

6. Annual Plan

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 such undertakings.

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	Federal	Acquisition, Admin and Planning, Economic Development, Housing, Public Improvements, Public Services	\$571,062	\$100,000		\$671,062	\$2,172,297	Amount for remainder of Strategic Plan is estimated assuming a 2% decline each year.
HOME	Federal	Acquisition, homebuyer assistance, rehab, construction, rehab, TBRA	\$321,280	\$100,000		\$421,286	\$1,222,136	Amount for remainder of Strategic Plan is estimated assuming a 2% decline each year.
GRIP	City General Obligation Bonds	Low-interest loans for homeowners	\$200,000	\$0		\$200,000	\$800,000	
UniverCity Project	City General Fund	Owner-occupied rehab in neighborhoods near the University	\$200,000	\$0		\$200,000	\$800,000	Amount estimates \$1,000,000 in general funds during the next five years.

Table 30 - Expected Resources – Priority Table

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

The City will remain active in encouraging applicants and sub-recipients to obtain other public and private resources. The City and its sub-recipients were able to leverage CDBG and HOME funds at a rate of over \$2.69 in non-formula funds for every \$1 of formula funds in FY 2014. 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

The City is not involved with land banking and has a limited amount of resources available to acquire, assemble, and dispose of sites for the purpose of expanding affordable housing and employment opportunities. Currently, two parcels may be available for such development.

AP-20 Annual Goals and Objectives

Sort Order	Goal Name	Start Year	End Year	Category	Needs Addressed	Funding	Goal Outcome Indicator
1	Improve the quality of owner housing	2016	2020	Affordable Housing	Preserve Existing Affordable Housing Units	CDBG: \$235,000 HOME: \$90,000	Homeowner Housing Rehabilitated: 60 Household Housing Unit
2	Improve access to affordable owner housing	2016	2020	Affordable Housing	Expanding Affordable Rental/Owner Housing	HOME: \$10,000	Direct Financial Assistance to Homebuyers: 1 Households Assisted
3	Improve quality of affordable rental units	2016	2020	Affordable Housing Homeless	Preserve Existing Affordable Housing Units	HOME: \$100,000	Rental units rehabilitated: 3 Household Housing Unit
4	Increase the supply of affordable rental housing	2016	2020	Affordable Housing	Expanding Affordable Rental/Owner Housing	HOME: \$132,000	Rental units constructed: 2 Household Housing Unit
5	Improve access to affordable renter housing	2016	2020	Affordable Housing Homeless	Expanding Affordable Rental/Owner Housing & Services for Homeless/Those at Risk	HOME: \$75,000	Tenant-based rental assistance / Rapid Rehousing: 10 Households Assisted
6	Improve and maintain public facilities	2016	2020	Public and neighborhood facility improvement	Public Facility Improvements	CDBG: \$80,000	Other: 2 Other
7	Provide public services	2016	2020	Non-Homeless Special Needs	Public Services Economic Development	CDBG: \$100,000	Other: 3 Other
8	Improve/maintain public infrastructure/amenities	2016	2020	Public and neighborhood facility improvement	Infrastructure Maintenance & Improvement	CDBG: \$75,000	Other: 2 Other
9	Strengthen economic development	2016	2020	Non-Housing Community Development	Economic Development	CDBG: \$10,000	Businesses assisted: 1 Businesses Assisted
10	Remove slum and blight	2016	2020	Non-Housing Community Development	Economic Development	CDBG: \$40,000	Businesses assisted: 1 Businesses Assisted
11	Planning and administration	2016	2020	Program admin	Planning & Administration	CDBG: \$131,210 HOME: \$42,130	Other: 1 Other

Table 31 – Goals Summary

Goal Descriptions

1	Goal Name	Improve the quality of owner housing
	Goal Description	Rehab of existing owner-occupied units
2	Goal Name	Improve access to affordable owner housing
	Goal Description	Assistance for new homeowners
3	Goal Name	Improve quality of affordable rental units
	Goal Description	Rehab of existing renter-occupied units
4	Goal Name	Increase the supply of affordable rental housing
	Goal Description	Construction of new renter-occupied units
5	Goal Name	Improve access to affordable renter housing
	Goal Description	Assistance for renters
6	Goal Name	Improve and maintain public facilities
	Goal Description	Upgrading and expansion of public facilities.
7	Goal Name	Provide public services
	Goal Description	Increase the effectiveness of physical investments that improve conditions for the elderly, youth, low-income persons, and other special populations.
8	Goal Name	Improve/maintain public infrastructure/amenities
	Goal Description	Improving or replacing outdated and deteriorating infrastructure
9	Goal Name	Strengthen economic development
	Goal Description	Direct technical and business assistance
10	Goal Name	Remove slum and blight
	Goal Description	Facade improvement program
11	Goal Name	Planning and administration
	Goal Description	Administrative and planning costs to operate the CDBG and HOME programs successfully.

