They have not found a property, and he is unsure what they can buy for \$125,000 unless there will be money coming somewhere else. So perhaps if they ask them to come back the next round it will be just to help them put everything together and make sure they are on the right pace or direction for the next funding that they will receive.

Vogel motioned to recommend that Council fully fund all three FY22 CDBG/HOME funding requests as submitted. Motion was seconded by Aguilar, a vote was taken and the motion passed 7-1 (Nkumu opposed and Lewis abstained).

FY22 CDBG/HOME Budget Recommendation			
Project	Requested	CDBG	HOME
Unlimited Abilities Rental Acquisition	\$125,000	\$0	\$125,000
NCJC Public Facilities	\$37,242	\$37,242	NA
Shelter House Public Facilities	\$225,000	\$225,000	NA

Total Allocation:		\$262,242	\$125,000
Total Expected Available:		\$339,000	\$426,000
Remaining Available for 2 nd Funding Round:		\$76,758	\$301,000

DISCUSS FY22 EMERGING AID TO AGENCIES (EA2A) FUNDING REQUESTS AND CONSIDER BUDGET RECOMMENDATION TO CITY COUNCIL:

Padron stated this is for the Emerging Aid to Agencies funding requests and considered budget recommendations to City Council. They began by discussing the requests and the amounts each Commissioner recommended. The maximum amount available is \$30,000.

After reviewing all members recommendations, the median is \$5,000 for the Sudanese Community, \$15,000 for the Center for Worker Justice, \$6,000 for the Dream City and \$5,000 for the Corridor Community Action Network. If they do averages, it would be \$5,000 for the Sudanese Community, \$12,222 for the Center for Worker Justice, \$6,000 for the Dream City, and less than \$5,000 for the Corridor Community Action Network.

Alter advocated for a higher amount on Dream City as they are really filling a niche that is much needed, and they sent additional information noting this is to help with some programming that is already in place and to help with staff. Because of COVID the programming is being done differently than they usually do, which is in person, but this is truly a community center where there is a lot of good being done and there's the need to continue and maintain this. Also, while this is an emerging agency they have done a lot of funding through private fundraising and through volunteer efforts.

Drabek stated this is the application out of the four that he was by far the most confused and undecided about. He agrees the mission is great and it's a great organization, but the request was really for staff salary and is that a typical request and if it is a typical request then he would be happy to go well above \$5,000.

Alter noted she thought that was actually the concern and the issue when Houses to Homes went to Council because they said this should have actually come through HCDC and that was for salary. That was a viable and legitimate avenue of inquiry and it should have come through emerging agencies.

Lewis noted they all get caught up in wanting to demonstrate and show that services are being provided and that things are happening within an agency and programming and all of that stuff but they sometimes fail to realize that they need staff to be able to do that so when there's an ask that's specific for staff, sometimes that that can be really questioned. If this funding is supporting and ask specific for staff, then she thinks that they should up the amount and do what they can to support it. Aguilar agreed.

Alter stated in order to bump up the Dream City allocation, that would mean taking away from another agency in terms of the average that the Commissioners were recommending.

Vogel asked where the \$30,000 limit comes from, there is so much more funding given to CDBG and HOME so \$30,000 just seems almost like scraps from the table to emerging agencies. Also he noted for the Corridor Community Action Network, he is not sold on a retail outlet for a clothes location, it's just not feasible. They do have the other grants for the mobile unit so he could see not funding them now. However, if they came back as they get their mobile closet going and ask for \$10,000 for the mobile closet he could see himself supporting that.

Padron stated the Commission set up that amount of \$30,000 and if they want to increase the amount the legacy agencies will have less. Kubly said for emerging agencies they can go up to 5% of the total agency's funding, which ends up being \$34,762 so they can increase up to that point but it's going to

reduce the legacy pool funding a little bit. Drabek is against increasing the emerging agency amount as it would just come directly from the legacy agency pool.

Kealey agreed if they wanted to increase Dream City she would be willing to talk about reducing the funding amount to the Corridor Community Action Network or the Sudanese American Community Services.

Drabek noted there were three people who recommend zero funding on Corridor Community Action Network and the Sudanese American Community Services scores were very scattered, definitely some high scores and some low scores there.

Kubly noted she did include the social justice and racial equity grant recommendations in the Commission packet and the Corridor Community Action Network applied this year but weren't awarded funding this year. They may also apply for the climate action grants, that one is still underway.

Padron noted the Corridor Community Action Network also talked about changing the main idea and putting money into mobile closet so maybe they need more time to understand what is it that they want to do and how much money they need, and if it's really feasible then they can apply next time. Then that would provide more funding for the Dream City.

Alter suggested awarding Dream City \$10,000 and then spread lower amounts among the others. She was trying in the spirit of emerging money to give some to Corridor Community Action Network as encouragement and did actually put a lot more stock into the mobile plan than the retail one. Also with the Sudanese American Community Services they discussed the ask for iPads and how that is a concrete use for that money and how it will help that community a great deal.

Amanda Nichols (Corridor Community Action Network) explained their original plan was for the mobile closet and that was their original goal. They submitted the other grant application first and since they are new to the process, they were not sure if they could submit the exact same project for two different grants. She reiterated the mobile closet is the one that they are most wanting to move forward with.

Alter stated she does think that mobile closet is a very workable idea but would like to see an application with that idea, not another idea and then change it.

Mohammed is in favor of funding for the Corridor Community Action Network. He thinks they are not only helping the community, but also helping the environment. He is open to amending his allocation by moving money from the Center for Worker Justice in favor to Dream City.

The Commissioners discussed reallocations of funds.

