

Date November 6, 2006

RESOLUTION AUTHORIZING A \$250,000 GRANT APPLICATION TO THE POLK COUNTY HOUSING TRUST FUND FOR A LEAD-BASED PAINT CONTROL PROGRAM OFFERED JOINTLY WITH POLK COUNTY HEALTH DEPARTMENT

WHEREAS, the Polk County Housing Trust Fund has issued a request for proposals soliciting applications for grant funding for Owner Occupied Repair Programs in Polk County; and,

WHEREAS, the City of Des Moines' Community Development Department operates a Owner-Occupied Housing Rehabilitation Loan Program with a component for Major Rehabilitations (greater than \$25,000) which provides assistance to low and moderate-income homeowners to improve the condition of their homes; and,

WHEREAS, the City of Des Moines has partnered with the Polk County Health Department on a program for Lead-Based Paint Control for income eligible owner-occupied homes in Des Moines that are identified as the primary residence of a child under the age of six with elevated blood lead (EBL); and

WHEREAS, the Polk County Housing Trust Fund grant will be matched with \$250,000 Community Development Block Grant (CDBG) funds for the City's Owner-Occupied Housing Rehabilitation Loan Program administered by the Neighborhood Conservation Services (NCS) Division of the Community Development Department; and,

WHEREAS, a grant request for \$250,000 from the Polk County Housing Trust Fund attached hereto as Exhibit A, has been prepared by the City of Des Moines for submission.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that the submission of a \$250,000 grant request to the Polk County Housing Trust Fund for the City of Des Moines Owner-Occupied Housing Rehabilitation Loan Program is hereby authorized and the City Manager or his designee is authorized to sign the grant application and carry out its terms and conditions. If the grant is awarded to the City of Des Moines, the City Manager or his designee is further authorized and directed to execute the aforementioned grant.

(Council Communication Number 06-100) MOVED by _____ to adopt.

APPROVED AS TO FORM: Ann DiDonato Ann DiDonato, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
VLASSIS				
TOTAL				

MOTION CARRIED APPROVED

Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk

EXHIBIT 1: Program Description

The purpose of the Owner-Occupied Housing Rehabilitation Loan Program is to provide assistance to low and moderate-income homeowners to bring an entire structure into compliance with the U.S. Department of Housing and Urban Development's Housing Quality Standards (HQS) for decent, safe, and sanitary housing. The intent is to extend the economic and functional life of the property by 15 to 20 years.

We are initiating a pilot program within the City's Owner-Occupied Loan Program in partnership with the Polk County Health Department. This program provides Lead-Based Paint Control Measure for owner-occupied homes that are identified as the primary residence of a child, under the age of six, with elevated Blood Level (EBL).

1. The maximum assistance provided is \$22,750/per unit. It is expected that actual costs will range between \$20,000 to \$50,000/unit depending upon the size of the structure and level of rehabilitation work needed. The cost will be evenly split between federal block grant funds and Polk County Housing Trust funds. The final amount would include construction, interim measures, administrative and contingency costs.
2. Eligibility requirements include:
 - The dwelling must be owned and occupied by the applicant for the past twelve months prior to applying.
 - Contract Purchasers must have a legally binding contract sales instrument filed with the Polk County Recorder's Office; and
 - The income of the household may not exceed 80% of the Median Family Income as determined by family size.
3. Projects are selected based on referral by the Polk County Health Department (PCHD), applicant eligibility and repair feasibility. The PCHD maintains a list of 100 plus addresses that are the primary residence of children that have tested above the recommended limits for Elevated Lead Blood. Homeownership is verified through the Polk County Tax Assessor's Office when an application is submitted to the Interim Lead-Based Paint Control Program. Occupancy may be established through examination of phone, gas, and water bills.
4. There is a limit of one Neighborhood Development Division financial assistance project per property, regardless of ownership, within the prior seven years.
5. A home is infeasible for the Owner-Occupied Lead-Based Paint Control Loan Program when repair costs to make the home safe for occupancy exceed the maximum program amount. City staff will work with the homeowner to determine if they can qualify for another program that may increase the amount of funding available.