AP-35 Projects – 91.220(d)

Introduction

The following project information for FY 2016 provides a comprehensive overview on the ranges of CDBG and HOME activities.

Projects

#	Project Name
1	CHARM Homes LLC, Affordable Rental Housing
2	DVIP Shelter, Communal Bathroom and Door Rehabilitation
3	Mayor's Youth Empowerment Program Home Project
4	Broadway Neighborhood Center Improvements, Phase II
5	Systems Unlimited Inc., 2016 Iowa City Housing Project
6	The Housing Fellowship, CHDO Operation Funds
7	The Housing Fellowship, Sabin Townhomes
8	Iowa City Owner-Occupied Rehab
9	Crisis Center, Emergency Assistance Program
10	Neighborhood Centers of Johnson County
11	Domestic Violence Intervention Program
12	Streetscape Improvements - Tract I8
13	Streetscape Improvements - UniverCity URA
14	CDBG & Home Administration

Table 32 - Project Information

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

Iowa City is committed to allocating funds that serve the needs of low- to moderate-income (LMI) residents. Households with incomes less than 50% of the area median income (AMI), particularly those with extremely low-incomes (less than 30% of AMI), are higher priorities. The City has also identified special needs individuals 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, the elderly, and persons with disabilities.

In order 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 priorities identified in the CP were developed by:

- Weighing the severity of the need among all groups and sub-groups
- Analyzing current social, housing, and economic conditions
- Analyzing the relative needs of low- and moderate-income families
- Assessing the resources likely to be available over the next five years, and
- Evaluating input from focus group sessions, interviews, service provider surveys, City staff, and public hearings.

Iowa City will invest its CDBG and HOME funds in areas primarily impacted by non-student LMI persons. Several of the City's LMI census areas are located in the downtown area and include the University of Iowa and a significant rental housing stock that is predominantly occupied by 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 will be focused in areas that are home to families, the elderly, the disabled, and the homeless. The City's provision of funding for new construction and acquisition of affordable housing will continue to be governed by its Affordable Housing Location Model.

The primary obstacle to meeting underserved needs is the limited resources available to address identified priorities. Iowa City will partner with other public agencies and non-profit organizations, when feasible, to leverage resources and maximize outcomes in housing and community development.

AP-38 Project Summary

1	Project Name	CHARM Homes LLC, Affordable Rental Housing
	Target Area	
	Goals Supported	Increase the supply of affordable rental housing
	Needs Addressed	Expanding Affordable Rental/Owner Housing
	Funding	CDBG: \$61,650
	Description	The applicant proposes to acquire two properties with four single room occupancy units each for a total of eight units. Targeted groups are the elderly and those with disabilities.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	8 units for elderly and those with disabilities. 0-30% MFI: 75 percent 31%-50% MFI: 25 percent
	Location Description	
	Planned Activities	Property acquisition
2	Project Name	DVIP Shelter, Communal Bathroom and Door Rehabilitation
	Target Area	
	Goals Supported	Improve and maintain public facilities
	Needs Addressed	Public Facility Improvements
	Funding	CDBG: \$116,256
	Description	Applicant requests funds to rehabilitate two communal (multi-stall) bathrooms and replace doors to bedrooms and offices.
	Target Date	5/31/2016

	Estimate the number and type of families that will benefit from the proposed activities	0-30% MFI: 76% 31-50% MFI: 15% 51-80% MFI: 5% Over 80% MFI: 4%
	Location Description	
	Planned Activities	Housing rehabilitation
3	Project Name	Mayor's Youth Empowerment Program Home Project
	Target Area	
	Goals Supported	Increase the supply of affordable rental housing
	Needs Addressed	Expanding Affordable Rental/Owner Housing
	Funding	CDBG: \$60,000
	Description	Acquisition of one property containing three bedrooms; location to-be-determined.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	3 persons with disabilities. 0-30% MFI: 100%
	Location Description	
	Planned Activities	Property acquisition
4	Project Name	Broadway Neighborhood Center Improvements, Phase II
	Target Area	
	Goals Supported	Improve and maintain public facilities
	Needs Addressed	Public Facility Improvements
	Funding	CDBG: \$94,140