Lewis motioned to recommend that Council fund FY22 Emerging Aid to Agencies at the following levels. Alter seconded the motion, a vote was taken and the motion passed 9-0

FY22 Emerging Aid to Agencies Budget Recommendation		
Project	Requested	eA2A
Sudanese American Community Services	\$15,000	\$5,000
Center for Worker Justice	\$15,000	\$15,000
Dream City	\$15,000	\$10,000
Corridor Community Action Network	\$14,891	\$0
Total:		\$30,000

DISCUSS COMMUNITY DEVELOPMENT WEEK ACTIVITIES:

Thul stated for the Community Development week activities there is the packet within the agenda packet from the National Community Development Week toolkit. Kubly discussed what's done usually and what might be done now because of COVID. Community Development Week is an opportunity to let the community know about the funding, CDBG and HOME funding, and why it's important to the community. Some communities try to focus on elected officials, promoting what they do with the money so that they know to increase the budget in the future. In the past, the City has done a tour of projects, which was good they won't be able to do that this year due to COVID. Perhaps they could do something on social media, and work with the City's Communications Department. They could do like a video and post it on City's Facebook page. If anyone on the Commission has ideas or want to get involved to promote the CDBG and HOME programs during Community Development Week let staff know. Also they always do a proclamation at the Council meeting so they'll need someone that is willing to accept that on behalf of HCDC, that will be at the April 6 meeting. Padron will accept it as chair.

IOWA CITY COUNCIL MEETINGS UPDATES:

Padron noted due to this meeting being earlier there are no reports for this month, so at the next meeting they can do the March update.

Kubly noted in April the Council meetings are going to be moved ahead and the work sessions are going to start at four and the meeting is going to start at six.

Nkumu gave a report on the affordable housing steering committee. He noted they met last Monday and that meeting was mostly just to go over the reports and give the committee a bunch of information to read. The next meeting will be forming subcommittees. They did discuss getting the public input on affordable housing and basically review all current policies.

HOUSING & COMMUNITY DEVELOPMENT INFORMATION:

Thul stated the next meeting is back on a normal schedule and will be April 15th. The funding recommendations made today will go to Council and then at the next HCDC meeting in April the Commission will review the FY22 Action Plan.

Thul is interested in feedback on the scoring process, and the whole funding recommendation process that they just went through. This can be discussed at an upcoming meeting or members can email her privately.

Padron noted this process was extremely easy compared to what it could be some years, which was good for the new Commissioners but warned them to be prepared because sometimes this process can be extremely difficult and heartbreaking to have to say no to some agencies because of limited funding. She feels they need to talk about the questions in applications at an upcoming a meeting or maybe have a working session to work through the application.

Alter agreed and said it can be intense so they should look over the application so that they're able to then use the best amount of their time. Lewis agreed and also noted there's a difference in looking at the CDBG and HOME funding applications versus the emerging agency applications.

Vogel noted he received an email from constituent thanking him for being on the Commission and with a question about affordable housing, because at some point, during one of our discussions there's was a definition of affordable housing that Iowa City has, which is it's 80% of an adjusted median income paying no more than 30% of income. That that's the definition of affordable housing, but then somewhere else it was discussed that Iowa City defines affordable housing as off the fair market rent value. He asked if they can discuss this in the future and clarify what they are using as affordable housing for numbers. Is

the City Housing Authority using a different definition and is there a way to codify that in the City to where all departments are using that the same definition of affordable housing.

Padron agreed and thinks they should talk about and discuss when they report how many affordable apartments are in the City what is the definition of affordable. The latest numbers on the CAPER a few years ago were too high and wasn't something that should be considered affordable. Padron noted the City hired an outside agency that evaluates the number of affordable houses and they said the City was doing great.

Alter noted the calculation is done on AMI and if is it 80% 60% 40% so they need to actually put real numbers in there, how much is rent and relative to the median to see if there is a disconnect between the two.

Padron stated they should maybe gather some material to study the issue, and then come to a meeting and talk about that.

Kubly noted there is a new housing market analysis drafted recently, it's based on 2019 data, because the 2020 census information isn't out yet, so it's fairly recent but doesn't incorporate any pandemic changes. It is a regional analysis of the housing market and also talks about cost burden, which is where the rent isn't really affordable even though it's the fair market rent.

Vogel would like for staff to send that out and also what from Iowa City Housing Authority is defined as affordable housing.

They will discuss this in more detail at an upcoming meeting

ADJOURNMENT:

Alter moved to adjourn. Drabek seconded the motion and a vote was taken and the motion passed 9-0.

**Housing and Community
 Development Commission**

Name	Terms Exp.	7/16	8/20	9/17	10/15	11/19	1/21	2/18				
Aguilar, Peggy	6/30/22	O/E	X	X	O/E	O/E	X	X				
Alter, Megan	6/30/21	X	X	O/E	X	X	X	X				
Drabek, Matt	6/30/22	X	X	X	O/E	X	X	X				
Kealey, Lyn Dee Hook	6/30/22	X	X	X	O/E	X	O/E	X				
Lewis, Thersea	6/30/23	X	X	X	X	X	X	X				
Mohammed, Nsar	6/30/23	X	X	O/E	X	X	X	X				
Nkumu, Peter	6/30/22	O/E	X	O/E	X	X	X	X				
Padron, Maria	6/30/21	X	X	O/E	X	O/E	X	X				
Vogel, Kyle	6/30/23	X	X	X	O/E	X	O/E	X				

Attendance Record 2020-2021

- Resigned from Commission

Key:

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

BY-LAWS

ARTICLE 1 THE COMMISSION

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

ARTICLE 2 PURPOSE

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

ARTICLE 3 DUTIES

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

ARTICLE 4 MEMBERSHIP

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

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

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

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

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

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

ARTICLE 5 MEETINGS

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

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

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

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

Section E. There shall be no vote by proxy.

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

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

ARTICLE 6 AMENDMENTS

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

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

4d(7)

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

RESOLUTION NO. 17-94

RESOLUTION ADOPTING AMENDED BY-LAWS OF HOUSING AND COMMUNITY DEVELOPMENT COMMISSION AND RESCINDING RESOLUTION NO. 06-348

WHEREAS, the City Council of Iowa City now appoints members to the Housing and Community Development Commission (HCDC) annually in June rather than August; and

WHEREAS, the current HCDC By-Laws approved in Resolution No. 06-348 specify commission members elect a chair and vice chair after new members are appointed to the commission; and

WHEREAS, on January 19, 2017, the HCDC discussed amending Article 4 Membership, Section D of said By-Laws to specify the commission will elect a chair and vice chair in July instead of September; and

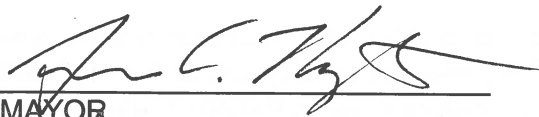
WHEREAS, the HCDC recommended unanimously in favor of amending said By-Laws on February 16, 2017; and

WHEREAS, the Rules Committee approved of the attached amended By-Laws;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF IOWA CITY, IOWA, THAT:

1. The attached Housing and Community Development Commission By-Laws are approved.
2. Resolution No. 06-348 is rescinded.