6. Homeowners under 50% of the median income that carry out the Interim Lead-Based Paint Control Measures are not required to repay any amount of the loan.
7. Federal regulations enacted in 2000 require U.S. Department of Housing and Urban Development (HUD) funded programs to treat and/or abate residential lead hazards. Nearly 43% of homes in Iowa were built before 1950 compared to the national average of 27%. This puts Iowa at sixth in the nation in the percentage of homes built before 1950. In Des Moines alone, about 27% of the homes were built before 1950. Studies have shown that virtually all pre-1950 homes contain lead hazards.

Within the City of the Des Moines, slightly over six percent of tested children, six years of age and under, show elevated blood lead (EBL). The locations with the highest concentrations of children with EBL are within the 50314 (19%) and 50309 (11%) zip codes. Children diagnosed with EBL greater than 10 micrograms per deciliter, are at a level of lead concentration where intelligence, hearing and growth are affected and can cause developmental deficits and learning disorders.

The Polk County Health Department is required to test and maintain a list of children with elevated blood lead (EBL) by address. The City and County have partnered to take a citywide approach and **target addresses with children at the highest risk** for the Lead-Based Paint Control Program. Further, the City and County, along with surrounding communities, have created a Lead-Based Paint Coalition that will support an application to HUD for a Lead Based Paint Demonstration Program Grant application in 2007. If awarded, the \$2 to 3million grant will be administered by Polk County Health Department in conjunction with the applicable local rehabilitation programs.

8.

Applicant	Address
Privacy regulations do not permit the release of personal information on program applicants.	1. 1945 Lincoln
	2. 1251 13 th St.
	3. 2720 High St.
	4. 821 E. 22 nd St.

EXHIBIT 2: Extraordinary Circumstances

The Lead-Based Paint Controls Program is different from other housing rehabilitation programs administered by the City because of its unique partnership with public health services to address a community-wide health hazard. The Program is separate from the standard City Owner-Occupied Housing Rehabilitation Program only in terms of how potential clients are selected for the program. Clients are referred to the program by the Polk Co Health Department. These are households identified as being the primary residence of a child with elevated blood lead. This program will have dedicated funds reserved specifically for qualified addresses.

The City and County applied for additional funding through the U.S. Department of Housing and Urban Development's (HUD) Lead-Based Paint Hazard Control Grants for the 2007-2009. The application was denied funding for this funding cycle. However, because Des Moines is on record with HUD as having a high number of occupied rental housing units built prior to 1940 (a threshold of at least 3,500 units is required) Des Moines is eligible to apply for the HUD Lead Hazard Reduction Demonstration Program Grant. Grant awards are for \$2-3 million for a three-year program. The Polk County Board of Supervisors have received notification by HUD regarding eligibility for the Grant Program and are encouraged to make application to the 2008 SuperNOFA funding round next spring.

EXHIBIT 3: Marketing

Polk County Health Department this summer hired a full time Program Specialist to deal with programs related to lead. The Program Specialist does intake, application processing, and partial screening of eligibility and answers any questions of applicants. Since August 31, 2006, she has enrolled 16 housing repair applicants, nine of whom will be referred to the City of Des Moines programs for home repair. Many of these properties are homes where poisoned children reside (seven were homes with children testing more than 5 ug/dL -- see efforts to locate those children, below).

Polk County Health Department took out one Val-Pak targeted direct mail ad in the 50314 zip code in August and this has already produced two applicants to the program. The Health Department has taken out ads in the Des Moines register and Iowa Parent as well, and has helped produce feature articles about lead in *el Latino* newspaper. Of the 16 housing repair applicants since 8/31/06, here is a breakdown of the referral mechanism:

- 5 from letters sent to families of lead poisoned children
- 5 from home visits from community health nurses (Visiting Nurse Services - a Coalition member - see below)
- 2 from Val-Pak ads
- 3 from miscellaneous flyers
- 1 from City of Des Moines programs

Polk County Health Department facilitates the Childhood Lead Poisoning Prevention Program in Polk County, and works with 22 partners in the Polk County Lead Poisoning Prevention Coalition to extend outreach and education throughout the County. In the past six months, partners within the Coalition have distributed thousands of lead poisoning prevention flyers, brochures and messages to (some examples are attached):

- physicians
- participants at health fairs
- child care facility inspections
- ESL classes
- church bulletins

The Coalition put up five billboards in English and Spanish around Des Moines and produced two banners painted by children announcing the risks of lead poisoning, and where to call for assistance. The Coalition sponsored a lead "blitz" the week of October 23 - 28 where testing was available at six inner city sites over five days, reaching nearly 100 new children.

