



2017-2018 Annual Action Plan

As part of City of Des Moines 2015-2019 Consolidated Plan

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Executive Summary

(AP-05)

Introduction

Each year, the City of Des Moines writes an annual action plan as part of its five-year strategy, or consolidated plan, on how it anticipates expending entitlement funds. Entitlement funds are federal dollars that the City receives in the form of Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and the Emergency Solutions Grant (ESG). In order to receive federal funds, the City of Des Moines must provide an annual action plan and five-year strategy to the United States Department of Housing and Urban Development (HUD) stating how those funds will help the community. Currently, the City is in the middle of its 2015-2019 Consolidated Plan.

The City of Des Moines has taken a neighborhood revitalization strategy toward community enhancement. Neighborhood revitalization is a development approach that targets areas, especially low-income areas that have been neglected, for reinvestment through public and private partnerships. It is comprehensive and addresses housing, economic development, community development, public services, and neighborhood planning. Reinvestment restores stability to distressed neighborhoods and spurs more improvements directly from the residents and businesses within targeted areas. When target neighborhoods participate in revitalization, opportunities for special financing programs, special consideration in the Capital Improvements Program, and development of a neighborhood action plan become available.¹

In 2017, selected areas where investment will be focused are Sherman Hill, River Bend, Drake neighborhood, East Bank neighborhoods, Birdland area, 6th Avenue Corridor, SW 9th Street corridor, and Douglas Avenue corridor (see map on Appendix 1). Factors for selection included poverty concentration, property values, public nuisances, demographic characteristics, neighborhood perception, and neighborhood buy-in. The following annual action plan describes how the City of Des Moines intends to apply federal funds to neighborhood revitalization in coordination with overall planning efforts in the upcoming year.

Objectives and Outcomes

To implement neighborhood revitalization, the City will focus on four goals or priorities—affordable housing, economic development, public services, and homelessness. Priorities were selected in the initial planning and research process to complete the 2015-2019 Consolidated Plan, and they will be carried forward in all action plans throughout 2019. A summary of the goals and their alignment with HUD's objectives and outcomes is below.

Goal: Affordable housing

Maintain or improve current units and develop additional units in order to provide decent, affordable housing for low- and moderate-income residents. The outcome of the following activities will allow more families the accessibility to affordable basics of daily living.

Goal: Economic development

Administer loan and grant programs that create economic opportunities. Improving the community through economic development will help to sustain the neighborhoods where assisted businesses are located.

¹ Action Plan Implementation Activities in the Designated Neighborhoods, Neighborhood Planning Division, Community Development Department, 1996.

Goal: Public services

Provide public services to benefit neighborhoods, families, or individuals by addressing issues in their living environment. The outcome of these activities will be sustainability--to make neighborhoods livable, especially those considered low-income areas, by removing or eliminating blight.

Goal: Homelessness strategy

Address issue of homelessness by providing decent, affordable housing to homeless individuals or those at risk of becoming homeless. The outcome is that housing or shelter will be available or accessible to low-and extremely low-income people, including persons with disabilities.

Evaluation of Past Performance

The neighborhood revitalization strategy has been successful in targeting areas for reinvestment. Initiatives, such as the Viva East Bank! plan mentioned in the upcoming citizen participation section, demonstrate the excitement generated by targeting specific neighborhoods. Similar to how neighborhoods are selected for participation in the neighborhood revitalization program, City staff review indicators like poverty concentration, property values, public nuisances, demographic characteristics, and neighborhood perception to evaluate performance. Weighted scores are then translated into four categories of distressed, transitional negative, transitional positive, and stable neighborhoods.

Consultation and Citizen Participation Process

The City of Des Moines utilizes public comment periods, public hearings, neighborhood focus groups, web site content, and social media as methods to engage citizens. One of the most successful ways the City engages with citizens is by neighborhood input sessions during planning. Under its neighborhood revitalization program, the City helps low- and moderate-income neighborhoods articulate their visions.

The City also maintains relationships with its developers and partners to approach community development as comprehensively as possible. Often, local developers and community partners execute revitalization projects, and consultation with them is necessary to implement federal funds.

Summary of Public Comments

A public hearing was set on December 19, 2016 for February 6, 2017. In addition to being able to submit written comments, the public hearing will be a chance for citizens to voice their opinion on the City's use of federal funds.

Summary of Comments Not Accepted

As of December 20, there have been no comments excluded; the City makes an effort to consider all public comments in the participation process.

Summary

The benefits of neighborhood revitalization are innumerable. Decent, safe, and sanitary housing is the foundation to personal stability, and community development is a pillar of healthy places. Neighborhood revitalization is a vehicle to resident empowerment. The projects outlined here are some of the ways the City plans to improve the quality of life for its citizens with assistance from HUD.

