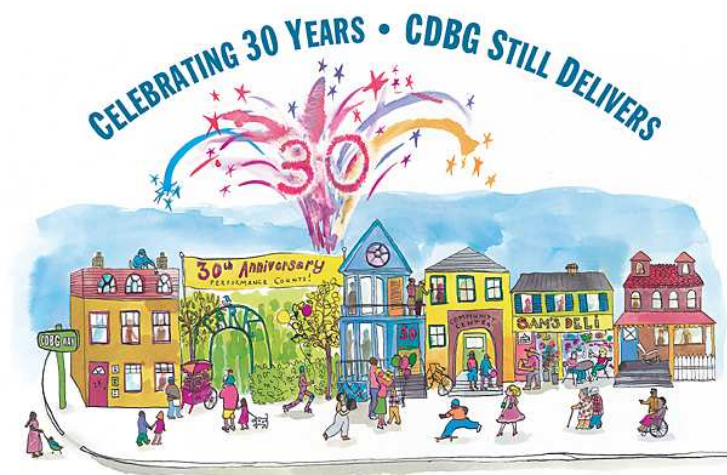


CITY OF AMES AMENDMENT TO THE CDBG 2006-07 ANNUAL ACTION PLAN



Performance Counts!

January 12, 2007

Executive Summary

The City of Ames Planning & Housing Department has prepared a Consolidated Housing and Community Development Plan for the years 2004 through 2009 that provides a strategic vision for the community. The Plan has been approved by HUD. The Executive Summary and other materials can be found on the U.S. Department of Housing and Urban Development web site at <http://www.hud.gov/>, and on the City of Ames web site at: <http://www.city.ames.ia.us/housingweb/Default.htm>. Please contact the City of Ames, Planning & Housing Department at (515) 239-5400 for additional information.

As part of the above Consolidated Plan, the City of Ames' strategies toward serving the needs of extremely low-income, low-income, and moderate-income families are to continue to seek public input; to continue to invest resources both physical and financial; and to continue to implement programs that will address the community's priority needs. The main areas of focus, anticipated over the next five (5) years, will be to utilize CDBG and other local and/or state funds to address the priority need categories listed below:

1. CDBG funds should be used for the acquisition, rehabilitation, and construction (in conjunction with HOME funds) of affordable housing, and support to homeowners, homebuyers, and renters to obtain and remain in affordable housing.
2. CDBG funds should be used to support a continuum of new or expanded housing and services targeted for the homeless.
3. CDBG funds should be used to increase or improve public facilities, infrastructure, and services.
4. CDBG funds should be used to expand opportunities by assisting with business development and by providing training and access.
5. CDBG funds should be used to support activities and services that meet the social, health, recreational, and educational needs of low- and moderate-income residents.

The majority of the priority Action Plan projects will focus on various housing-related activities for both rental and owner-occupied (i.e., homeownership assistance, rehabilitation, rental related assistance, etc.), and public facilities activities (i.e., improvements to facilities owned and operated by non-profit organizations that are of a limited clientele benefit .),

Additionally, to continue to focus on the ASSET process as a vehicle in providing financial assistance for the needs and service delivery to persons with incomes at 50% or less of the Story County median income limit and the homeless.

The following is a brief description of the amendment to the City's CDBG 2006-07 Annual Action Plan Project activities to be addressed from July 1, 2006 to June 30, 2007:

1. **SLUM & BLIGHT PROGRAM:** For 2006-07 no more than 30% of CDBG allocation (including any program income) would be used for the acquisition, the relocation of any displaced residents and demolition of the properties located within the 100-year floodplain of Squaw Creek. It is the City's intent to remove the only remaining residential structures from this part of the 100-year floodplain as a matter of good floodplain management, public safety, and land use compatibility. To date the City has identified the property is located at 328 S. Russell Avenue in the City of Ames, Iowa . The area of this parcel is .254 acre, and the entire site is located within the 100-year floodplain. After demolition the City will restore the site as open space with appropriate natural vegetation to slow down storm water runoff and to enhance the park setting; the parcel will become a part of the surrounding Stuart Smith Park. The program budget is \$150,000.

