

Agenda

Housing & Community Development Commission (HCDC)

**Thursday, February 18, 2016
6:30 P.M.**

Senior Center, Assembly Room

*Please use the Washington Street entrance –
all other entrances will be locked*

28 S. Linn Street, Iowa City

- 1) Call meeting to order
- 2) Approval of the January 21, 2016 minutes
- 3) Public comment of items not on the agenda
- 4) Staff/commission announcements
- 5) Discussion regarding applications for FY17 Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) Funding - Question/Answer Session
- 6) Adjournment

**MINUTES
HOUSING AND COMMUNITY DEVELOPMENT COMMISSION
JANUARY 21, 2016 – 6:30 PM
CENTER, ASSEMBLY ROOM**

PRELIMINARY

MEMBERS PRESENT: Peter Byler, Michelle Bacon Curry, Sydney Conger, Bob Lamkins, Jim Jacobson, Harry Olmstead, Matthew Peirce, Dorothy Persson, Emily Seiple

MEMBERS ABSENT: None

STAFF PRESENT: Kris Ackerson, Marcia Bollinger, Tracy Hightshoe, Steve Rackis

OTHERS PRESENT: Dee Dixon, Tracy Achenbach, Stu Mullins, Ron Berg, Becci Reedus, Karen DeGroot, Scott Hansen, Mark Serterh, Albert Persson, Susan Gray (sp?), Marty Venograde

RECOMMENDATIONS TO CITY COUNCIL:

By a vote of 9-0 the Commission recommends the City Council approve the following allocations for FY17 Aid to Agencies funding.

Agency	FY17 Requests	HCDC Recommendation
Shelter House	\$65,000	\$ 50,000
Neighborhood Centers of JC	\$50,000	\$ 43,700
Domestic Violence Intervention Program	\$48,000	\$ 40,000
United Action for Youth	\$52,391	\$ 40,000
Crisis Center of Johnson County	\$55,825	\$ 40,000
Big Brothers / Big Sisters	\$33,000	\$ 25,000
Elder Services Inc.	\$50,000	\$ 25,000
Housing Trust Fund of JC	\$24,000	\$ 24,000
IC Free Medical/Dental Clinic	\$15,000	\$ 15,000
Free Lunch Program*	\$18,000	\$ 16,000
Pentacrest, Inc./Pathways Adult Day Health Center	\$15,000	\$ 15,000
Prelude Behavioral Services	\$25,000	\$ 15,000
Rape Victim Advocacy Program	\$17,500	\$ 15,000
4 C's Community Coord. Child Care	\$41,750	\$ 15,000
Arc of Southeast Iowa	\$15,000	\$ -
Four Oaks - Pal Program	\$15,000	\$ -
Compeer of Johnson County	\$15,000	\$ -
National Alliance on Mental Illness of Johnson Co.	\$15,000	\$ -
Table to Table	\$10,000	\$ -
Systems Unlimited	\$55,000	\$ -
Iowa Jobs for American's Graduates (JAG)	\$15,000	\$ -
IV Habitat for Humanity	\$15,000	\$ -
Girl Scouts of Eastern Iowa & Western Illinois	\$15,000	\$ -
Total Request:	\$680,466	\$378,700

(Minimum allocation was \$15,000)

By a vote of 9-0 the Commission recommends City Council approve the amendments to the Iowa City Housing Authority's Admissions and Continued Occupancy (ACOP) Plan to require that all public housing units are smoke free.

By a vote of 5-4 (Bacon Curry, Byler, Lamkins, and Persson dissenting) the Commission recommends City Council approve inclusion of the Housing Choice Vouchers as a protected class under source of income.

By a vote of 9-0 the Commission recommends City Council approve the proposed FY2016 Annual Action Plan Amendment #3.

CALL TO ORDER:

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

APPROVAL OF NOVEMBER 19, 2015 MINUTES:

Persson moved to approve the minutes of November 19, 2015.

Seiple seconded the motion.

A vote was taken and motion passed 7-0 (Lamkins & Peirce not present for vote).

PUBLIC COMMENT:

None.

STAFF/COMMISSION ANNOUNCEMENTS:

Ackerson introduced Olmstead, a new commissioner. Olmstead had previously served on the Human Rights Commission.

Ackerson mentioned they received 11 applications for CBDG/HOME funding. Ackerson stated the applications will be forwarded to Commission members the next day.

Lamkins and Peirce arrived at meeting.

Hightshoe stated that back in the 1990's there was a demonstration project for affordable housing. The City provided \$30,000 in down payment assistance to an eligible family to purchase a home at 1109 5th Avenue. The \$30,000 was to be repaid upon sale of the property. The house was in danger of foreclosure. The City purchased the home from the owner to prevent it from going into foreclosure. The City will now rehab the home and sell it for a homebuyer under 80% of median income.

Hightshoe stated the CDBG Economic Development Fund, in existence since 2003, is now out of funds. The fund provided low or no interest loans to eligible businesses providing employment to low-moderate income persons. The Council has a \$50,000 set-aside for economic development. The Council Economic Development Committee will determine if additional funds will be used for this purpose in FY17. If yes, funds will be available in July.

Ackerson noted Congress approved the bill authorizing CDBG and HOME funding at approximately the same level as last year. Unfortunately, more communities are eligible for the funds. Iowa City may be allocated less money as HUD must split the funds amongst more cities.

DISCUSS FY2017 AID TO AGENCIES FUNDING REQUESTS AND CONSIDER BUDGET RECOMMENDATION TO CITY COUNCIL – APPLICATIONS ARE AVAILABLE AT www.icgov.org/actionplan:

Byler noted that Ackerson compiled the Commissioner's recommendations showing the median and the average. He mentioned that generally for Aid to Agencies they do not call each agency up unless someone on the Commission has specific questions. Byler noted that if anyone from the agencies wishes to address the Commission they are welcome to. He mentioned the

Commission appreciates the time that went into the applications and wishes they could fully award them all.

Byler suggested the Commission go through the recommendations based on majority agreement first. Persson suggested that the median shows only a \$1,000 difference in overall allocations, so perhaps approve the median and then figure out how to allocate the additional \$1,000.