The Coalition in the summer of 2006 received a \$15,000 grant from the Mid-Iowa Health Foundation to specifically target physicians offices to raise awareness about the need for additional blood tests to identify poisoned children, and to host outreach clinics, like

the lead "blitz" to target at-risk children. During these events, a \$5.00 Target gift card is given to parents as an incentive for them to have their child tested.

The end result of all these Coalition efforts will be to greatly increase the number of children identified, and thereby find the homes that are the source of those children's lead poisoning.

EXHIBIT 4: Additional Information

In 2007 the City of Des Moines, Polk County Health Department are submitting a grant application to the U.S. Department of Housing and Urban Development (HUD) for a Lead-Based Paint Demonstration Program Grant. These highly competitive grants support three (3) year programs with awards averaging about \$2 to 3 million dollars per community. Des Moines is the one of only four jurisdictions in Iowa that is eligible to apply for this program grant. Eligibility is based on the having more than 3,500 pre-1940 units of occupied rental housing in the community.

An Iowa Department of Public Health (IDPH) Grant has funded the current effort of the lead prevention program in Des Moines. Further funding is needed for both staffing and outreach and for treating properties. The Lead-Based Paint Hazard Demonstration Program Grant can support the following eligible activities;

- Inspections and risk assessments to identify lead-based paint risks
- Blood testing of children prior to lead hazard control work
- Lead hazard control work (this includes cleaning, interim controls, and hazard abatement)
- Temporary relocation of families during hazard control activities
- Community awareness or education programs on lead hazard control and lead poisoning prevention.

EXHIBIT 5: Financial Characteristics

Program Budget - The City of Des Moines has operated a program similar to the Owner-Occupied Housing Rehabilitation Loan Program for over twenty-five years. During that time construction costs have escalated in general. The Rehabilitation Inspectors each have over twenty years of experience in the construction field and work with the local market to determine costs. In addition, they work with computer-aided databases such as "RESPEC" to make determinations on cost reasonableness of repairs. The rehabilitation specialists at the City work with a large number of homeowners each year and are accurate at estimating the cost of repairs in the Des Moines market.

Insurance Coverage – The City of Des Moines requires that all contractors have a level of insurance that satisfies the Polk County Housing Trust Fund amounts. See attached Appendix II

Time Frame - The City of Des Moines currently has an agreement with the Polk County Housing Trust Fund that runs until December 2007. This grant request supplements that existing program and extends the completion for expenditure of funds to December 2008. Based on current expenditure rates, the money can be effectively used during that time period.

Assessed Values – The Owner-Occupied Housing Rehabilitation Loan Program generally assists those property owners with homes in below normal condition that are assessed well below \$100,000. The table below shows five properties completed in 2004/2005 selected at random that includes the 2005 assessed value. The average assessed value is \$72,820.

Contract Date	Rehabilitation Address	Assessed Value
01/14/05	1120 21st Street	\$51,500
04/27/04	2910 Dean	\$67,700
03/18/04	1066 16th	\$65,300
01/07/05	826 E.28 Ct	\$93,100
10/27/05	714 E Ovid	\$86,500

EXHIBIT 6: Applicant Experience

Appendix I is completed and attached.

The City has operated the Owner-Occupied Housing Rehabilitation Loan Program for over twenty-five years. Currently, the City has two Rehabilitation Inspectors as well as a Senior Inspector who work with the homeowner to develop a work-write up, find a contractor to perform the necessary rehabilitation to the structure. Each inspector has over twenty years of experience in construction trades. Additionally, the Senior Inspector is certified by the Iowa Department of Public Health (IDPH) as a Lead Inspector/Risk Assessor and as a Sampling Technician. The Rehabilitation Inspectors are both certified by IDPH as Sampling Technicians.