Passed and approved this 4th day of April, 2017.


MAYOR

ATTEST: 
CITY CLERK

 3-22-17
City Attorney's Office

Resolution No. 17-94
Page 2

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

AYES:	NAYS:	ABSENT:	ABSTAIN:	
<u>X</u>	<u> </u>	<u> </u>	<u> </u>	Botchway
<u>X</u>	<u> </u>	<u> </u>	<u> </u>	Cole
<u>X</u>	<u> </u>	<u> </u>	<u> </u>	Dickens
<u>X</u>	<u> </u>	<u> </u>	<u> </u>	Mims
<u>X</u>	<u> </u>	<u> </u>	<u> </u>	Taylor
<u>X</u>	<u> </u>	<u> </u>	<u> </u>	Thomas
<u>X</u>	<u> </u>	<u> </u>	<u> </u>	Throgmorton



Table of Income and Rent Limits
Community Development Block Grant (CDBG)
HOME Investment Partnerships Program (HOME)

Income Limits
 (effective 7/1/2020)

Household Size	Extremely Low Income	Very Low Income	Low Income	
	30% Median Income	50% Median Income	60% Median Income	80% Median Income
1	\$21,250	\$35,450	\$42,540	\$54,950
2	\$24,300	\$40,500	\$48,600	\$62,800
3	\$27,350	\$45,550	\$54,660	\$70,650
4	\$30,350	\$50,600	\$60,720	\$78,500
5	\$32,800	\$54,650	\$65,580	\$84,800
6	\$35,250	\$58,700	\$70,440	\$91,100
7	\$37,650	\$62,750	\$75,300	\$97,350
8	\$40,100	\$66,800	\$80,160	\$103,650

Rent Limits

	Effective	SRO	Efficiency	1 BDR	2 BDR	3 BDR	4 BDR	5 BDR	6 BDR
Low HOME Rent	7/1/2020	\$528	\$705	\$774	\$1,011	\$1,315	\$1,467	\$1,619	\$1,771
High HOME Rent	7/1/2020	\$528	\$705	\$774	\$1,011	\$1,458	\$1,775	\$2,024	\$2,197
Fair Market Rent	7/1/2020	\$528	\$705	\$774	\$1,011	\$1,458	\$1,775	\$2,041	\$2,308

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 \$80. Rent for a one-bedroom HOME-assisted unit cannot exceed \$694 (\$774-80) 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 utility allowance if included.



Applicant Guide

Iowa City CDBG and HOME Programs

This guide outlines requirements for applicants seeking Community Development Block Grant (CDBG) and/or HOME Investment Partnership (HOME) program funds through the City of Iowa City. The CDBG program helps develop viable urban communities by providing decent housing and suitable living environments, and expanding economic opportunities, principally for persons of low and moderate income. The HOME program helps provide safe and decent affordable housing. Both programs are funded by the U.S. Department of Housing and Urban Development (HUD).

Notes to applicants

- 1) Housing and Community Development Commission (HCDC) strongly encourages all applicants to attend the CDBG/HOME Applicant Workshop (see Application Timeline below).
- 2) First consideration for funding will go to housing (not including Community Housing Development Organizations [CHDO] operating expenses or set aside) and public facility projects of \$50,000 or more.
- 3) The application must be substantially complete for HCDC consideration. HCDC will not review any materials submitted by the applicant after the deadline unless the Commission requests it.
- 4) Please review the City’s Strategic Plan (www.icgov.org/strategicplan) and City Steps 2025 (<https://www.icgov.org/actionplan>) to determine if your project fits into the identified priorities. If so, please identify in the application.

Application Timeline

Due to the circumstances related to COVID-19, all meetings are expected to be virtual and will be held through the Zoom meeting platform.

- | | |
|---|----------------------------------|
| 1) Virtual Applicant Workshop | January 7, 2021 at 11:00 AM |
| 2) (Upon Request) Virtual Applicant Workshop | January 12, 2021 at 3:00 PM |
| 3) Applications Due | January 29, 2021 at 12 PM |
| 4) HCDC Meeting – Question/Answer with Applicants | February 18, 2021 at 6:30 PM |
| 5) HCDC Meeting – Recommendations | March 11, 2021 at 6:30 PM |
| 6) Financial Verification Due | May 3, 2021 at noon |

PART I. Estimated Federal Funding Available

Federal funding has not yet been awarded, so numbers are subject to change. However, the City of Iowa City expects to have available approximately \$1,500,000 in FY22 federal funds (including entitlements and program income) from HUD (excluding CDBG-CV). The City has approximately \$573,000 available for allocation to recipients after Council set-asides have been removed for economic development, housing rehabilitation, CHDO reserve, CHDO operating, administration, neighborhood improvements, and Aid to Agencies. Of this amount, approximately \$348,000 must be used for HOME eligible activities, which focus on affordable housing activities: rehabilitation or new construction of rental housing, tenant-based rent assistance, and homeownership opportunities. The remaining \$225,000 may be used for housing or public facilities projects.

PART II. Application Requirements and Considerations

Applicants should evaluate the following HUD guidelines as well as City policies contained in *City Steps 2025* when considering the proposals, funding estimates, and time schedules for achieving their project goals.

Program Purpose

All proposals must benefit low-moderate income individuals. The specific ways that a project must accomplish the program’s purpose (also called a National Objective) varies by program.

CDBG Funds. At least 51% of those befitting from the program (persons or households) must have incomes at or below 80% of the area median income (AMI) based on household size (see table below). For programs that benefit individual households, all households must earn less than 80% of the median household income.

Applicants must document that its purpose is being met. CDBG allows households to self-certify their income with their signature, though a percentage of beneficiaries must also provide source documentation such as pay stubs or a Social Security statement to verify the household’s income. The City must approve this percentage based on the program and number of beneficiaries – usually set between two and five percent. This source documentation must be kept in the client’s file and is subject to monitoring when City or HUD staff review the client files.