Byler suggested discussing the projects first and then arriving at a consensus based on the median numbers. Byler noted that a minimum \$15,000 allocation is driving some of the decisions. The Commission used to fund less than \$5,000, but decided to raise the minimum to make a greater impact with the funds. Bacon Curry noted that in one application it was noted how the raising of the minimum wage was affecting agencies but felt it important to support the other initiatives that are important.

Agencies that were only chosen for funding by one Commissioner were discussed. Byler noted that Big Brothers Big Sisters to him is a youth organization which is listed as a medium priority, but it shows on the list as a mental health/high priority.

Scott Hansen, Big Brothers Big Sisters, stated they are a mentoring organization and provide services in many different ways. They work very closely with child psych at UIHC for mental health services. He did note that mental health services is not their primary focus, but have programs that provide mental health services.

Persson noted she and her husband were a couples match for Big Brother Big Sisters for ten years for a young person with disabilities.

Hightshoe asked if they spent more than \$24,000 for mental health services. Hansen stated yes. Hightshoe noted that whenever there is an agency with a medium priority and they are applying for a specific program that is a high priority, it can be funded with conditions. In the City's agreement only the activities associated with the high priority will be funded. So in this case if the City awarded money to Big Brother Big Sisters, the \$24,000 would need to be targeted to mental health services.

Byler also commented on Elder Services. They are a medium priority and were allocated a significant amount less than in prior years. From his understanding the Council was then petitioned directly and the Council came up with additional funds to increase their allocation for the year. Byler noted that was unusual and Council would probably not be able to keep doing this as there is just not enough extra money out there. He did note all applicants are very important to the community.

Bacon Curry noted that other agencies were clearer about what the funds would be used for. She wasn't sure if it was going to be spread out amongst the whole agency or if specific programs were being targeted.

Byler asked if any other Commissioners wanted to discuss specific applications. Byler then asked if any of the applicants in the audience wanted to address the Commission to comment on their applications. No one came forward.

Persson noted that if they go with the median allocation model, there is an additional \$1,000 to allocate. She suggested those additional funds go to Prelude Behavioral Services. Olmstead

suggested the additional funds go to the Free Lunch Program because it is hard for that program to get resources financially, and the median is under the requested amount. Conger agreed, noting that it would be nice to see the funds to go an agency that does not collect fees for services. Prelude has clients that pay or they can bill insurers for services whereas Free Lunch is strictly donation funded. Lamkins agreed on giving the Free Lunch Program the additional funds. Bacon Curry also agreed, noting Free Lunch asked for \$18,000. Persson noted no objection as well.

Byler asked if there was someone from Domestic Violence Intervention Program. He had a question on the budget. In the last fiscal year there was a \$140,000 increase in salaries and there was a \$300,000 federal grant and wanted more information on those line items.

Dee Dixon, DVIP, replied stating that they began to serve more areas/counties as the State of Iowa closed programs in southeast Iowa. In their service area they lost more than half the available beds when shelters closed.

Olmstead moved that the Commission recommend to the City Council the following allocations for FY17 Aid to Agencies funding.

Agency	FY17 Requests	HCDC Recommendation
Shelter House	\$65,000	\$ 50,000
Neighborhood Centers of JC	\$50,000	\$ 43,700
Domestic Violence Intervention Program	\$48,000	\$ 40,000
United Action for Youth	\$52,391	\$ 40,000
Crisis Center of Johnson County	\$55,825	\$ 40,000
Big Brothers / Big Sisters	\$33,000	\$ 25,000
Elder Services Inc.	\$50,000	\$ 25,000
Housing Trust Fund of JC	\$24,000	\$ 24,000
IC Free Medical/Dental Clinic	\$15,000	\$ 15,000
Free Lunch Program*	\$18,000	\$ 16,000
Pentacrest, Inc./Pathways Adult Day Health Center	\$15,000	\$ 15,000
Prelude Behavioral Services	\$25,000	\$ 15,000
Rape Victim Advocacy Program	\$17,500	\$ 15,000
4 C's Community Coord. Child Care	\$41,750	\$ 15,000
Arc of Southeast Iowa	\$15,000	\$ -
Four Oaks - Pal Program	\$15,000	\$ -
Compeer of Johnson County	\$15,000	\$ -
National Alliance on Mental Illness of Johnson Co.	\$15,000	\$ -
Table to Table	\$10,000	\$ -
Systems Unlimited	\$55,000	\$ -
Iowa Jobs for American's Graduates (JAG)	\$15,000	\$ -
IV Habitat for Humanity	\$15,000	\$ -
Girl Scouts of Eastern Iowa & Western Illinois	\$15,000	\$ -
Total Request:	\$680,466	\$378,700

Conger seconded the motion.

A vote was taken and the motion passed 9-0.

CONSIDER A RECOMMENDATION TO THE CITY COUNCIL REGARDING PROPOSED SMOKE FREE POLICY IN PUBLIC HOUSING UNITS:

Rackis gave an overview of the proposed policy, stating it would be mandatory for public housing agencies to go smoke free in public housing units. Even though this proposal is still in the public

comment period, Rackis feels it will happen and wants to be prepared. He noted it was part of an evolution of participation in the STAR certification for the City, which is a way for communities to evaluate themselves. It is very a detailed certification and the smoke free policy was part of that. The only issue the City has with the HUD ruling is the 25 foot barrier required from the building. This makes sense with multi-family properties with common areas. The City currently only has two multi-family units and they are already smoke free. The City proposes instead of a 25 foot barrier to just designate the right-of-way as the smoking area. The City will not actively enforce this as no practical way to do so, but it will respond to complaints. Rackis noted that on the HUD website the public comments are overwhelmingly in favor of the smoking ban, it is mostly those living in the units that are smokers who are objecting.