The City also has a Financial Analyst to verify income, close loans, and file lien and mortgage documents. This past year the Neighborhood Development Division of the Community Development Department hired an administrative aide (administrator/financial) to ensure that requirements of all NCS programs are met, liens and affordability covenants are filed, and adequate records are kept for monitoring and audit.

EXHIBIT 7: Ready to Proceed

Ability to Draw Down Funds - The combination of demand and experienced staff insure that this funding can be spent within two years. As of November 2006, the city of Des Moines has expended approximately 100% of the Polk County Housing Trust Fund monies received in December 2005.

Funding Sources – In addition to the Polk County Housing Trust fund, the City will use \$250,000 of 2007 CDBG/HOME funds to operate the Lead-Based Paint Control Program as authorized by the Des Moines City Council on 11/20/06 for the approval of funding for the 2007 Owner-Occupied Housing Rehabilitation Program.

The City also applied for and received an additional \$250,000 two-year program grant from the Federal Home Loan Bank for the Lead-Based Paint Control Program for 2006 through 2008.

EXHIBIT 8: Market Need

Federal regulations enacted in 2000 require U.S. Department of Housing and Urban Development (HUD) funded programs to treat and/or abate residential lead hazards. Nearly 43% of homes in Iowa were built before 1950 compared to the national average of 27%. This puts Iowa at sixth in the nation in the percentage of homes built before 1950. In Des Moines alone, about 27% of the homes were built before 1950. Studies have shown that virtually all pre-1950 homes contain lead hazards.

Within the City of the Des Moines, slightly over six percent of tested children, six years of age and under, show elevated blood lead (EBL). The locations with the highest concentrations of children with EBL are within the 50314 (19%) and 50309 (11%) zip codes. Children diagnosed with EBL greater than 10 micrograms per deciliter, are at a level of lead concentration where intelligence, hearing and growth are affected and can cause developmental deficits and learning disorders.

The Polk County Health Department is required to test and maintain a list of children with elevated blood lead (EBL) by address. The City and County have partnered to take a citywide approach and **target addresses with children at the highest risk** for the Lead-Based Paint Control Program. Further, the City and County, along with surrounding communities, have created a Lead-Based Paint Coalition that will support an application to HUD for a Lead Based Paint Demonstration Grant application in 2007. If awarded, the \$2 to 3 million three-year program grant will be administered by Polk County Health Department in conjunction with the applicable local rehabilitation programs.

EXHIBIT 9: Letter of Approval

Applicant is a local government.

A resolution approving the submittal of this application by the City Council is on the Des Moines City Council Agenda for November 6, 2006. A signed resolution will be forward to the Polk County Housing Trust Fund upon receipt of the form from the City Clerk's Office.

Project Location – All units will be located within the City of Des Moines

EXHIBIT 10: Collaboration

For the past five years the City of Des Moines and Polk County have participated in the Lead-Based Paint Coalition along with the Iowa Department of Public Health (IDPH) and surrounding communities to address identification and treatment of Lead-Based Paint Hazards. Currently, the Polk County Board of Health Advisory Committee is working with the Des Moines City Council and the Polk County Board of Supervisors, both have expressed a willingness to amend existing 28E Agreements and/or ordinances to allow greater flexibility and sharing of staffing and resources for rental property inspections, handling of complaints, and the responsibilities for interim controls or abatement of lead-based paint.

Further, City, County and other members of the Coalition are preparing an application for a HUD 2006 Lead-Based Paint Hazard Control Grant that could provide up to \$2 million for a three-year countywide program. Polk County Public Health (PCPH) would be the administrating agency and would continue and expand their identification and education efforts under a proposed three-year program. Additionally, PCPH would work with appropriate housing rehabilitation programs in the area to provide for the necessary interim control measures for addresses that are identified as posing an immediate danger to a child, under the age of six, with elevated blood lead.

The City and County governments are both strongly committed to confronting the problem of lead-based paint hazards in our aging housing stock as well as provide area children with healthy and safe living conditions.