This activity is in **addition** to the following actives already approved in the 2006-07 Annual Action Plan list below:

1. **PUBLIC SERVICES OBJECTIVE:** For 2006-07, the City will be administering a Renter Affordability Program (formerly the Deposit Assistance Program). This program will continue to provide assistance to very low- and low-income persons at 50% or less of the Story County median income limits with funds for deposits for rent and utilities for units located within the city limits of Ames. In 2006-07, the program will be expanded to include interim assistance for childcare and transportation. The overall goal of the Renter Affordability Program is to allow very low- and low-income households to gain access to housing, to improve their housing status, and secure economic stability. The program budget is \$75,388.

2. **PUBLIC FACILITIES OBJECTIVE:** For 2006-07, the Minor Repair Program for Non-profit Organizations (2005-06 rollover program) will continue to provide assistance to non-profit organizations that provides support services and/or transitional housing to homeless, etc., to very, very low- and/or low-income persons with funds to complete minor repairs to their facilities (i.e. roofs, furnaces, water heaters, siding, windows, etc.) located within the city limits of Ames. The overall goal of the Minor Repair Assistance Program for Non-profits is to allow homeless, very, very low- and moderate-income persons to reside in decent, safe, and sanitary housing facilities. The program budget has a rollover balance of \$26,000 plus an 06-07 allocaton of is \$26,683 for a total budget of \$52,683.

3. **HOUSING ACTIVITIES OBJECTIVES:**

a. For 2006-07, the City will continue implementing its City-wide Homebuyer Assistance Program to assist low- and moderate-income (80% or less of AMI) families to purchase existing and/or newly constructed homes. The program budget is a rollover balance of \$190, 127 of the intial program budget of \$207,600.

b. For 2006-07, the City will continue to implement its Neighborhood Sustainability Program (formerly called the Acquisition/Reuse Program). The program would continue to seek to acquire, demolish/remove, and rehabilitate single-family properties and/or lots for reuse for affordable housing to assist low- and moderate-income (80% or less of AMI) families. This program, where possible, will have a more comprehensive approach at targeting single-family properties as follows:

Converting single-family rental properties that are “for sale” back into single-family homeownership. Match, where possible, with eligible low-income (80%), first-time homebuyers through the Rent to Purchase Programs, Adopt-a-Home Program, and/or sales to non-profit organizations.

Assist in code enforcements by acquiring and demolishing abandoned, deteriorated properties and then re-sell the lots to non-profit organizations and/or for-profit developers for affordable housing.

Acquire vacant lots and re-sell them to non-profit organizations and/or for-profit developers for affordable housing.

Concentrate, if possible, into targeted low-income census tracts.

The overall goal of the program is to increase the availability of housing to low-income families and to maintain decent, safe, and sanitary housing stock in existing neighborhoods. The program budget includes a is \$223,786 of rollover funds plus a 06-07 allocation of \$300,000 for a total program budget of \$523,786.

4. **CDBG Program Administration:** The City’s CDBG Programs will be administered through the Department of Planning & Housing, with assistance from various City departments (i.e. Finance, City Attorney, City Clerk, Building Inspections, Public Works, etc.), and where needed through outside professional service contracts.

Below is the amended 2006-07 Action Annual Action Plan project budget:

Programs	Budget
Renter Affordability Program	\$ 76,308
Minor Repair Program (Non-profits)	52,683*
Neighborhood Sustainability Program	523,786*
Homebuyer Assistance Program	190,127
Slum & Blight Program	150,000
Administration	<u>100,518</u>
Total	\$1,093,442

Revenue Sources:	Amounts
06-07 Allocation	\$ 502,518
05-06 Rollover Balances	443,706
00-07 Anticipated Program Income	<u>171,000</u>
Total	\$1,117,224

The percentage of the budget (not including administration) proposed under the Housing Activities (80%) is still reflective of the priorities set by City Council at its March 27, 2004 goal setting session at 51%.

The overall goal of the above program activities is to increase the supply of affordable housing, and to allow low- and moderate-income persons gain access to housing and/or improve their housing status. The following CDBG National Objectives will be addressed:

- Low- and moderate-income Area Benefit
- Low- and moderate-income Limited Clientele Benefit
- Low- and moderate-income Housing Benefit
- Slum and Blight