Conger asked what the enforcement would be if a complaint was received. Rackis said it would be treated as a violation of the lease. He noted that legal questioned if a magistrate in Johnson County would allow the eviction of a low-income family from public housing due to smoking in the units. He said across the country there have been communities that have adopted such policies and have been able to enforce them through the court system. If a complaint was received, Rackis said the first step is to issue a "7 day notice to cure" which means the occupant has 7 days to correct the issue (to quit smoking in the unit). The notice will also state if it happens again within 6 months the City could pursue an eviction. He also noted that HUD does make accommodations for tenants with disabilities so the City would honor those as well.

Olmstead asked how many units city-wide would be affected by this policy. Rackis said there are 81 units. Olmstead asked if this policy also pertains if the tenant has a guest over. Rackis said yes, the guest must also go outside to the public right-of-way to smoke.

Persson asked if the City goes in on a regular basis to paint or repair the units, especially those who have been tenants for multiple years. Rackis said those type of maintenance issues are usually handled when there is unit turnover, however it can be done at the tenant's request if they are long-term tenants. There is an annual inspection of every unit.

Conger moved to recommend approval of the amendments to the Iowa City Housing Authority's Admissions and Continued Occupancy (ACOP) Plan to require that all public housing units are smoke free.

Peirce seconded the motion.

A vote was taken and the motion passed 9-0.

CONSIDER A RECOMMENDATION TO THE CITY COUNCIL REGARDING INCLUSION OF HOUSING CHOICE VOUCHERS AS A PROTECTED CLASS UNDER SOURCE OF INCOME:

Rackis noted this is not a Housing Authority recommendation but rather from the Human Rights Commission. Once the Human Right Commission made their recommendation the Housing Authority met with the City's Equity Director and other staff members to discuss the issue. City staff also reached out to the greater Iowa City apartment owners association and got their input. Rackis said the Human Rights Commission made their recommendation in February and met with the apartment owners in July.

Rackis explained this proposal. In the Human Rights Ordinance source of income is included as a protection; one cannot discriminate on the basis of someone's source of income. The definition included sources like Family Investment Program, food stamps, etc., but the Housing Choice Voucher (Section 8) was not part of the definition of source of income. It is illegal for a landlord to discriminate on the basis of source of income. This proposal adds Housing Choice Voucher to the definition so it would also be illegal to discriminate against someone just due to their voucher status.

Bacon Curry noted that is a big change, noting that a Housing Choice Voucher is not a source of income for a tenant; it is a source of income for a landlord. A landlord does not just have to take a specific source of payment when they accept a Housing Choice Voucher they have to accept an addendum to their lease that supersedes anything that is in their own lease and has an additional inspection and reporting requirements.

Rackis noted the tendency addendum does not change their lease, the HAP contract only states that if the HAP contract is cancelled it cancels the lease. Additionally there are no reporting requirements for the landlord.

Bacon Curry noted that when a private landlord that is not accepting vouchers has some sort of violations to their lease they handle it. If they do accept vouchers they are required to report violations to the Housing Authority and are not allowed to charge late fees if the tenant is not current.

Rackis noted that in terms of lease violations, landlords are not required to report lease violations to the Housing Authority, it is just preferred that they do. If someone is late on their rent, if the landlord provides the City with that notice, the City can assist the landlord and communicate with the tenant.

Bacon Curry noted the Housing Choice Voucher program is a great program, but it should not be a protected class because the money goes to the landlord, not the tenant. The City is subsidizing the landlord, not the tenants. Concern was also expressed that many landlords will not want increased City interference or regulations about how they select their tenants.

Hightshoe noted the intent of this proposal is to provide the same opportunity for all tenants and use the same method to screen all tenants, regardless of a tenant's income/rent source. Voucher holders do not need to be prioritized and can be denied based on landlord criteria, as long as the same criteria applies to everyone, such as bad landlord references, history of eviction, damage to unit, etc. If there are multiple tenant applications, the landlord can make an appropriate selection based on their screening method such as date of application, can immediately rent the unit, etc. if all other criteria (the landlord's screening criteria) are met.

Jacobsen noted that this could be listed as its own separate protected class, a housing subsidy, rather than income protected class. This just simplifies the process, but it is just semantics. Jacobson agrees with Rackis that this is an issue of discrimination and whatever the community can do to limit the amount of discrimination it is encumbered upon them to do so. Having this policy in place does not force landlords to rent to voucher holders, but it will give them pause to have to consider their decisions.

Byler asked how a landlord should approach a prospective tenant who has a housing voucher, but the landlord's rents are significantly higher than the housing voucher limits or tenant's

income. It seems unfair to have the prospective tenant fill out and pay an application fee just to learn they cannot move into the unit. Rackis said the prospective tenant should communicate with their case worker prior to filling out an application and paying a fee to make sure they meet all the guidelines for the unit they are applying for.

Lamkins was concerned that landlords would have to meet with their attorney to review screening criteria to make sure they are not sued. They will be concerned if they will be called racist or open themselves to lawsuits. Landlords will inform all applicants they can apply as they will be concerned about a suit, even when they know they will not lower rent based on voucher eligibility. He was also concerned if some landlords would raise their rents and or increase screening criteria that may impact all low income tenants.

Concern was noted that with such a high voucher utilization rate, why it is needed. Are we trying to fix a problem that doesn't exist? Hightshoe noted this proposal will not impact our voucher utilization rate. It is intended to increase opportunity of tenants with a voucher to access units in different neighborhoods that they can afford.

Olmstead suggested tabling this item until the next meeting and inviting Stefanie Bowers from the Human Rights office and one of the City Attorneys to answer some of the questions and concerns. Byler said the issue is this item is going to City Council at the February 2 meeting.

Olmstead moved that the Commission recommend to City Council to approve inclusion of the Housing Choice Vouchers as a protected class under source of income.

Jacobsen seconded the motion.

Seiple said that when she has called on behalf of friends who were nervous about contacting landlords because they have a voucher, the reason landlords gave for not accepting them had nothing to do with inspections, it was more derogatory. There is a perception problem of who needs a voucher.

Conger noted this is a change to an ordinance; it can be changed again in the future if Council hears complaints or that it is not working properly. She sees this as a value added and in line with CITY STEPS.