EXHIBIT 11: Sources and Uses/ Overflow

USES	TOTAL COST	PCHTF	OTHER SOURCES	GRANT/ CASH IN-KIND	NOTES
Building repair / rehabilitation					
Architecture and engineering fees					
Other fees					
Construction inspectors/mgmt					
Construction loan fees and interest					
Other: LBP Program	750,000	250,000	CDBG - 250,000		
			FHLB – 250,000		
SUBTOTAL					
Direct Admin	(100,000)		(100,000)		
Indirect Admin					
Contingency	15,000		15,000		
Profit					
TOTAL	765,000	250,000	515,000		

Exhibit 12: Committed Funds

At the City Council meeting of 11/20/06 the City committed \$250,000 of HOME and CDBG funds for the Owner-Occupied Housing Rehabilitation Loan Program for the time period of 1/07 to 12/08. These funds are used for a direct rehabilitation costs and program administration.

Each household receiving a loan is funded by all three sources:

1/3 HOME funds (approximately \$7,583.),
1/3 PCHTF funds (approximately \$7,583.), and
1/3 Federal Home Loan Bank funds (approximately \$7,583.).

Financial Statement

**POLK COUNTY HOUSING TRUST FUND
2006-07 APPLICATION FOR OWNER-OCCUPIED
HOUSING REPAIR AND REHABILITATION**

(Please remain within the given format of the application. Page layout may not be changed.)

If additional space is needed, please use Exhibit 4 to attach additional pages.)

1. APPLICANT INFORMATION

DATE: November 6, 2006

PROJECT NAME: Lead-Based Paint Control Program with Polk County Health Department

NAME OF APPLICANT ORGANIZATION: City of Des Moines

ADDRESS: 602 Robert D. Ray Dr., Des Moines, IA 50309

NAME OF CONTACT PERSON: Kathy Kahoun

TITLE: Administrator

TELEPHONE: 515.283.4755 **FAX:** 515.237.1694

E-MAIL ADDRESS: kmkahoun@dmgov.org **FEDERAL TAX ID #** _____

2. AMOUNT OF SUBSIDY REQUESTED FROM PCHTF:

Amount of Subsidy Requested: \$250,000

Please indicate here if there are any special financing circumstances relating to your project:

NONE

3. PROJECT INFORMATION: (Include in Exhibits 1-12)

Please include all of the following information, and attach to the application as a relevant exhibit.

Exh. 1 A written description of the program and criteria used to determine the type of project (e.g., emergency repair, minor repair, major repair, etc.). The program description should include:

- 1) Level of funding per unit.
- 2) Applicant eligibility guidelines (e.g., income/disability, demonstrated need, maximum assessed value of the home, etc).
- 3) The criteria and procedures for selecting projects, including evidence of the manner in which ownership will be determined.
- 4) Restrictions, if any, on the household's ability to reapply for additional funding (if so, the waiting period) or if there is a lifetime benefit attached to the home or the homeowner.

- 5) The criteria used for a determination of infeasibility.
- 6) The criteria for requiring a homeowner to pay part of the repairs or rehabilitation costs.
- 7) A brief history on the development of the program to date, including how the program was initiated.
- 8) Names and addresses of current applicants.

Exh.2 Any extraordinary circumstances that may make this project non-comparable to other projects of this type and / or cause PCHTF to consider waiving the lien requirement.

Exh.3 Information on the marketing / outreach plan for reaching homeowners.

Exh.4 Any additional information that may be relevant to the program.

Exh.5 A project management plan, including:

- A program budget that demonstrates that:
 - revenue and expenses are reasonable for the market in which the project is located, and
 - the project has a contingency budget of 5 – 10% (if applicable);
- evidence of appropriate insurance coverage (**see Appendix II**);
- the length of the program to be funded (e.g., one or two years); and
- evidence that project properties have assessed values less than or equal to the average residential assessed value in Polk County for 2005.

Exh.6 Evidence of capacity to complete the project and manage the property for the retention period, based on past experience in developing and managing similar projects or on “other” factors which show the ability to complete and manage the projects. Please complete Appendix I and include it as Exhibit 6 with your application.

Exh.7 A schedule and supporting information to demonstrate the Applicant will:

- draw down on PCHTF funding within two years of commitment; and
- obtain commitments from other financing sources within six months.