HOME Funds. All activities undertaken with HOME funds must benefit households below 80% AMI, and nearly all assisted units must be targeted to households below 60% AMI.

Median household income limits for projects in Iowa City are as follows:

(effective 7/1/2020)

Household Size	Extremely Low Income	Very Low Income	Low Income	
	30% Median Income	50% Median Income	60% Median Income	80% Median Income
1	\$21,250	\$35,450	\$42,540	\$54,950
2	\$24,300	\$40,500	\$48,600	\$62,800
3	\$27,350	\$45,550	\$54,660	\$70,650
4	\$30,350	\$50,600	\$60,720	\$78,500
5	\$32,800	\$54,650	\$65,580	\$84,800
6	\$35,250	\$58,700	\$70,440	\$91,100
7	\$37,650	\$62,750	\$75,300	\$97,350
8	\$40,100	\$66,800	\$80,160	\$103,650

CDBG allows its purpose to be satisfied by meeting the following criteria:

- a. The activity must be carried out in an area or neighborhood consisting predominantly of low-moderate income persons, or the activity must involve facilities or services designed for use by predominantly low-moderate income persons. Demographic information is available at the Neighborhood & Development Services Department. In some instances, applicants may need to conduct a survey of the potential beneficiaries to determine income eligibility.
- b. Housing that is being improved, as part of a project must be occupied by low-moderate income households.
- c. Job creation or retention as an activity must involve employment of predominantly low and moderate-income persons.

Eligible Activities

Activities that can be carried out with **CDBG funds** include, but are not limited to, the following:

- Acquiring real property, demolishing structures and clearing property, and relocation assistance for residents of property being demolished.
- Rehabilitation or preservation of residential and nonresidential structures, including weatherization, painting, accessibility improvements, emergency repairs and comprehensive rehabilitation.
- Construction of public facilities and improvements, such as water and sewer facilities, infrastructure repairs and installation of curb ramps, construction of neighborhood centers and installation of accessible playground equipment.

Activities that can be carried out with **HOME funds** include the following:

- Acquisition of real property (including Homeownership Assistance), payment of “soft” costs associated with a project, demolition and clearing property, site and infrastructure improvements, and relocation assistance for persons being displaced by a HOME activity.
- Rehabilitation or preservation of residential structures (comprehensive rehabilitation only).
- Tenant Based Rental Assistance (TBRA) for a period of up to 24 months.
- New construction of affordable housing units (rental or owner-occupied).
- Operational expenses and Capacity Building for Community Housing Development Organizations (CHDOs) within the limit of 5% of Iowa City's HOME allocation.

The following types of activities that are ineligible include, but are not limited to, the following:

- Public service eligible activities such as operations or salaries.
- Buildings for general conduct of government and expenses required to conduct the regular responsibilities of local government, e.g. street maintenance, public buildings for government.
- Political, religious and lobbying activities, income payments, such as rent assistance and mortgage payments. HOME only: tenant based rent assistance is an allowable activity.
- CDBG only: New housing construction, except for residential facilities providing shelter for persons with special needs (homeless shelters, convalescent homes, halfway houses, and group homes).
- Purchase of construction equipment.

NOTE: The purchase or lease of furnishings, equipment, or other personal property (such as vehicles) needed for an eligible public service will not be considered under this allocation process. However, these expenses would be eligible under the City's Aid to Agency process. Additional requirements and CDBG award limitations may apply, please contact Neighborhood Services staff to discuss.

Performance Schedule and Payment

Reimbursements can be made after the contract has been formalized. Expenses incurred before July 1, 2021 or before a contract has been entered may not be reimbursable and may jeopardize all the CDBG/HOME funds awarded to the project. Disbursements can be made upon receipt of 1) invoices for labor, materials and services rendered, and 2) signed lien waivers (as appropriate) covering all amounts to be paid. In some instances, pre-agreement costs may be reimbursed to applicants; however, Neighborhood Services staff must be contacted prior to making any pre-agreement disbursements to verify if the cost may be reimbursed. In case of minor cost overruns or requests for additional funding, the City Manager and staff may approve a contract amendment that is non-substantial. In the case of substantial changes (as defined in the Citizen Participation Plan) the Housing and Community Development Commission and City Council must approve the change and an amended agreement is required.

Budget Considerations

In estimating the amount of the proposal or the project budget, applicants should try to obtain documentation for the costs and consider the following expenses:

- Appraisals, legal fees, title opinions and surveying costs for property acquisition projects.
- Building permits, engineering or surveying costs, zoning application fees, professional fees, advertising and bidding costs for rehabilitation and building projects.
- HOME funds are **required** to be matched at the rate of one match dollar for each four HOME dollars or 25% of the HOME funds being requested. The City has made a commitment to match local HOME dollars, however, we also expect applicants for local HOME funds to contribute to meeting this matching contribution (see HOME regulations for eligible forms of match).
- The City requests that applicants leverage private funding, volunteers, and in-kind contributions whenever possible and to include this information on your application. These contributions are worth points in the ranking sheets and are included in HCDC's evaluation of your application.
- Construction estimates should be realistic. Funds remaining after the proposed work is completed will revert to the CDBG line of credit.
- Applicants can apply for grants and/or loans.
- Other project costs such as compliance with HUD regulations (audits, labor standards, environmental studies, fair housing, etc.) listed in Part III below should also be included.