Peirce asked what the percentage of people currently being turned away from rental units because they have Housing Vouchers is. If it is only 1% there shouldn't be a protective class to protect such a small class. Rackis did not recall the numbers but they did report to HUD recently on voucher utilization and the fact was the City had to increase the voucher eligibility days from 120 to find a unit to 365. Either people found a home with their voucher in the first 60 days or otherwise it was 150 to 180 days.

Byler noted he will be voting no on this motion for the reason of not having addressed the question of landlords who are close to or above fair market rents and what they tell applicants. Rackis said fair market rents are not what determine if the voucher can be used; it is the income of the applicant. This ordinance will not compel landlords to change their rents.

Hightshoe stated a great deal of education will need to be done as there are many incorrect assumptions about the voucher program. Staff will work to improve understanding of the voucher program and the people who utilize them.

Persson asked about abstaining from the vote as she was not ready to make a decision. Hightshoe stated the preference is that if a member does not have a conflict, they vote yes or no. If a member feels they don't have enough information to make a decision, they should vote no.

A vote was taken and the motion carried 5-4 (Bacon Curry, Byler, Lamkins, and Persson dissenting).

CONSIDER A RECOMMENDATION TO CITY COUNCIL REGARDING PROPOSED FY2016 ANNUAL ACTION PLAN AMENDMENT #3:

Ackerson explained that in the current Action Plan there is a \$75,000 streetscape project in census tract 18 which is south of Highway 6 and east of Sycamore Street. \$50,000 is for curb ramps for accessibility and \$25,000 for additional signage in the neighborhood. The signage project will now be funded with other sources as determined not appropriate with CDBG funds. Due to the nature of CDBG and the low income requirements; signage on major arterials is not eligible as the traffic is not necessarily local traffic.

Since CDBG funds will not be used for the signage, there is a request to use the funds for improvements at the Highland Park in the Lucas Farms neighborhood. The neighborhood has been very involved in advocating and assisting with park improvements. These funds will help finish the improvements requested by the neighborhood.

Jacobsen moved to recommend to City Council the proposed FY2016 Annual Action Plan Amendment #3.

Olmstead seconded the motion.

A vote was taken and the motion passed 9-0.

CONSIDER FORMING SUB-COMMITTEE TO CELEBRATE NATIONAL COMMUNITY DEVELOPMENT WEEK, MARCH 28-APRIL 2:

Byler asked if anyone was interested. Hightshoe explained that cities typically promote the impact of the CDBG/HOME programs annually. The City used to have a Community Development Celebration in years past, but hasn't had one in two-three years. Hightshoe asked if a subcommittee wanted to be formed to consider what type of activities, if any, the City would like to pursue for this week.

Due to time constraints and other personal obligations there was not an interest on the Commission to form a sub-committee. Hightshoe stated their intern may be able to organize a couple smaller activities. Staff would keep them informed.

OVERVIEW OF HOUSING PRO FORMA TEMPLATE:

Ackerson just wanted to invite any of the Commissioners who are interested in an overview of the Pro Formas to contact him and he will schedule a time.

ADJOURNMENT:

Olmstead moved to adjourn.

Persson seconded the motion.

A vote was taken and motion carried 9-0.

**HOUSING AND COMMUNITY DEVELOPMENT COMMISSION
ATTENDANCE RECORD**

NAME	TERM EXP.	2/19/15	3/12/15	4/16/15	6/18/15	9/17/15	10/22/15	11/19/15	1/21/16
BACON CURRY, MICHELLE	9/1/2016	X	X	O/E	X	X	O/E	O/E	X
BYLER, PETER	9/1/2017	X	X	X	X	X	X	X	X
CONGER, SYDNY	9/1/2018	---	---	---	---	O/E	O/E	X	X
JACOBSON, JIM	9/1/2017	X	X	X	O/E	X	O/E	X	X
LAMKINS, BOB	9/1/2016	X	X	X	O/E	X	X	X	X
OLMSTEAD, HARRY	9/1/2018	---	---	---	---	---	---	---	X
PEIRCE, MATTHEW	9/1/2018	---	---	---	---	---	---	---	X
PERSSON, DOTTIE	9/1/2016	X	X	X	X	X	X	X	X
SEIPLE, EMILY	9/1/2018	---	---	---	---	X	X	X	X
SIGNS, MARK	9/1/2018	---	---	---	---	X	X	X	---
TAYLOR, ANGEL	9/1/2017	X	O	X	X	O	---	---	---

Key:

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



Project Name	
The Arc of Southeast Iowa – Classroom Expansion	
Project Address	2620 Muscatine Avenue
Activity Type	Daycare Facility for Children with Disabilities
CITY STEPS Priority	Public Facility Improvements
CITY STEPS Goal Achieved	Improve and maintain public facilities
Beneficiaries	0-30% MFI 50% 31-50% MFI 17% 51-80% MFI 22% Above 80% 11%
Amount Requested	\$160,000
Repayment Terms	Conditional Occupancy Loan
Period of Affordability/ Compliance Period	16 years
Percent of Project Funded by CDBG/HOME	96%
Property Taxes	Tax Exempt

<p>Documentation of Project Need</p>	<p>The proposed project is the renovation of a facility to divide one lower level area into three classrooms as well as add an additional classroom to the upper level. Additional restrooms will be added. Currently, they have the square footage to serve 90 children but their current configuration does not allow for children of different ages to attend at the same time.</p>
<p>Project Budget Discussion</p>	<p>Phase 1 estimated cost: \$78,730 Phase 2 estimated cost: \$14,830 Phase 3 estimated cost: \$63,910</p> <p>The applicant has received two bids from contractors for the proposed project. There will be \$7,470 in matching funds.</p>
<p>Project Coordination with Existing Services & other Services Available in the Community</p>	<p>The Arc of Southeast Iowa is the oldest continuously operating provider in Iowa City. It partners with the Iowa City Parks and Recreation Department and other providers. They have received volunteer requests to assist with wall demolition and any other tasks allowing unskilled labor.</p>
<p>Applicant History or Capacity to Successfully Complete the Proposed Project</p>	<p>In the last five years, the applicant has received one CDBG award and successfully administered the funds.</p>
<p>Summary of Items to be Addressed</p>	<ol style="list-style-type: none"> 1. All work will be subject to federal labor provisions (Davis Bacon – prevailing wages) and must comply with federal procurement standards (sealed bids for construction) for the proposed work. 2. Does the applicant receive compensation for the daycare services provided? If so, can the applicant contribute additional funds to this project? 3. Staff recommends hiring an architect for procurement and construction management for projects over \$100,000 to ensure compliance with federal requirements.