PCHTF reserves the right to reject the proposed project if it appears unlikely that the funds can be utilized and/or committed in a timely manner.

SCORING CRITERIA

4. AFFORDABILITY

To be funded by the PCHTF, housing in the project must be for households at or below 80% MFI.

More points will be awarded for a project that supports lower income housing units (see Income Categories on page 2).

- 4) is the subject of a Resolution by the appropriate local governing body that identifies the neighborhood, its boundaries, that acknowledges the area has significant housing issues that need to be addressed, and that owner-occupied rehabilitation is one solution to addressing the identified needs.

5b. Project Endorsement

5 points fixed

Five points will be awarded for applications that include a Letter of Approval or signed Resolution from the appropriate governmental entity or Neighborhood Association. Documentation must be attached (**Exhibit 9**) to receive points in this category.

5c. Project Location

15 points variable

Fifteen points will be awarded for projects located outside the Des Moines city limits.

 34 # OF UNITS INSIDE DSM # OF UNITS OUTSIDE DSM

6. COLLABORATION

10 points variable

Collaboration with various for-profit and non-profit organizations, units of State and local governments, and eligible agencies of the Federal Government is encouraged. Two points will be awarded for each entity type included in a collaboration of two or more category types.

- State/Federal Government programs
- City programs
- County programs
- For-profit programs
- Non-profit programs

To receive points for collaboration, the Applicant must describe collaboration effort. Please identify who the collaborators are and how the collaborative program works. Please indicate whether there has been a decrease in duplication of services and how this collaboration has benefited low income households. **Please include this discussion in Exhibit 10.**

7. PROJECT SOURCES

7a. Funding Sources :

Please summarize all funding sources in the following table and indicate their commitment status.

FUNDING SOURCE:	AMOUNT	COMMITTED Y/N	DATE OF COMMITMENT	% OF TOTAL SOURCES	NOTES
PCHTF	250,000	N		32%	
CDBG/HOME	250,000	Y	11/20/2006	33%	
FHLB	250,000	Y	4/2006	33%	
Admin CDBG	(100,000)	Y	11/20/2006	NA	
Contingency	15,000	Y	11/20/2006	2%	
TOTAL:	765,000			100%	

TOTAL SOURCES in Section 7a must equal TOTAL SOURCES in Section 7b. If the totals do not match, the application may be rejected.

7b. Project Sources and Uses:

Please note in columns which funds will be used to pay for each item. **If additional space is required for notes or cost categories, attach a separate sheet as Exhibit 11 (overflow).**

USES	TOTAL COST	PCHTF	OTHER SOURCES	GRANT/ CASH IN-KIND	NOTES
Building repair / rehabilitation					
Architecture and engineering fees					
Other fees					
Construction inspectors/mgmt					
Construction loan fees and interest					
Other: LBP Program	750,000	250,000	CDBG - 250,000		
			FHLB – 250,000		
SUBTOTAL					
Direct Admin	(100,000)		(100,000)		
Indirect Admin					
Contingency	15,000		15,000		
Profit					
TOTAL	765,000	250,000	515,000		

Use an asterisk to highlight any line item that includes a profit to the Applicant.

TOTAL SOURCES in Section 7a must equal TOTAL USES in Section 7b.

TOTAL COST OF AFFORDABLE UNITS: 34 units @ \$22,750 each for total of \$765,000

TOTAL PROJECT COST: \$865,000 (includes direct admin. costs)

7c. Leverage

5 points variable

All projects must meet the 1:1 leverage requirement set by the PCHTF.

A maximum of 5 points will be awarded based upon the ratio of the amount leveraged to project total cost. Points will be awarded based upon the ratio of the PCHTF amount to total project cost. A project with the minimum required leverage will get zero points.