	Description	Project consists of finishing the basement remodel to add an office and new entrance to the preschool room. Also includes repairs to the front door and parking lot.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	0-30% MFI: 77% 31-50% MFI: 8% 51-80% MFI: 6% Over 80% MFI: 9%
	Location Description	2105 Broadway Street
	Planned Activities	Remodeling and rehabilitation
5	Project Name	Systems Unlimited Inc., 2016 Iowa City Housing Project
	Target Area	
	Goals Supported	Increase the supply of affordable rental housing
	Needs Addressed	Expanding Affordable Rental/Owner Housing
	Funding	CDBG: \$184,000
	Description	Construction of one rental property with three SRO units; location to-be-determined.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	3 households with disabilities. 0-30% MFI: 100%
	Location Description	
	Planned Activities	New construction
6	Project Name	The Housing Fellowship, CHDO Operation Funds
	Target Area	

	Goals Supported	Improve access to affordable renter housing
	Needs Addressed	Preserve Existing Affordable Housing Units
	Funding	HOME: \$16,000
	Description	9.5% of administrative budget
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	THF now owns and manages 165 affordable rental units occupied by low-income households.
	Location Description	322 E 2nd Street, Iowa City
	Planned Activities	General operations
7	Project Name	The Housing Fellowship, Sabin Townhomes
	Target Area	
	Goals Supported	Increase the supply of affordable rental housing
	Needs Addressed	Expanding Affordable Rental/Owner Housing
	Funding	HOME: \$300,000
	Description	The applicant proposes to acquire three newly constructed two-bedroom townhomes in Sabin Townhomes, a 28-unit condo development in Riverfront Crossings.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	3 low-income households. 61-80% MFI: 100%
	Location Description	509 S. Dubuque Street
	Planned Activities	Property acquisition

8	Project Name	Iowa City Owner-Occupied Rehab
	Target Area	
	Goals Supported	Improve the quality of owner housing
	Needs Addressed	Preserve Existing Affordable Housing Units
	Funding	CDBG: \$235,000 HOME: \$90,000
	Description	Provide rehabilitation services to low-to-moderate income homeowners. Services include comprehensive rehabilitation, exterior rehabilitation, emergency repair, accessibility, mobile home repairs and energy efficiency.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	22 low-income households
	Location Description	Citywide
	Planned Activities	Housing rehabilitation
9	Project Name	Crisis Center, Emergency Assistance Program
	Target Area	
	Goals Supported	Provide public services
	Needs Addressed	Housing & Services for Homeless/Those at Risk
	Funding	CDBG: \$40,000
	Description	Provide operational funding (staff salaries) to operate the Emergency Assistance Program for those in crisis.
	Target Date	5/31/2016

	Estimate the number and type of families that will benefit from the proposed activities	Approximately 800 individuals
	Location Description	
	Planned Activities	General operations
I0	Project Name	Neighborhood Centers of Johnson County
	Target Area	
	Goals Supported	Provide public services
	Needs Addressed	Public Services
	Funding	CDBG: \$15,000
	Description	Agency provides licensed child care to approximately 1,100 low income children at their Broadway and Pheasant Ridge Centers.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 400 low-income children
	Location Description	Broadway and Pheasant Ridge Centers
	Planned Activities	General operations
II	Project Name	Domestic Violence Intervention Program
	Target Area	
	Goals Supported	Provide public services
	Needs Addressed	Housing & Services for Homeless/Those at Risk
	Funding	CDBG: \$45,000

	Description	Provide operational funding to operate shelter for victims of domestic abuse.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 225 individuals
	Location Description	
	Planned Activities	General operations
12	Project Name	Streetscape Improvements - Tract 18
	Target Area	
	Goals Supported	Improve/maintain public infrastructure/amenities
	Needs Addressed	Infrastructure Maintenance & Improvement
	Funding	CDBG: \$75,000
	Description	Construction of curb cuts truncated domes for increased accessibility, and other general streetscape improvement activities.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Streetscape and accessibility improvements
13	Project Name	Streetscape Improvements - UniverCity URA
	Target Area	
	Goals Supported	Improve/maintain public infrastructure/amenities

	Needs Addressed	Infrastructure Maintenance & Improvement
	Funding	CDBG: \$50,000
	Description	Streetscape and accessibility improvements, including construction of curb cuts truncated domes for increased accessibility.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Streetscape and accessibility improvements
I4	Project Name	CDBG & Home Administration
	Target Area	
	Goals Supported	Planning and administration
	Needs Addressed	
	Funding	CDBG: \$131,210 HOME: \$42,130
	Description	Administrative and planning costs to operate the CDBG and HOME programs successfully.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	

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

Iowa City will invest its CDBG and HOME funds in areas primarily impacted by non-student LMI persons. Several of the City's LMI census areas are located in the downtown area and include the University of Iowa and a significant rental housing stock that is predominantly occupied by 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 will be focused in areas that are home to families, the elderly, the disabled, and the homeless.