Project Name	
CSCC Child Care Expansion	
Project Address	921 3 rd Avenue, Iowa City, Iowa
Activity Type	Public Facility
CITY STEPS Priority	Public Facility Improvements
CITY STEPS Goal Achieved	Improve and maintain public facilities
Beneficiaries	0-30% median income - 100%
Amount Requested	\$145,000
Repayment Terms	Conditional Occupancy Loan
Period of Affordability/ Compliance Period	15 years
Percent of Project Funded by CDBG/HOME	100%
Property Taxes	Tax Exempt

<p>Documentation of Project Need</p>	<p>Affordable childcare is provided at other locations but transportation logistics and costs can be barriers to access for low income families.</p> <p>The applicant proposes an office addition adjacent to the existing daycare facility, as well as a new accessible ramp to the lower level of another structure. The daycare recently expanded their facilities to increase enrollment from 15 to 30 low income children; the proposed improvements will enable an additional 35 children to attend.</p>
<p>Project Budget Discussion</p>	<p>The project is estimated to cost \$145,000 and includes volunteer in-kind match totaling 118 hours for selective demolition and painting. Estimates have been procured from an Thomas McInerney Architect and Buchmayer Plumbing and Home Repair.</p>
<p>Project Coordination with Existing Services & other Services Available in the Community</p>	<p>The project includes a partnership with Boy Scout Troop 250. Additionally, the church serves as a community center that helps connect low income residents with public services and education opportunities.</p>
<p>Applicant History or Capacity to Successfully Complete the Proposed Project</p>	<p>The CSCC Childcare received support from the City of Iowa City as a co-signor to obtain \$5,000 for facility expansion. The loan has been repaid with no late payments. The improvements followed their successful application for a special exception.</p>
<p>Summary of Items to be Addressed</p>	<ol style="list-style-type: none"> 1. Has the applicant met with City staff regarding their proposed special exception? It's unclear whether the existing parking lot has sufficient space for the proposed expansion. 2. The space must be used for primarily secular (non-religious) activities. Will religious instruction be provided or required as part of the childcare curriculum? 3. How was the client income estimate determined? If awarded funds, the applicant must document that 51 percent of clients are below 80 percent annual median income. Can applicant comply with this requirement?

Project Name	
DVIP Shelter – Repair and Equipment Replacement	
Project Address	DVIP Shelter - confidential
Activity Type	Domestic violence facility
CITY STEPS Priority	Public Facility Improvements - Domestic violence victims
CITY STEPS Goal Achieved	Improve and maintain public facilities
Beneficiaries	0-30% MFI 73% (Revised from application miscalculation) 31-50% MFI 15% 51-80% MFI 9% Over 80% MFI 4%
Amount Requested	\$58,397
Repayment Terms	Conditional Occupancy Loan
Period of Affordability/ Compliance Period	6 years
Percent of Project Funded by CDBG/HOME	95%
Property Taxes	Tax exempt

<p>Documentation of Project Need</p>	<p>DVIP provides shelter, crisis intervention and support services to victims of domestic violence and their children. A critical aspect of the program is to provide a safe environment while the client moves beyond the initial stages of crisis. The shelter has housed more than 8,000 women and children since the facility was constructed in 1993. Applicant requests funds to replace 23-year-old bunk bed frames, repair two asphalt parking lots, and replace six windows.</p>
<p>Project Budget Discussion</p>	<p>CDBG funds make up approximately 95% of the project’s budget. The applicant secured one (1) cost estimate for the expenses stated in the budget breakdown.</p>
<p>Project Coordination with Existing Services & other Services Available in the Community</p>	<p>DVIP collaborates with a wide range of community groups working on housing issues and support services, such as Goodwill of the Heartland, Community Mental Health PATH, Department of Human Services, and others.</p>
<p>Applicant History or Capacity to Successfully Complete the Proposed Project</p>	<p>DVIP has received a number of CDBG funding awards, including funds to construct and subsequently rehab the current facility. In the past, DVIP has shown sufficient capacity to complete the projects.</p>
<p>Summary of Items to be Addressed</p>	<ol style="list-style-type: none"> 1) One third of the clients served by DVIP live outside of Iowa City. Has the applicant requested funds from other public and private entities? 2) All work will be subject to federal labor provisions (Davis Bacon – prevailing wages) and must comply with federal procurement standards) for the proposed work. 3) Bunk beds are not an eligible public facility expense. The total eligible costs must be reduced to \$45,917.



Project Name	
Mayor's Youth Empowerment Program, Service Center Renovation	
Project Address	407 Highland Court
Activity Type	Public facility rehab
CITY STEPS Priority	Public Facility Improvements
CITY STEPS Goal Achieved	Improve and maintain public facilities
Beneficiaries	0-30% MFI 70% 31-50% MFI 23% 51-80% MFI 7% Over 80% MFI 0%
Amount Requested	\$60,000
Repayment Terms	Conditional Occupancy Loan
Period of Affordability/ Compliance Period	Compliance period of 6 years.
Percent of Project Funded by CDBG/HOME	86%
Property Taxes	Tax Exempt