CDBG/HOME EVALUATION CRITERIA



CITY OF IOWA CITY

Points

I. Goal Priority (max. 10 points)

- | | | |
|---|--|-------------|
| 1 | How well has the applicant documented the ability of the project to meet a primary goal identified in <i>City Steps 2025</i> ? | 0-10 Points |
|---|--|-------------|

II. Leveraging Resources/Budget (max. 35 points)

- | | | |
|---|--|------------|
| 1 | Does the project have realistic cost estimates? | 0-5 Points |
| 2 | Does the project leverage community partnerships and/or volunteer resources? | 0-5 Points |
| 3 | Does the project leverage other financial resources? | |

Guide:
 0-25% = 0-6 pts
 26-50% = 7-12 pts
 51-75% = 13-19 pts
 76-99% = 20-25 pts

Subtotal

III. Feasibility/Community Impact (max. 40 points)

- | | | |
|---|---|--|
| 1 | What primary percent of median income persons are targeted? | |
| | | Guide:
0-30%=20 pts
31-50%=15 pts
51-60%=10 pts
61-80%=2 pts |
| 2 | Will the project assist any specific vulnerable populations? | 0-5 Points |
| 3 | Does the project have a reasonable per-person/unit cost compared to other projects of similar scope? | 0-5 Points |
| 4 | Does the project schedule adequately demonstrate the project will be completed within the required time period? | 0-5 Points |
| 5 | Does the project provide a long-term solution to the need identified? | 0-5 Points |

Subtotal

IV Capacity/History (max. 15 points)

- | | | |
|---|---|------------|
| 1 | Has the applicant demonstrated it can successfully complete projects and that the current request is necessary? (i.e. past projects are substantially complete) | 0-5 Points |
| 2 | Does the organization have the capacity to complete the project based on current description of staff? | 0-5 Points |
| 3 | Does the organization's activities and portfolio provide evidence of ability to undertake the project as described? | 0-5 Points |

Maximum Points: 100

TOTAL:

Bonus: Is public facilities project documented in *City Steps 2025*?

5 Points

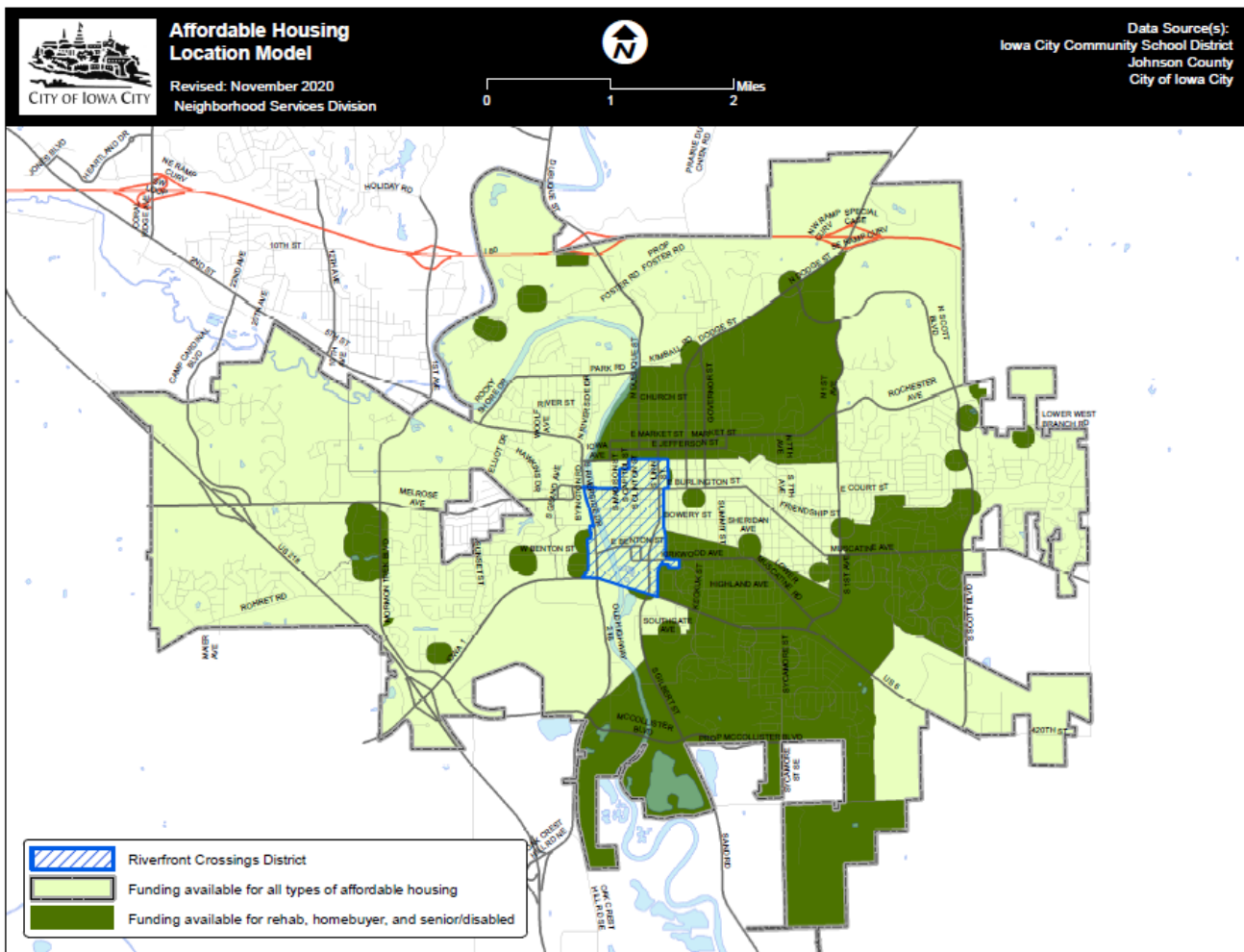
PART III. Housing

Additional Information Requirements. Before an applicant may enter an agreement with the City, the applicant must submit updated information such as, but not limited to, the project schedule, sources and uses statement, construction budget (if applicable), and pro forma (if applicable). All other funding sources must be identified and verification submitted to the City to complete a subsidy layering analysis when multiple public funding sources are utilized.

Appraised Value at Project Completion. Each housing project, except minor home repairs, funded with CDBG and/or HOME funds must have an appraised value at project completion that demonstrates adequate equity to secure any liens.

Site Location. One of the City's goals is to encourage the distribution of housing and residential facilities (e.g. permanent housing – rental and homeownership, transitional housing, homeless shelters, and special needs housing) throughout Iowa City. See the Affordable Housing Location Model map below to view where new City-assisted rental housing may be located. The map is also available at www.icgov.org/actionplan.

Pro Forma. All final applications will require a completed pro forma that abides by the City's rules for project underwriting. See Appendix B on pages 12-13 for specific criteria.



PART IV. Compliance with Federal Regulatory Requirements

All CDBG/HOME contracts include requirements imposed by various Federal-sponsoring agencies. These include procurement standards for labor, materials, supplies and services not only related to the project but also to the applicant's operation.