In order 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, which has three goals:

- 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 model mathematically combines seven factors, including distance to existing subsidized family rental housing, income, sales prices, school mobility and performance, poverty, and crime density, and sets threshold scores below which funding for rental housing construction or acquisition should not be available.

The affordable housing location model, now frequently cited as a best practice, has been successful in achieving its intended objective of not placing additional assisted rental housing in areas of concentrated poverty and other factors.

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.

Rationale for the priorities for allocating investments geographically

In light of the limited amount of CDBG funds available to the City, not all the City's housing and community development needs can be addressed over the next five years. Therefore, priorities must be established to ensure that scarce resources are directed to the most pressing housing and community development needs. The neighborhood-level focus for non-housing community development needs within income-eligible areas reflects the City's desire to create appreciable and lasting living environment improvements given limited funds, and the specific geographic targeting of new family rental housing reflects the need to affirmatively further fair housing by directing this type of development to a broader range of neighborhoods, combating existing segregated settlement patterns.

AP-55 Affordable Housing – 91.220(g)

Introduction

The City will use HOME funds and a portion of CDBG funds for new affordable housing and to rehabilitate existing housing units. The special needs population will be served through the rehabilitation of an existing structure for rental housing. The homeless population will be served through assistance grants to local service providers. Therefore, these two groups do not have easily quantifiable goals.

The one year goals noted below have been extrapolated from the table included in SP-45.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	43
Special-Needs	0
Total	43

Table 33 - 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	2
Rehab of Existing Units	24
Acquisition of Existing Units	14
Total	40

Table 34 - One Year Goals for Affordable Housing by Support Type

AP-60 Public Housing – 91.220(h)

Introduction

Iowa City Housing Authority (ICHA) is part of the Neighborhood and Development Services Department and was established in 1969 to administer housing assistance programs throughout Johnson County, Iowa County and Washington County North of HWY 92.

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

The ICHA targets available tenant based rental assistance to disabled, elderly, and families with children under 18 (who reside in our jurisdiction) whose income is \leq 30% of AMI. The ICHA targets available public housing units to disabled, elderly, and families with children under 18 (who reside in our jurisdiction) whose income is \leq 80% of AMI. The ICHA will maximize HCVP and VASH budget authority and voucher utilization and lease-up rates for Public Housing.

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 1 year and their total tenant payment (TTP) is higher than \$499.

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 five-year plan to attain financial self-sufficiency as well as provide rental assistance.

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

Timeline and Analysis of the Housing Authority's efforts to create a Resident Advisory Board (RAB)

In March 2009, The Housing Authority surveyed all active Public Housing tenants and Family Self-Sufficiency (FSS) program participants (211 families) to determine interest in serving on a Resident Advisory Board (RAB). Twenty-six (26) families responded.

In May 2009, The Housing Authority sent the 26 RAB interest 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. Eight (8) families responded.

In June 2008, the Iowa City Housing Authority's Public Housing unit located at 608 Eastmoor, Iowa City, Iowa, was severely damaged by flooding. It was located in the 500 year flood-plain. Due to the City of Iowa City's intent to purchase all properties located the 100 and 500 year flood-plains, the Housing Authority submitted a Demolition/Disposition applications to the Federal Department of Housing and Urban Development (HUD). HUD requires RAB input/comment for Demolition/Disposition applications. The 26 respondents to the Housing Authority's March 2009 RAB Interest Survey were contacted in October 2010 to submit input/comments – none responded.

In December 2014, The Housing Authority surveyed all active Public Housing tenants (75 families) to determine interest in serving on a Resident Advisory Board (RAB). Seven (7) families responded; three (3) stating an interest; four (4) stating no interest.

Analysis of the recommendations submitted by Resident Advisory Board (RAB) and the decisions made on these recommendations.

There appears to be very little interest in Housing Authority participating families in serving on an RAB focusing solely on Housing Authority programs and services. The majority of comments received via 3 separate survey instruments are beyond the scope, power, and authority of the Iowa City Housing Authority to impact these concerns, 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.