<p>Documentation of Project Need</p>	<p>MYEP serves disabled residents of Iowa City. The MYEP main office facility serves as the administrative office as well as the location of the Adult Daycare Program. The facility requires the reconfiguration of entry and waiting areas, as well as the addition of secure entry and a buzz-in system for visitors. They also have an exit door that in order to make accessible will require door replacement, the addition of a ramp, and the removal of shelving. Programming areas also have an ongoing water issue that requires a beaver dam system. Finally, they have an old heating/cooling unit that needs to be replaced.</p>
<p>Project Budget Discussion</p>	<p>CDBG funds make up approximately 86% of the project’s budget. Volunteers will be used when possible to save on labor costs.</p>
<p>Project Coordination with Existing Services & other Services Available in the Community</p>	<p>MYEP partners with many local agencies including Hope House, the Iowa City School District, Kirkwood Community College, UAY, the ARC, Systems Unlimited, etc. They will seek volunteers from Hope House to help with unskilled labor activities, including demolition.</p>
<p>Applicant History or Capacity to Successfully Complete the Proposed Project</p>	<p>MYEP successfully completed the projects from previous funding rounds and has the capacity to successfully complete this project.</p>
<p>Summary of Items to be Addressed</p>	<ol style="list-style-type: none"> 1. Does applicant have a capital reserve budget? 2. All work will be subject to federal labor provisions (Davis Bacon – prevailing wages) and must comply with federal procurement standards (competitive bids) for the proposed work. 3. Does the applicant receive compensation for the services provided? If so, can the applicant contribute additional funds to this project?

Project Name	
Housing First – FUSE and Winter Emergency Shelter Facility	
Project Address	Location to be determined for fifteen new efficiency rental units and low barrier Winter Emergency Shelter
Activity Type	Housing and public facility
CITY STEPS Priority	1. Expanding Affordable Rental and Owner Housing Opportunities 2. Housing and Related Services for the Homeless and Those at Risk of Homelessness
CITY STEPS Goal Achieved	Increase supply of affordable rental housing Improve and maintain public facilities
Beneficiaries	0-30% MFI – 100 percent
Amount Requested	\$160,000 CDBG \$290,000 HOME
Repayment Terms	\$160,000 CDBG – conditional occupancy loan of 16 years \$290,000 HOME – Zero interest; annual payments of \$14,500 for Years 1-20.
Period of Affordability/ Compliance Period	Applicant proposes 20 years (federal minimum of 10 years)
Percent of Project Funded by CDBG/HOME	22%
Property Taxes	Project will not pay property taxes

<p>Documentation of Project Need</p>	<p>The applicant proposes to acquire property for 15 permanent efficiency rental units targeted for the chronically homeless and a low barrier Winter Emergency Shelter, which provides overnight shelter to intoxicated individuals.</p> <p>During the winter of 2014-15, Shelter House served 124 individuals at the temporary low-barrier winter shelter. This year the low barrier shelter is located in a new temporary location and on track to serve more homeless individuals than last year. Providing a dedicated space for the winter shelter and permanent rental units will allow staff to provide services that stabilize clients and reduce other negative outcomes.</p>
<p>Project Budget Discussion</p>	<p>The cost per person served is \$9,840 or \$492 per person per year for twenty years. Total project cost is \$1,624,115. The rental unit component of the project has a Debt Coverage Ratio of 1.7 in Year 1, based on rental income of \$534/unit/mo. The Housing Authority estimates the rental income could be as low as \$502/unit/mo., depending on the provision of utilities and kitchen facilities. This is more than adequate cash flow to be sustainable.</p>
<p>Project Coordination with Existing Services & other Services Available in the Community</p>	<p>The applicant has a network of relationships with area agencies, organizations and private businesses to ensure the success of each project.</p>
<p>Applicant History or Capacity to Successfully Complete the Proposed Project</p>	<p>Shelter House currently operates the homeless shelter and the seasonal, low barrier Winter Emergency Shelter. The applicant has a history of completing grant funded projects, including CDBG funds.</p>
<p>Summary of Items to be Addressed</p>	<ol style="list-style-type: none"> 1. How will the Winter Emergency Shelter space be used during the day? 2. If unable to build fifteen units due to limitations of the site, what is the minimum number of units that Shelter House would consider? 3. Units must be limited to frail elders or people with disabilities; otherwise the Affordable Housing Location Model will apply. 4. A location is not identified for the shelter or permanent supportive housing. If an acceptable site is not identified by March 2017, the City must reallocate the funds. 5. If the winter shelter and housing cannot exist at the same site, will Shelter House proceed with them independently?

Project Name	
Project Name	UAY Teen Parent and Transitional Living Program Rehabilitation
Project Address	1700 1st Avenue
Activity Type	Public Facility
CITY STEPS Priority	Housing and Related Services for the Homeless and Those at Risk of Homelessness
CITY STEPS Goal Achieved	Improve/maintain public facilities
Beneficiaries	0-30% MFI 100% 31-50% MFI 0% 51-80% MFI 0% Over 80% MFI 0%
Amount Requested	\$58,950
Repayment Terms	Conditional Occupancy Loan
Period of Affordability/ Compliance Period	6 years
Percent of Project Funded by CDBG/HOME	75%
Property Taxes	Tax Exempt

<p>Documentation of Project Need</p>	<p>UAY is seeking to rehab and update the newly acquired office space for the Transitional Living Program and Teen Parent Program in Eastdale Plaza. Modern lighting, doors, carpet, and exterior improvements will ensure updates are not needed for years to come. The space houses four teen parent advocates, two transitional living advocates, program supervisor, nurse practitioner, and health educator.</p>
<p>Project Budget Discussion</p>	<p>\$20,000 in reserve funds from the sale of previous property will be utilized to partially cover costs. A cost estimate was provided with the application to verify costs.</p>
<p>Project Coordination with Existing Services & other Services Available in the Community</p>	<p>UAY coordinates their services with multiple area agencies. However, no community partnerships or volunteers will be contributing directly to this project.</p>
<p>Applicant History or Capacity to Successfully Complete the Proposed Project</p>	<p>In the last five years, the applicant has received one CDBG award, which was returned to the City. The property was sold prior to implementing the planned rehab.</p>
<p>Summary of Items to be Addressed</p>	<ol style="list-style-type: none"> 1. All work will be subject to federal labor provisions (Davis Bacon – prevailing wages) and must comply with federal procurement standards for the proposed work. If project bid is over \$100,000, sealed bids are required. 2. Is applicant using an architect and/or general contractor?