PCHTF share = 50%	0 points
PCHTF share = 33 – 49.9%	2 point
PCHTF share = 25 – 32.9%	3 points
PCHTF share = 20% - 24.9%	4 points
PCHTF share is less than 20%	5 points

7d. Committed Resources

5 points fixed

Projects with 100% committed resources will be awarded 5 points. Points for committed funds will be weighted and awarded based upon the percentage of total committed versus identified. **Please include a description of all matching funds, including other grants, cash, and in-kind services, as Exhibit 12.**

ATTACHMENTS:

Please label and index all attachments in the following order:

ITEM TO BE ATTACHED	EXHIBIT #	APPLICATION SECTION	ATTACHED (Yes/No)	NOT APPLICABLE	NOTES
Program description	1	3	Y		
Extraordinary Circumstances	2	3	Y		
Marketing	3	3	Y		
Additional Info.	4	3	Y		
Financial Characteristics	5	3	Y		
Applicant Experience	6	3	Y		
Ready to Proceed	7	3	Y		
Market Need	8	5a	Y		
Letter(s) of Approval	9	5b	Y		At Des Moines City Council for Approval on 11/06/06
Collaboration	10	6	Y		
Sources & Uses Overflow	11	7b	N		
Committed Funds	12	7d	Y		
Other (list)					
Financial Information			Y		
Application Certification			Y		
Appendix I			Y		
Appendix II			Y		
Application Fee		N/A	N/A		

APPLICANT CERTIFICATION:

Applicant hereby certifies with respect to this application and the project for which the PCHTF assistance is requested as follows:

- All information and representations contained in this application and the attachments hereto are true and accurate.
- Applicant will comply with all applicable federal, state and local laws and regulations in completing and operating the project, including, without limitation, local zoning laws and zoning codes and Fair Housing Laws.
- Applicant certifies that the funds requested will be used by the applicant only for eligible costs associated with the project.
- Applicant has the ability and capacity to implement the project and has duly committed its own funds to the project as described in the application.
- No project costs for which PCHTF assistance is requested have been incurred by the applicant to the date hereof (outside of costs associated with project feasibility), or will be incurred by Applicant prior to PCHTF approval of the project.
- Applicant has identified local housing needs in the community in which the project is located, and the project is designed to meet such needs in whole or in part and to be consistent with local laws, codes and housing plans.
- Applicant (if other than a political subdivision or governmental agency) hereby gives permission to the PCHTF to research applicant's history, make credit checks, contact applicant's financial institution, and perform other related activities necessary for the reasonable evaluation of this application.
- Applicant certifies that they understand that the RFP and all of its requirements and this application will be incorporated into the Grant/Loan Agreement if approved for funding.
- Applicant understands that information submitted to the PCHTF relating to this application may be public information.
- Applicant understands that a "feasibility threshold" must be met prior to the application being scored or considered for fundraising.

APPLICANT CITY OF DES MOINES

By: _____

Kathy Kahoun, Administrator, Neighborhood Development Division
Print Name and Title

Date: _____

PLEASE NOTE: YOUR APPLICATION MAY BE COPIED AND PROVIDED TO THE FULL PCHTF BOARD.]

*Updated 9-03
Reviewed and Revised 09-06
Approved 09-06*

Appendix I Applicant/ Project Administrator Information

This must be completed by all applicants. Please attach the completed statement to the Application as Exhibit 6.

I. Applicant

- A. Full legal name of Project Administrator: City of Des Moines, Community Development Department, Neighborhood Development Department
- B. Project Administrator's date of inception, if not an individual: Local Government, 1843
- C. Please enclose a copy of the Applicant's Articles of Incorporation and 501 (c)(3) exemption certificate (if applicable).
- D. Please briefly describe the Project Administrator's history: The Community Development Department has been delivering direct rehabilitation assistance using federal and city funds for over 20 years.
- E. Total annual operating budget (specify year): Sheila Lumley indicated a summary of the City's audit would satisfy D through H of Section I Please enclose the Applicant's most recent audited financial statement.
- F. Total number of employees:
Full-time: 11 Part-time: _____
(in the Neighborhood Development Division)
- G. Please list all principals and affiliates (individuals, businesses, and/or organizations) that have an interest (financial or otherwise) in the Project Administrator's entity, identifying the title or role of each and the character and extent of interest:
- H. If external audits are completed for the Project Administrator's organization, please list any negative audit comments or findings received during the past three audits:
- I. If applicable, please list and explain any outstanding negative issues the Project Administrator has with any public or private funding agency, including notices of non-compliance, default, monitoring finding, or program deficiency.