- No choice limiting actions may be made prior to receiving environmental clearance from the City to move forward with a project. These include but are not limited to include signing contracts, acquisition, demolition, disposition, rehabilitation, repair, new construction, site preparation, and leasing or any other activities that commit to future activities.
- Procurement standards and subcontracting requirements are set forth in 2 Code of Federal Regulations (CFR) Part 200. The following list briefly describes the main points in contracting for services and purchasing supplies and materials.
- Affirmative efforts shall be made to utilize small and minority-owned businesses or sources of supplies and services. Conflict of Interest rules will also apply.
- Construction contracts in excess of \$2,000 shall comply with the Fair Labor Standards Acts. Specifically, 1) the Davis-Bacon Act which requires contractors to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor, 2) Copeland Anti-Kick Back Act which prohibits employers from inducing employees to give up any part of the compensation to which they are otherwise entitled, and 3) the Contract Work Hours and Safety Standards Act which requires contractors to compute wages on the basis of a standard work week of 40 hours. Work in excess of the standard workweek shall be permissible if the worker is compensated at a rate of 1½ times the basic rate of pay for all hours worked in excess of 40 hours in the workweek. No worker shall be required to work in unsanitary, dangerous or hazardous surroundings.
- Contracts over \$10,000 shall contain requirements relating to Equal Employment Opportunity.
- Provisions for termination shall also be included in all contracts.
- Records should be kept for all procurements. Construction projects for more than \$250,000 must utilize the competitive sealed bids (formal advertisement) method of procurement. Procurement by small purchase procedures shall be utilized for projects \$250,000 or less. Contracts under \$10,000 may use the micropurchase method of procurement. Price or rate quotations shall be obtained from an adequate number of qualified sources under this method.
- Contracts in excess of \$25,000 shall contain provisions and conditions that allow for administrative, contractual or legal remedies in instances in which contractors violate or breach contract terms.
- Contracts in excess of \$100,000 shall meet bonding and Section 3 requirements. Minimum bond requirements include: bid guarantee equal to 5% of bid price, performance bond for 100% of contract price and payment bond for 100% of contract price.
- Provisions regarding federal regulations on Non-discrimination, Equal Employment, Affirmative Marketing and Fair Housing.
- Acquisition, Displacement and Relocation are also contained in the Agreement.
- Lead Based Paint regulations regarding interim controls and abatement may also apply.

PART V. Financial Management, Reporting, and Monitoring

Standards for financial management and record keeping are provided in 2 CFR 200. Local accountants and agency directors experienced with federal requirements may be helpful resources.

- Each recipient shall have a financial management system that provides effective control over and accountability for all funds, property, and other assets, must identify the source and application of funds for federally-sponsored activities, and permit the accurate, complete, and timely disclosure of financial results in accordance with the reporting requirements of the City and HUD.
- A separate ledger for the CDBG and/or HOME account is strongly recommended.
- Appropriate time distribution records must be kept for employees paid with CDBG funds in addition to other funds.
- All project-related expenditures must be supported by third party documentation (invoices, contracts, and purchase orders). Lien waivers are required from all contractors and subcontractors.
- Reductions in project costs or increases in the commitment of other funding, if any, shall be brought to the immediate attention of staff. The impacts of these changes must be discussed with staff and appropriate reductions in CDBG and/or HOME funds may be made on a case-by-case basis.

In most cases, a financial audit of the project expenditures will be required. Qualified individuals who are sufficiently independent of the agency and can produce unbiased opinions and conclusions should conduct these audits. Audit reports should be submitted within six months of project completion and final disbursement of funds. Organizations that expect more than \$750,000 in federal assistance from all sources are required to have an audit covering the financial activities of the organization as well as the project disbursements as set forth in 2 CFR 200.

Neighborhood Services staff will monitor all aspects of the project beginning with pre-agreement activities, goal setting to project closeout. Any project changes must be approved by the City. Periodically, Neighborhood Services staff and HCDC members will conduct monitoring visits to review project progress, financial management, construction contracts, time records related to the project, as well as client statistics. Staff will attempt to give reasonable notice prior to the site visit.

The City of Iowa City requires quarterly reports and has a standardized reporting form. For rental and homeownership projects, the applicant must complete project close-out forms and submit to the City upon project completion. The period of affordability does not begin until the City has been notified and the data entered into HUD's information and management system. The compliance period will vary depending upon the regulatory requirements of the CDBG and/or HOME program and the information contained within the CDBG/HOME application. During the compliance period, Neighborhood Services staff will request records relating to the stated purpose of the project to see if goals have been carried out, to review the low and moderate income benefit requirements as established by HUD, and to monitor the financial status of the organization. All notices and reports should be directed to:

Neighborhood Services
410 East Washington Street
Iowa City, IA 52240

For CDBG projects, all records relating to the project should be kept at least four years after the submission of the Consolidated Annual Performance and Evaluation Report (CAPER) in which the activity is reported as complete. The CDBG Agreement should be retained until the end of the compliance period. For HOME projects, all records shall be maintained as required in 92.508 Recordkeeping depending on the type of project (rental, homeownership, or tenant-based rental assistance).

Appendix A: CDBG and HOME Consolidated Policies

The City recognizes the need to utilize Community Development Block Grant (CDBG) and/or HOME Investment Partnership Program (HOME) projects 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 the Housing and Community Development Commission (HCDC) in investing funds and evaluating a project's status and ability to proceed, the following policies shall apply to all projects effective July 1, 2020:

I. Investment Policies

a. Economic Development

Economic development projects making application to the CDBG Economic Development Fund will be reviewed and approved by City staff based on criteria identified in the Applicant Guide. Updates will be provided to the City Council Economic Development Committee periodically.

Typically, for-profit business projects will receive low-interest loans; whereas, non-profits may be recommended for forgivable loans or grants. Decisions regarding investment terms for economic development projects will be made based on the nature of the project including, but not limited to, the risk, potential for growth, the number of and quality of jobs created for low-moderate income persons, the ability to repay a loan and the amount of other funding leveraged. Economic development assistance may be used for direct business funding, or for funding technical assistance for eligible businesses.

b. Housing

Rental Housing. The interest rate for rental housing activities will be zero percent (0%) for non-profit owned projects and prime rate (determined at the time the CDBG/HOME agreement is executed by the City) minus two points for for-profit owned projects with an amortization period up to thirty (30) years or the period of affordability, whichever is less. The City may grant a different interest rate and/or a different repayment option based on the nature of the project including, but not limited to, the revenue generated, the ability to repay a loan, the type of housing provided, the beneficiaries, the amount of other funding leveraged and the location of the site.

