


# COUNCIL COMMUNICATION

	Number:	<b>22-512</b>	Meeting:	<b>November 7, 2022</b>
	Agenda Item:	<b>43</b>	Roll Call:	<b>22-1760</b>
	Submitted by:	<b>Chris Johansen, Neighborhood Services Department Director</b>		

**AGENDA HEADING:**

Public hearing for approval of the proposed 2023 Action Plan as part of the U.S. Department of Housing and Urban Development (HUD) 2020-2024 Consolidated Plan.

**SYNOPSIS:**

As an entitlement recipient of federal grant funding from HUD, the City of Des Moines is required to submit an Annual Action Plan as an update to its 5-year Consolidated Plan. The Annual Action Plan details how the City of Des Moines intends to use its federal funds. The HUD funding includes Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG). This Council action is for the City of Des Moines regular federal funding allocation, and it does not include any additional funds or special programming in response to COVID-19.

One (1) requirement before submitting the Consolidated Plan is to obtain public input about the plan. This public hearing is the final opportunity for the public to submit comments.

**FISCAL IMPACT:**

Amount: \$3,890,000 in CDBG; \$1,130,000 in HOME; and \$325,000 in ESG.

Funding Source: This funding will come from HUD.

**ADDITIONAL INFORMATION:**

- The estimated funding breakdown for proposed projects is below:

2023 Projects	CDBG Funding	HOME Funding	ESG Funding	Total
Neighborhood-Based Service Delivery – Code Enforcement	\$ 1,681,189	\$ -	\$ -	\$1,681,189
Administration	\$ 765,000	\$ 110,000	\$ -	\$ 875,000
Public Services	\$ 570,000	\$ -	\$ -	\$ 570,000
HOME Activities	\$ -	\$ 570,000	\$ -	\$ 570,000
Public Facilities and Infrastructure	\$ 500,000	\$ -	\$ -	\$ 500,000
CHDO Activities	\$ -	\$ 450,000	\$ -	\$ 450,000
Affordable Housing	\$ 373,811	\$ -	\$ -	\$ 373,811
ESG Program and Administration	\$ -	\$ -	\$ 325,000	\$ 325,000
<b>Total</b>	<b>\$ 3,890,000</b>	<b>\$ 1,130,000</b>	<b>\$ 325,000</b>	<b>\$5,345,000</b>

- Public services include three (3) activities. First, \$75,000 will be allocated to the Des Moines Municipal Housing Authority to staff its homebuyer education and counseling program for tenants moving into homeownership. Second, \$150,000 will be allocated to IMPACT Community Action Agency for their operations to assist low- and moderate-income clients with a range of services such as the Low-Income Heating and Energy Assistance Program (LIHEAP), food assistance, and housing assistance. Third, \$345,000 will be allocated to Central Iowa Shelter and Services (CISS) for operations.
- Public facilities and infrastructure improvements in 2023 will include upgrades to Evelyn K. Davis Park or Pioneer Park.
- HOME activities include \$350,000 allocated to Greater Des Moines Habitat for Humanity to construct at least 10 homeownership units for low-income homebuyers and provide buying assistance to 10 homebuyers. The remaining \$220,000 will be allocated to rental development projects with site preparation.
- Community Housing Development Organization (CHDO) activities, which is set aside under the HOME Program, is the allocation to HOME, Inc. to develop two (2) homeownership units and provide down payment assistance for at least two (2) low-income homebuyers.
- The ESG Program and Administration will include activities to address homelessness, including rapid rehousing and emergency shelter. Funds are allocated to service providers by a local competitive grant process, facilitated by City staff and Homeward, which was formerly known as Polk County Continuum of Care.
- Each program mentioned in the Consolidated Plan (CDBG, HOME, and ESG) has a different focus. CDBG funding is the most diverse funding stream. It provides decent housing and suitable living environments and expands economic opportunities, principally for low- and moderate-income persons. The HOME program funds housing projects, often in partnership with local nonprofit groups, which includes building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. ESG is intended to assist people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.

#### **PREVIOUS COUNCIL ACTION(S):**

Date: October 3, 2021

Roll Call Number: [22-1521](#)

Action: [On](#) the proposed 2023 Action Plan as part of the 2020-2024 Consolidated Plan for submission to the U.S. Department of Housing and Urban Development (HUD), (11-7-22). Moved by Gatto to adopt. Second by Boesen. Motion Carried 7-0.

Date: November 4, 2019

Roll Call Number: [19-1792](#)

Action: [On](#) the proposed 2020-2024 Consolidated Plan, which includes the 2020 Action Plan, for the US Department of Housing and Urban Development (HUD) Consolidated Plan. ([Council Communication No. 19-476](#)) Moved by Gatto to adopt. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

- The federal funding amounts for each program above are estimates. Once US Congress determines next year's budget, HUD will announce the City of Des Moines allocation, and City staff will return to Council to reaffirm proposed plans with final allocations. In the past, this often occurs in early spring.
- City staff will also return to Council to approve grant agreements with HUD. This usually occurs in early summer.

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