II. Housing

- A. How many housing units have been subject to repair/rehabilitation programs in the last five years? Over 600 units of housing have been rehabilitated through City of Des Moines programs. The figure includes both minor and major rehabilitation.
- B. Does the Project Administrator have a history of completing projects on time and within budget? Please explain. The City of Des Moines, Community Development Department, Neighborhood Development Division does have a history of completing projects on time and within budget. A work plan is adopted annually that lists the number of properties to be completed using federal and other grant funds that may be

Appendix I

Applicant/ Project Administrator Information

available. Productivity of the division and quality of the projects are monitored by the U.S. Department of Housing and Urban Development. The city is monitored for procedures, administrative costs and overhead and the cost reasonableness of the projects be completed. All of the City Inspection Staff are certified for Lead-Based Paint Assessment.

III. Application

- A. Please describe the role and responsibilities of the Project Administrator in relationship to the proposed project: The City of Des Moines, Community Development Department, Neighborhood Development Division is solely responsible for ensuring the rehabilitation dollars are spent according to the proposal.
- B. Please list the specific staff who will be responsible for development of the proposed project and briefly describe their experience and qualifications: The City's financial analyst and neighborhood conservation inspectors are the staff most closely involved with delivery of services. Once an application is submitted, a senior inspector with the Neighborhood Development Division , who is a certified risk assessor for Lead-Based Paint, inspects the house and provides a list of deficiencies which can be repaired through the Major Home Repair Program. If the project appears feasible the Program Manager for the Polk Co. Health Dept Lead Based Paint Program works through the process of income qualification and how to obtain bids for cost reasonableness with the client. If the homeowner is mentally or physically handicapped, the city inspector will bid the project for the homeowner. Once the bid has been accepted, the financial analyst closes the loan with the homeowner and records the lien and note. The inspector provides construction management through the process, inspecting work and authorizing payout onl after the work is correctly completed to the satisfaction of the homeowner.

Tom Nancarrow: Financial Analyst Mr. Nancarrow has worked for over 20 years in construction lending in both the municipal and private sectors.

Dennis Piper: Senior Inspector Mr. Piper has almost 30 years of experience I housing inspection and rehabilitation. He is a certified as Lead Inspector/Risk Assessor and as a Sampling Technician by the Iowa Department of Public Health.

Ralph Penley: Inspector Mr. Penley has over 10 years of experience in weatherization, construction management, and rehabilitation. He is certified as a Sampling Technician by the Iowa Department of Public Health.

Mike Kruse: Inspector Mr. Kruse has over 10 years of experience in weatherization, building codes, construction management and rehabilitation. He is certified as a Sampling Technician by the Iowa Department of Public Health.

Appendix I

Applicant/ Project Administrator Information

If the Project Administrator has little or no experience with the type of housing development proposed in this application, please explain what steps will be taken to ensure a successful project, including any outside expertise that will be sought to assist the Project Administrator.

Appendix I
Applicant/ Project Administrator Information

IV. Certification

On behalf of the Project Administrator first listed above, I hereby certify that I am the duly authorized representative of the Project Administrator and that the information set forth in this document is true, correct, and complete to the best of my knowledge and belief.

Authorized Signature of Project Administrator:

Signature

Date

Printed Name: Kathy Kahoun

Title: Administrator, Neighborhood Development Division

Appendix II

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**Owner Occupied Repair and Rehabilitation
Required Insurance Coverage**

Class of Coverage	Bodily Injury	Property Damage
<u>General Liability</u>		
Manufacturers and Contractors		
Independent Contractors	\$1,000,000 each occurrence	\$1,000,000 each occurrence
Products and Completed Operations	\$2,000,000 aggregate Hold Harmless	\$2,000,000 aggregate
<u>Auto-Owned, hired or leased</u>		
	\$1,000,000 each person \$1,000,000 each occurrence	\$1,000,000 each occurrence
<u>Workers compensation</u>		
	\$500,000 each accident; \$500,000 (disease-policy limit) \$500,000 (disease-each employee)	