Homeownership. Each year Iowa City adopts resale/recapture provisions that apply to all HOME assisted homebuyer projects. The recapture/resale provisions shall be the same for both CDBG and HOME assisted homebuyer projects. These provisions are set forth in the Annual Action Plan for the year the funds were allocated to the Subrecipient/Recipient.

Tenant Based Rental Assistance (TBRA). All HOME funds provided for TBRA will be in the form of a grant.

c. Public Facilities

Public Facility projects as defined in 24 CFR 570.201(c) may be completed by the City and/or subrecipients. Governmental entities (i.e. jurisdictions with taxing authority as provided for in Iowa Code) that conduct CDBG-assisted public facilities projects will receive a grant with a compliance period of five years (60 months). Non-governmental subrecipients will receive a conditional occupancy loan, which the City shall secure through a lien, mortgage, or other comparable security against the assisted real property, to only be repaid upon transfer of title, rental of the property, or termination of services or occupancy as outlined in the applicable CDBG Agreement. If the subrecipient fully satisfies the terms outlined in the applicable CDBG Agreement, the security instrument will be released by the City following the successful completion of the compliance period that begins on the date as listed within the applicable CDBG Agreement. If the real property is leased, the lease shall be for a period that matches or exceeds the compliance term of the earned grant.

The number of years in the compliance period of a conditional occupancy loan will be calculated by dividing the total amount of CDBG assistance allocated to a subrecipient in any one City fiscal year for a public facility project by \$10,000, rounded down. The minimum compliance period is five years (60 months). The maximum compliance period shall be no more than twenty (20) years. For example, \$75,000 in CDBG assistance equals a compliance term of 7 years or 84 months.

d. Public Service

Public Service projects as defined in 24 CFR 570.201(e) shall receive CDBG assistance in the form of a grant with a term of not less than one year (12 months).

II. Unsuccessful and Delayed Projects

HCDC recognizes that from time to time, there may be CDBG and/or HOME projects that do not meet the anticipated schedule for implementation as presented to HCDC. These circumstances may be due to unforeseen events (e.g. unfunded applications for other financing). The following process helps ensure subrecipients use their funds in a timely manner.

1. All CDBG projects carried out by subrecipients will have entered into a formal agreement with the City of Iowa City for the utilization of funds by September 30 each year. Should a subrecipient fail to meet this schedule, 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 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 Low Income Housing Tax Credits) carried out by subrecipients 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 subrecipient with approximately 255 days following the start of the fiscal year to reach this threshold for CDBG projects. Should a recipient fail to meet this threshold, the project will be reviewed by HCDC to evaluate the timeliness of the project and its ability to proceed. If extenuating circumstances exist, a new timeline for expenditure will be established. If circumstances do not warrant an extension of time, HCDC may recommend the recapture and reuse of the funds to City Council.
3. All HOME projects carried out by subrecipients will have entered into a formal agreement with the City of Iowa City within two years of award (24 months). All HOME funds must be spent within five years. Should a subrecipient fail to show adequate progress towards meeting the schedule as identified in its application or the statutory requirements of the HOME program, the project will be reviewed by HCDC. If a HOME recipient is unsuccessful in obtaining funds identified in the application, HCDC will review the project and determine its viability without the proposed funds. HCDC may recommend the recapture and reuse of the funds to City Council.

III. Allocation of Uncommitted Funds

The City may have uncommitted CDBG or HOME funds that become available after the regular funding round either through windfall income, project cancellation, or additional funds provided by HUD. In most cases, funds will be retained for the next regular funding round and/or be used for administrative amendments of existing projects. In the event uncommitted funds exceed \$150,000, HCDC may choose to:

1. Provide funding to existing projects that did not receive full funding and/or to projects that submitted applications but did not receive CDBG/HOME funding, up to their full request; or
2. Hold a special funding round to solicit and fund new proposals.

If funds shall be provided to existing and/or unfunded project, applicants will be notified of the availability of funds and asked to provide a written request for funds and how they will utilize them for their original request. If new projects are being considered, HCDC must publish notice of funding availability and proceed with a formal application process. In all cases the public must be given the opportunity for comment on the proposed use of funds in accordance with the City's adopted Citizen Participation Plan.

APPENDIX B: PRO FORMA INSTRUCTIONS

The Full Housing Application, as in the past, requires the developers of rental housing projects to complete and submit a proforma for the project being proposed. The purpose of this proforma is to demonstrate that the Project is financially feasible and viable using the least amount of City funding and to help staff to make informed decisions on the allocation of local HOME and/or CDBG funding.

All applicants for rental housing (including rehabilitation projects) are required to complete the attached proforma with the full application. This form will provide the needed information in a format that is uniform among all applicants. The following are instructions for completing this form and some basic “rules of thumb” for your consideration. This form allows for up to 20 years of information, though only needs to be filled out through the period of affordability. Additional underwriting is also required prior to signing an agreement for funds.

If you have any questions about the form or need technical assistance, please call Community Development staff at 319-356-5230. *****Fields shown in “grey” are for number entry when using the excel spreadsheet*****

Revenues [Income escalates at 2% as calculated in the spreadsheet; consistent with the Fair Market Rent (FMR) increases for Iowa City]

- Line 1 Gross Rent: Is the total amount of rent generated from the housing units, based on proposed rent levels and expected utility allowance deductions for tenant-paid utilities (proposed rents may be less than FMRs but cannot exceed FMRs).
- Line 2 Other Income: Include laundry income, application or pet fees, and interest income.
- Line 3 Tenant Contributions: Include other payments such as rent for parking or storage space.
- Line 4 Gross Income: Is the sum of Lines 1 through 3.
- Line 5 Vacancy Loss: Line 1 multiplied by 5% (may be increased up to 10% depending on Applicant's past performance in managing units).
- Line 6 Effective Gross Income: Line 4 minus Line 5.