The Iowa City Housing Authority and the City of Iowa City Neighborhood Services will continue the initiative they launched in 2008: “Good Neighbors—Strong Neighborhoods.” The idea is to partner with Neighborhood Associations to develop strategies to promote the peaceful enjoyment of the neighborhood for all residents. The goal is the increased participation of Housing Authority clients in the activities sponsored by the City of Iowa City Neighborhood Associations.

Through the Office of Neighborhood Services, 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 the 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 provides financial and technical assistance in the printing and mailing of newsletters and meeting notices.

The Housing Authority 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.

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

HUD has not designated ICHA as troubled.

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

Introduction

As a participant in the Johnson County Local Homeless Coordinating Board (JCLHCB), the City is a partner in its plan to address homelessness and the priority needs of homeless individuals and families, including homeless subpopulations.

During FY2016, the City's federal funds will continue to support programs to 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 JCLHCB, the region's Continuum of Care (CoC) organization.

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 United Way, Johnson County, Iowa City, and Coralville funds under one application. Each funding entity determines how they will allocate the funds they contributed.

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:

Advocate human services coordination

- Pursue a single application for service system entry
- Pursue the formation of a local computerized system that connect clients with services, serves as a database, and provides inter-agency referrals
- Support the Local Homeless Coordinating Board (LHCB)

Increase understanding of issues surrounding Johnson County homelessness

- Conduct a study of rural homelessness coordinated with Metropolitan Planning Organization of Johnson County (MPOJC) to determine the level of unmet need, formulate outreach efforts, and support requests for additional funding.
- Conduct a survey to determine community attitudes surrounding affordable housing and homeless organizations and participants.

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
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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 JCLHCB in FY16, and it will continue to implement strategies related specifically to addressing emergency and transitional housing needs for the homeless, including:

Expand/Rehabilitate Emergency Shelter

- 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 plans for improving day shelter opportunities

- Expand available services such as social/case worker availability, facilities, childcare opportunities, improved public and private transportation access, showers
- Supported Training and Access to Resources (STAR) program continuation

Improve transitional housing programs for families

- 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) type housing for persons living alone with access to supportive services
- Continue support of transitional housing for unaccompanied youth

Provide special needs transitional housing

- Continue to support the development of transitional housing for persons with mental illness.
- Provide services to support special needs populations in non-facility based care environments (i.e. Compeer, Buddy System, Coaches)

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. In FY16, 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. To the extent possible in FY16, the City will provide support to the system of facilities and service providers described in the homeless inventory. ICHA locally administers efforts that assist in homelessness prevention, including the Section 8 voucher program and administration of 81 units of public housing for residents who are low-income, very low-income, and extremely low-income.

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

Introduction:

The City of Iowa City finalized an Analysis of Impediments to Fair Housing Choice in March 2014. The impediments identified, along with recommendations to address the impediments, are outlined in SP-55.

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 persons about what is affordable housing and who needs it. Presentations will continue during FY16. The City will also support the Local Homeless Coordinating Board's efforts to develop a campaign to educate the community on affordable housing and put a face on who needs affordable housing.

The City will continue to review housing to be constructed with City or CDBG/HOME assistance 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.

The City will support the rehabilitation of existing rental units in low income neighborhoods and work with private property owners to preserve affordable housing throughout neighborhoods in Iowa City.

The City will also work with the Human Rights Coordinator to provide Fair Housing updates to educate local commissions and boards.

Based on multiple years of functional experience, the City has plans to reevaluate certain aspects of the Affordable Housing Location Model. Most notably, the model factors in the density of a project but imposes a buffer irrespective of the surrounding neighborhood density, which limits housing options beyond the model's original goals.

AP-85 Other Actions – 91.220(k)

Introduction:

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 special needs population drives the city's consolidated planning efforts. Addressing the needs of the homeless and special needs populations are high priorities for use of resources within Iowa City.

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 low-income 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.

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 low- to moderate-income homeowners to rehabilitate their properties. The UniverCity Program will continue as funds are available; two homes are planned in FY2016.

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 Housing Rehabilitation Office 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 Office 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 7 when needed.

Actions planned to reduce the number of poverty-level families

The City, Housing Authority, and the Johnson County Local Homeless Coordinating Board work together to address homeless and poverty issues. In addition to the activities outlined in the Annual Action Plan, the Housing Authority provides supportive services and coordination with the agencies making up the Local Homeless Coordinating Board 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.