Project Name	
The Housing Fellowship – CHDO Operation Funds	
Project Address	322 East 2 nd Street, Iowa City
Activity Type	Housing administration
CITY STEPS Priority	Preserve existing affordable rental and owner housing units
CITY STEPS Goal Achieved	Increase the capacity of non-profit housing providers that preserve existing affordable rental housing
Beneficiaries	Low income tenants are the indirect beneficiaries. The Housing Fellowship owns and manages approximately 170 affordable rental homes in the Iowa City metro area.
Amount Requested	\$16,000 or 5% of the final HOME entitlement allocation.
Repayment Terms	Grant
Period of Affordability/ Compliance Period	N/A
Percent of Project Funded by CDBG/HOME	6% of administrative budget
Property Taxes	Tax Exempt

<p>Documentation of Project Need</p>	<p>The Housing Fellowship (THF) has been a certified CHDO since 1992. THF now owns and manages approximately 170 affordable rental units occupied by low-income households, developed and sold 17 owner-occupied homes into a land trust to ensure permanent affordability, and administers a revolving loan fund for very low-income renters to pay for security deposits. The financial management responsibilities have grown over time.</p> <p>THF currently has 6.6 full time equivalent jobs. The CHDO funds requested will help THF achieve financial stability and cover operating costs to plan housing projects. The CITY STEPS 2016-2020 encourages the City to increase the capacity of non-profit housing providers that preserve existing affordable rental housing.</p>
<p>Project Budget Discussion</p>	<p>The project is an operational grant allowed under the HOME program. The HOME program caps CHDO operating expense to 5% of the HOME allocation. Funds allocated for CHDO operating expenses are not an eligible cost for CHDO set-aside funds.</p>
<p>Project Coordination with Existing Services & other Services Available in the Community</p>	<p>The applicant has a long history of working with a variety of agencies, organizations and private businesses. THF is a partner with the City of Iowa City for the UniverCity Neighborhood Partnership Program and approved developments in Riverfront Crossings.</p>
<p>Applicant History or Capacity to Successfully Complete the Proposed Project</p>	<p>Applicant has successfully managed hundreds of thousands of dollars of CDBG and HOME funded projects. THF has experience and a successful track record with the acquisition, construction, and management of affordable housing. THF qualifies as a Community Housing Development Organization (CHDO).</p>
<p>Summary of Items to be Addressed</p>	<p>No questions at this time.</p>

Project Name		Diamond Senior Apartments of Iowa City	
Project Address	1030-1070 William Street		
Activity Type	Senior Citizen Rental Housing		
CITY STEPS Priority	Expanding Affordable Rental and Owner Housing Opportunities		
CITY STEPS Goal Achieved	Increase the supply of affordable rental housing		
Beneficiaries	0-30%	MFI	10%
	31-50%	MFI	30%
	51-80%	MFI	50%
	Over 80%	MFI	10%
Amount Requested	\$237,636.00 in HOME funds (cannot accept CDBG funding)		
Repayment Terms	Zero interest; no annual payments Years 1-30; balloon payment in Year 30. Compliance period of 20 years.		
Period of Affordability/ Compliance Period	20 years (minimum of 20 years)		
Percent of Project Funded by CDBG/HOME	3%		
Property Taxes	Project will pay state mandated property tax rate.		

<p>Documentation of Project Need</p>	<p>The 2016-2020 CITY STEPS Plan lists the City’s highest priority need as “Expanding Affordable Rental and Homeowner Housing Opportunities.” Additionally, the Housing Market Analysis section of the plan indicates there is a specific need to provide affordable housing for renter households with incomes at or below 80% of the area median income level and housing options to address the growing number of elderly households. Additionally, the project will help address slum and blight conditions in the Towncrest area.</p>
<p>Project Budget Discussion</p>	<p>This is a low-income housing tax credit project with multiple private and public sources of investment. The proposed HOME funds make up approximately 3% of the project’s budget.</p>
<p>Project Coordination with Existing Services & other Services Available in the Community</p>	<p>The proposed project will help meet the need for smaller, accessible, low maintenance units for the elderly – a priority identified by stakeholders and a stated priority in the 2016-2020 CITY STEPS.</p>
<p>Applicant History or Capacity to Successfully Complete the Proposed Project</p>	<p>3 Diamond Development owns five apartment projects (more than 300 units) with amenities to meet the needs of senior citizens. The projects are located in Chicago, Oswego, and Princeton, Illinois, as well as Dubuque, Iowa.</p>
<p>Summary of Items to be Addressed</p>	<ol style="list-style-type: none"> 1. If the project is not awarded tax credits, will the application be withdrawn? 2. Will this project proceed without the requested HOME funds? If not, how would the units and amenities be affected?

Project Name	
Iowa Valley Habitat for Humanity – Land Acquisition	
Project Address	Location to be determined - two residential lots in Iowa City
Activity Type	Owner Occupied Housing
CITY STEPS Priority	Expanding Affordable Rental and Owner Housing Opportunities
CITY STEPS Goal Achieved	Homebuyer activities/down payment assistance
Beneficiaries	31-50% Median Family Income 100%
Amount Requested	\$80,000
Repayment Terms	Recapture: 100% loan repaid upon sale during the affordability period; forgiven if homeowner maintains as their primary residence throughout affordability period.
Period of Affordability/ Compliance Period	Minimum period of affordability shall be 10 years.
Percent of Project Funded by CDBG/HOME	25%
Property Taxes	Property owners will pay taxes