Operating Expenses [Inflation escalator at 3% as calculated in the spreadsheet]

- Line 7 Insurance: Estimated insurance expense from an agent or similar property.
- Line 8 Maintenance & Structural Repairs: Repairs and replacements are typically 1% of the property's value, though varies depending on building age, condition, size, and use.
- Line 9 Management Fees: May not exceed 10% of Annual Gross Rent, typically 5% to 7%.
- Line 10 Misc. Operating Expenses: legal, accounting, advertising, owner-paid utilities, etc.
Sum of Lines 7-10 shall be no less than \$3,700/unit; SRO properties in single family homes shall be considered 0.3 units each
- Line 11 Property Tax: Estimate available from City Assessor or Johnson County records.
- Line 12 Reserves: **Operating reserve no less than \$400/unit. If new construction, include a rent-up reserve for Year 1 of gross monthly rent for all units x 3 months)**
- Line 13 Total Operating Expenses: **Sum of Lines 7 through 12.**

Net Operating Income

- Line 14 Net Operating Income: Line 6 minus Line 13.

Debt Service [list mortgage payments for principal and interest only]

- Line 15 Debt Service for 1st Mortgage.
- Line 16 Debt Service for Subordinate Mortgage(s): Total payments for all junior mortgages.
- Line 17 Total Debt Service: **Sum of Lines 15 and 16** (should not be less than 87% of Line 14).

Cash Flow Available for Distribution

Line 18 Cash Flow: Line 14 minus Line 17.

Line 18B Equity Investment: Amount of funds being invested in the project by the project developer\ sponsor. This does not include the equity raised through the sale of Low Income Housing Tax Credits as they are accounted for on Line 33. A minimum contribution of \$100 is required.

Cash on Cash Return on Investment [shows return to developer or investors on their equity contribution before taxes or tax credits are included]

Line 19 Cash on Cash ROI: Line 18 divided by equity investment as shown on the application.

Debt Coverage Ratio

Debt Coverage Ratio (DCR): Ratio of estimated net operating income to debt service. Line 14 divided by line 17. After year 3, DCR shall be no less than 1.20 or over 1.60 during the affordability period. Encourage 1.20-1.50.

Determining Taxes

Line 20 Cash Flow: Carry over the figure from Line 18.

Line 21 Depreciation Expenses: Annual depreciation of property (27.5 year straight-line schedule).

Line 22 Amortization of Fees: Annual amortization of project fees (15-year straight-line schedule).

Line 23 Principal Payments: Calculate the amount of principal paid on all loans for each year.

Line 24 Reserves: Carry over the figure from Line 12.

Earnings (Loss) Before Taxes

Line 25 Earnings Before Tax: Equals (Line 20 minus Lines 21 and 22) plus Lines 23 and 24.

Taxes

Line 26 Tax Rate: Use 35% tax rate for for-profit organizations and 0% for nonprofits.

Line 27 Taxes Incurred (Saved): Line 25 multiplied by Line 26.

Cash Flow After-Tax

Line 28 Cash Flow: Carry over figure from Line 20.

Line 29 Taxes Incurred (Saved): Carry over figure from Line 27.

Line 30 Cash Flow After-tax: Line 28 minus Line 29.

Total Benefit Analysis

Line 31 Cash Flow After-tax: Carry over figure from Line 30.

Line 32 Rehabilitation Tax Credits: Calculate full value of rehab tax credits.

Line 33 Low Income Housing Tax Credits: Calculate full value of LIHTC annually for each of the 1st 10 years.

Line 34 Net Sale Proceeds: In year 20, calculate the estimated future market value of the property by taking the total cost of the project as presented in this application and compound it by 2% for each year. Place this amount on line 34.

Line 35 Net Cash Flow After-tax: Equals the sum of Lines 31 through 34.

Line 36 Return on Investment: Equals the Net Cash Flow After Tax divided by the Equity Investment.



WHERE

Electronic Zoom Meeting

The forum is being held via Zoom due to concerns presented by COVID-19

You can participate and comment during the forum by going to the Zoom meeting registration link:

https://zoom.us/webinar/register/WN_ZFn-3rzfSDu3mGtMxEYL9w
Meeting ID: 958 2886 0275

COMMUNITY POLICE REVIEW BOARD COMMUNITY FORUM

The Community Police Review Board will be holding a Community Forum for the purpose of hearing views on the policies, practices and procedures of the Iowa City Police Department.

DISCUSSION REGARDING PROPOSED CHANGES TO THE CPRB AND THE RESTRUCTURING OF THE POLICE DEPT. TOWARD MORE COMMUNITY POLICING

AND

MEET THE NEW POLICE CHIEF DUSTIN LISTON

QUESTIONS & COMMENTS:

Send your questions or comments you'd like addressed at the forum to the following by Monday, May 3, 2021:

Please include full name and address. (All correspondence is public)

CPRB
City of Iowa City
410 E Washington St, 52240

Or e-mail to:
CPRB@iowa-city.org

DATE

MAY 17, 2021

TIME

5:30 p.m.

The Board will attempt to address all correspondence received. The forum will be taped for rebroadcast.

View assistance for SAM.gov



A NEW WAY TO SIGN IN - If you already have a SAM account, use your SAM email for login.gov. Log In

LogIn.gov FAQs

- ALERT: Each entity registration expiring between April 1 and September 30, 2021 will have an additional 180 days added to its expiration date. Read more about the extension on [Interact](#)
- ALERT: SAM.gov will be down for scheduled maintenance Saturday, 04/10/2021 from 8:00 AM to 1:00 PM.

Search Results

Current Search Terms: LITTLE CREATIONS ACADEMY, INC.*

Total records: 1

Save PDF Export Results Print

Result Page: 1 Sort by Relevance Order by Descending

Your search for LITTLE CREATIONS ACADEMY, INC.* returned the following results...

Entity: **LITTLE CREATIONS ACADEMY, INC.** Status: **Active**

DUNS: **104879761** CAGE Code: **8WYH8** [View Details](#)

Has Active Exclusion?: **No** DoDAAC:

Expiration Date: **03/11/2022** Debt Subject to Offset?: **No**

Purpose of Registration: **Federal Assistance Awards Only**

Result Page: 1

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