Starting in FY03, the City set 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 low-moderate income 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. Since 2005, the City has reviewed 43 applications and approved loans for 22 businesses and non-profit entities. The City's CDBG Economic Development Fund has created and/or retained 364 jobs, provided employment training to 15 residents, and assisted five micro-enterprises. Loans have been provided to bakeries, restaurants, small construction contractors, craft retail stores, salons, fitness studios, and more. As of May 2015, there was a fund balance of approximately \$25,000.

In 2013, the City Council expanded the use of the Economic Development Fund to be used for façade improvements in the City-University Urban Renewal Area as part of the Building Change program. The program meets the objectives of the Urban Renewal Plan by 1) eliminating substandard buildings blighting influence and environmental deficiencies; 2) improving the appearance of buildings and encouraging high standards of design; and 3) encouraging the restoration and rehabilitation of structures in downtown Iowa City which are of architectural and/or historic significance. The program was offered in 2013 and 2014 with only CDBG funds and City general funds. The City awarded grants to eight small businesses for building and storefront improvements. Of the \$215,881 in grant funds, the program leveraged \$657,130 in total improvements.

Actions planned to develop institutional structure

The City undertakes extensive consultation as part of its consolidated planning effort, particularly in association with the Johnson County Local Homeless Coordinating Board (JCLHCB) Continuum of Care's planning process. The JCLHCB represents over 25 agencies in Iowa City providing services to the homeless and low-income persons in Johnson County. The City works closely with the JCLHCB 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.

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 low and moderate income 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.

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.

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

Introduction:

**Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(I)(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	\$0
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.	\$25,000
5. The amount of income from float-funded activities	\$0
Total Program Income	\$25,000

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	100%

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(I)(2)**

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

The City offers the GRIP program to provide low interest loans to income eligible homeowners to rehabilitate their homes. 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 that also have a large renter population. The City purchased 56 homes to date and have sold 43, some of which homes are restricted to homeowners under 80% of median income.

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:

Iowa City has elected to adopt the following recapture or resale provisions when HOME funds are used to create affordable housing. Recapture guidelines are used for any homebuyer activity where the client receives direct financial assistance (including any assistance that reduces the purchase price from the fair market value to an affordable price) and resale is used when the homeowner does not receive direct financial assistance.

Recapture Provision

A recapture provision of the HOME regulations pursuant to CFR Part 24 92.254 (a)(5)(ii) will be used when HOME funded assistance is provided to reduce the selling price of a home from appraised value to one of affordability (affordability subsidy) for people at income levels of 80% or less of Iowa City's median income. This will include an affordability period based on the amount of HOME funds used for that purpose as indicated in the following table. If downpayment assistance will be provided, that amount will be added to the total amount to determine the affordability period.

- < \$15,000: 5 years
- \$15,000-\$40,000: 10 years
- > \$40,000: 15 years

Upon the 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.

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

Iowa City has elected to adopt the following recapture or resale provisions when HOME funds are used to create affordable housing. Recapture guidelines are used for any homebuyer activity where the client receives direct financial assistance (including any assistance that reduces the purchase price from the fair market value to an affordable price) and resale is used when the homeowner does not receive direct financial assistance.

Resale Provision

A resale provision deed restriction will be used with an affordability period based on the amount of HOME funds provided per the following table when HOME funds are used for a construction subsidy.

- < \$15,000 5 years
- \$15,000-\$40,000 10 years
- \$40,000 15 years

The affordability period shall begin with the original HOME assisted owner's closing date. If the home does not continue to be the principal residence of the buyer during the duration of the period of affordability, then the housing will be sold only to a buyer whose family's income does not exceed 80% of Iowa City's area median income as determined annually by HUD. The City will target homeowners between 60 to 80% of Iowa City's area median income. The buyer shall use the home as their principal residence.

The purchase price may not exceed 95% of the median area purchase price for single family housing in the Iowa City MSA as determined annually by HUD for new or existing housing.

The original HOME-assisted owner is entitled to a fair return on investment (homebuyer's downpayment plus capital improvements made to the house). The City will determine the original homebuyer's return on investment by using the percentage change in the Consumer Price Index (CPI) over the period of ownership. The value of capital improvements will be based on the actual costs of the improvements as documented by the homeowner's receipts. The City will determine whether the sale price meets said requirements and must approve the price before Buyers accept a purchase offer.

There may 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.

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:

Not Applicable – The City of Iowa City does not use HOME funds for this purpose.