<p>Documentation of Project Need</p>	<p>Applicant will acquire two lots and construct two (2) homes to sell to income eligible homebuyers. Mortgage is typically around \$675 due to no interest. Fair Market Rent for a four bedroom home is \$1,420. The homes are affordable to those at 31-50% median income. There is an unmet demand for affordable housing in Iowa City.</p>
<p>Project Budget Discussion</p>	<p>The total cost per unit would be approximately \$160,000.</p>
<p>Project Coordination with Existing Services & Other Services Available in the Community</p>	<p>Iowa Valley Habitat for Humanity works with volunteers, donors, agencies, churches, and businesses to build permanent, safe housing for persons earning 31-50% of median family income.</p>
<p>Applicant History or Capacity to Successfully Complete the Proposed Project</p>	<p>The following were compliance issues occurred in the last five years:</p> <p>2625 Indigo Court – CDBG Assisted. Home was to remain affordable to low income homebuyers until 9-8-2018. Habitat sold the house in 2003, and it was deeded back to Habitat in March 2010. Habitat then leased the house, without a valid rental permit, beginning 2011 until fall of 2013. Habitat did not inform the City – staff discovered it when investigating a complaint on neighboring property. City issued a Notice of Default and Opportunity to Cure to Habitat on 8-16-2013 and demanded repayment of the CDBG funds. In October 2013 Habitat sold the property to Able LLC and repaid the CDBG loan.</p> <p>2713 Whispering Meadows Drive – FY08 CDBG/HOME assisted home completed 6/28/2012. Habitat submitted a design approved by City staff; however was not built per the approved design. The home is not in compliance with the Affordable Housing Design Guidelines.</p>
<p>Summary of Items to be Addressed</p>	<ol style="list-style-type: none"> 1. Does the applicant have the organizational capacity to complete two homes within the grant program requirements?

Project Name	
Mayor's Youth Empowerment Program Home Project	
Project Address	Acquisition of one property containing three bedrooms; location to-be-determined
Activity Type	Rental Housing
CITY STEPS Priority	Expanding Affordable Rental and Owner Housing Opportunities
CITY STEPS Goal Achieved	Rental housing development
Beneficiaries	0-30% median income - 100%
Amount Requested	\$65,000
Repayment Terms	10-year conditional occupancy loan
Period of Affordability/ Compliance Period	Minimum compliance period is 10 years (applicant requested 5 years)
Percent of Project Funded by CDBG/HOME	32%
Property Taxes	Tax exempt

<p>Documentation of Project Need</p>	<p>The applicant proposes acquiring a three bedroom home to provide housing for three persons with disabilities for their Residential Supported Community Living Program. Nearly all of the clients, due to their disabilities, fall below 30 percent of the median income level.</p> <p>CITY STEPS has identified special needs and extremely low-income individuals as among those who face the greatest challenges in the housing market. This project will provide a supportive home for three such clients.</p>
<p>Project Budget Discussion</p>	<p>The cost per unit is \$68,333 and the total project cost is \$205,000. The applicant will take out a \$140,000 prime loan to cover the remainder of the cost not provided by HOME funds. Debt coverage ratio is 1.2 and greater for Years 1-20. Reserves and operating expenses meet the minimum required by the City. Rents charged will start at approximately \$395 per month per tenant.</p>
<p>Project Coordination with Existing Services & other Services Available in the Community</p>	<p>This housing project does not involve any direct partnerships but the applicant has partnered with the Department of Human Services, and Mental Health and Disability Services to provide services for persons with disabilities. It has also partnered with other local agencies including the Iowa City School District, Kirkwood Community College, UAY, the ARC, Systems Unlimited, Hope House, etc.</p>
<p>Applicant History or Capacity to Successfully Complete the Proposed Project</p>	<p>MYEP successfully completed the projects from previous funding rounds and has the capacity to successfully complete this project.</p>
<p>Summary of Items to be Addressed</p>	<ol style="list-style-type: none"> 1. The project does not include management fees. Are these expenses absorbed by other revenue streams? 2. Units must be limited to frail elders or people with disabilities; otherwise the Affordable Housing Location Model will apply.

Project Name	
Del Ray Ridge, LP	
Project Address	Confidential location in Iowa City
Activity Type	Rental Housing
CITY STEPS Priority	Expanding Affordable Rental and Owner Housing Opportunities
CITY STEPS Goal Achieved	Rental housing development
Beneficiaries	31-50% MFI 18% of units 51-60% MFI 82% of units
Amount Requested	\$300,000
Repayment Terms	20-year amortized loan at 2% interest; annual payment of \$18,350
Period of Affordability/ Compliance Period	Minimum compliance period is 20 years
Percent of Project Funded by CDBG/HOME	5%
Property Taxes	Property taxes will be paid

<p>Documentation of Project Need</p>	<p>The applicant proposes to construct 28 dwelling units for residents making up to 60% of the median family income.</p> <p>CITY STEPS and the 2008 Housing Market Analysis projected the affordable housing demand at 649 units (544 renter and 105 owner units). The most recent Cook Apartment Survey identified the vacancy rate at 1.8% or less for two- and three-bedroom units. This project will add 28 dwelling units.</p>
<p>Project Budget Discussion</p>	<p>The cost per unit is \$10,714. Total project cost is \$5,703,765. The applicant's pro forma has a debt coverage ratio of 0.66 (Year 1) to 1.48 (Year 20) but the operating expenses are higher than expected, which gives a conservative cash flow estimate.</p> <p>Before committing funds, the City will conduct an underwriting review based on the City's established criteria.</p>
<p>Project Coordination with Existing Services & other Services Available in the Community</p>	<p>The applicant has a long history of working with a variety of agencies, organizations and private businesses to ensure the success of each project and of the families living in each home. THF owns and manages 95 rental units and manages 70 LIHTC rental units. Of the 171 homes, THF constructed 93.</p>
<p>Applicant History or Capacity to Successfully Complete the Proposed Project</p>	<p>Applicant has successfully managed hundreds of thousands of dollars of CDBG and HOME funded projects. THF has experience and a successful track record with the acquisition, construction, and management of affordable housing. THF qualifies as a Community Housing Development Organization (CHDO).</p>
<p>Summary of Items to be Addressed</p>	<ol style="list-style-type: none"> 1. What is the likelihood that the project would move forward with partial HOME funding or no HOME funds? 2. Does the proposed location include transit access within walking distance of the site? 3. The pro forma shows a negative cash flow in Year 1. Will the applicant borrow funds or use existing cash reserves to cover the shortfall? 4. If tax credits are not awarded, will The Housing Fellowship move forward with another (smaller), new construction project?