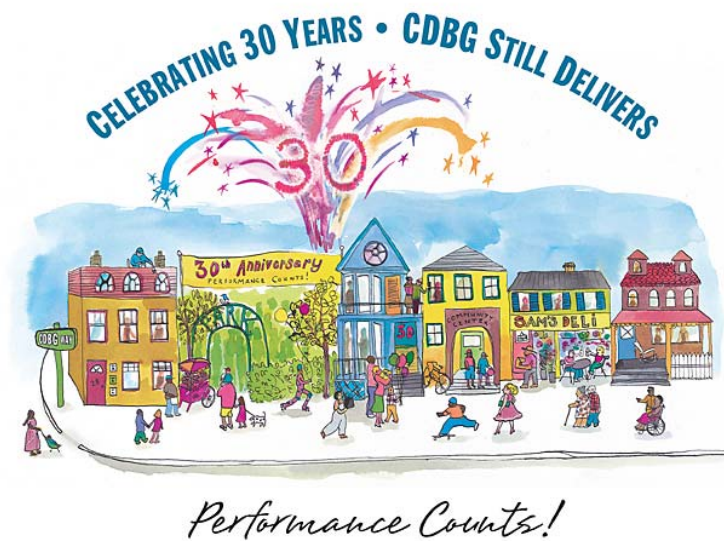


# **CITY OF AMES AMENDMENT TO THE CDBG 2005-06 ANNUAL ACTION PLAN**



**August 26, 2005**

## **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.

Several 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.), public facilities activities (i.e., infrastructure development for affordable housing; non-profit housing rehabilitation, sidewalks, water, sewer improvements, etc.), and some one-time public service activities for new and expanded services for various human service agencies.

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 proposed amendment to the City's CDBG 2005-06 Annual Action Plan Project activities to be addressed from July 1, 2005 to June 30, 2006:

1. **PUBLIC SERVICES OBJECTIVE:** CDBG funds should be used to support a continuum of new or expanded housing and services targeted for homeless, transitional housing clients, and persons with special needs:
  - For 2005-06, The City will be administering a Deposit Assistance Program (DAP) to assist 25 low- and very low-income (50% or less of the AMI) households with funds to cover the cost for rent and/or utility deposits in order to obtain affordable rental housing. The proposed budget is \$31,252. This is a program rollover from 2004-05.
2. **PUBLIC FACILITIES OBJECTIVE:** CDBG funds should be used to increase or improve public facilities, infrastructure, and services:
  - a. For 2005-06, the City will be administering a City-wide Minor Repair Assistance Program for Non-Profits, to assist non-profit agencies that provide shelter assistance to low- and very low-income (50% or less of AMI) persons with minor maintenance updates to these types of facilities. The program budget is \$31,000. This is a program rollover from 2004-05.
3. **HOUSING ACTIVITIES OBJECTIVES:** 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:
  - a. For 2005-06, the City will be implementing a 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 \$207,600. This is a program rollover from 2004-05.
  - b. For 2005-06, the City will be expanding its Acquisition/Reuse Program (ARP). The program would seek to acquire, demolish/remove single-family properties and/or lots for reuse for affordable housing to assist low- and moderate-income (80% or less of AMI) families. The program would also initially provide minor repairs to single-family properties. 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 City's CDBG Homebuyer Assistance Program.
    - Assist in code enforcements of abandoned, deteriorated properties and then sell the lots for affordable housing.
    - Acquire vacant lots and resell them at a reduced price to construct affordable housing units.
    - Concentrate, where possible, into targeted low-income census tracts.

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. The administrative budget is \$142,289 (which includes a \$29,743 2004-05 rollover).

Below is the amended 2005-06 Action Annual Action Plan project budget:

Deposit Assistance Program	\$ 31,252*
Minor Repair Assistance Program for Non-Profits	\$ 31,000
Homebuyer Assistance Program	\$207,600
2004-05 Program Administration	\$ 29,743
Acquisition/Reuse Program	\$552,786**
2005-06 Program Administration	\$112,546
<b>Grand Total for All Programs</b>	<b>\$964,927</b>

\* Includes a \$ 12,857 rollover from the Curb Accessibility Program

\*\* Includes a \$102,600 rollover from 04-05 Acquisition/Reuse Program

The percentage proposed under the Housing Activities (92%) 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