Responsible Agencies

(PR-05, 91.200(b))

The City of Des Moines is the lead agency in preparing the consolidated plan, annual action plans, and subsequent consolidated annual performance and evaluation reports (CAPER). CDBG funds and HOME funds are administered by the City of Des Moines' community development department. Funds are primarily disbursed through the community development divisions of neighborhood conservation, neighborhood development, and neighborhood inspections. ESG funds are channeled through the City's community development department to the Des Moines/Polk County Continuum of Care (DM/PCCoC).

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Consultation

(AP-10, 91.100, 91.200(b), 91.215(l))

The City of Des Moines recognizes successful community development requires knowledge spanning several disciplines such as economic development, social services, and housing. Public and private partners are often on the ground, developing relationships with clients or working in low-income areas. Because of their direct interaction with homeless, cost-burdened, disabled, elderly, or other vulnerable populations, these partners know which services or activities are most beneficial to their clients. Although the City of Des Moines is the lead agency and receiver of HUD's funding, its community partners are inherent to the execution of programs. It coordinates with partners to determine the most effective projects and activities. Coordination is achieved by established mutual goals, information sharing, and supportive action.

Mutual goals between the City and providers often grow organically due to long-established relationships. Affordable housing partners such as HOME, Inc., which is the City's Community Housing Development Organization (CHDO), Greater Des Moines Habitat for Humanity, and Anawim Housing have worked in partnership with the City for more than 25 years. Leaders from these organizations approach the City frequently with their ideas. Similarly, City staff approach these organizations when opportunities, such as blighted or vacant properties for development, arise.

Coordination is also achieved by information sharing. The City's web site, www.dmgov.org, has a list of service providers with hyperlinks to the providers' web sites. Community partners are routinely invited to share program updates at Neighborhood Revitalization Board and City Council meetings. Providers contributing as stakeholders are also encouraged to participate in the neighborhood planning process, which is described in more detail in the citizen participation section. In addition, many projects are performed by City departments working together. Project information is accessible to departments and their divisions through local servers and mapping tools as well as communication at weekly department head meetings.

Finally, City staff and elected officials show support by being active community participants. They attend open houses, Continuum of Care grant review meetings, and sit on non-profit committees or boards. Program staff for economic development sits on several committees and boards such as the Iowa Foundation for Microenterprise and Community Vitality and the Iowa Small Business Development Center, which helps gather knowledge on all potential economic development sources. Showing

support, especially through direct participation, helps all organizations maintain open communication with one another.

Coordination with Des Moines/Polk County Continuum of Care

The DM/PCCoC is the area's authority on homelessness issues. Coordination with the DM/PCCoC includes collaborative funding determinations, regular meetings, and technical assistance.

Community development staff directly participates in the DM/PCCoC ESG fund distribution process. This process involves a local, competitive grant application where homelessness providers submit proposals to DM/PCCoC. Community development staff assists with proposal review and recommendations.

Outside of the ESG funding process, the CoC facilitates monthly or quarterly committee meetings to discuss local homelessness issues. The committees are comprised of 20 to 30 volunteers associated with social services, housing, and health. The committees discuss housing shortfalls, coordinate services, and collaborate on homelessness initiatives. Continuing efforts include the coordination of Section 8 vouchers, potential low-income housing tax credit development, and a Housing First conference to educate Des Moines providers on best practices.

From a broader perspective, staff also provides ongoing technical assistance. The DM/PCCoC hired its first executive director in late 2015. With a new director and an organization heavily reliant on volunteers, it is in a capacity building stage. Thus, community development staff provides oversight and guidance to the CoC as needed.

ESG Allocation Process

The City of Des Moines directly channels its ESG funds to the DM/PCCoC. Every other year, DM/PCCoC requests ESG fund proposals from local agencies and non-profits that provide homelessness services. Once proposals have been received, a grant review committee, which includes City staff, recommends promising proposals to the DM/PCCoC Board of Directors. The board then makes a recommendation to the Homeless Coordination Council, a political body established by the Des Moines City Council, and the City Council makes final decision as to which agencies will receive ESG funding. More detail is provided in the ESG Program Requirements section and attachment (Appendix 2) at the end of the action plan.

Performance Standards and Evaluation

The CoC provides the first oversight layer of ESG allocations. Each quarter, its performance measure committee meets at the local United Way office to evaluate effectiveness. The primary performance measure is the annual point in time (PIT) count, which the CoC would like to reduce by half by the year 2020. In January 2016, the point in time count was 793 people.² Other factors considered when evaluating effectiveness are street outreach, homeless prevention, shelter length of stay, and rapid rehousing responsiveness. The committee is also developing a policy to outline specific performance goals and poor performance measures.

Operation of HMIS

With oversight from the City, the DM/PCCoC executive director and board of directors are responsible for developing policies and procedures regarding HMIS. All ESG-funded programs must participate in HMIS administered by the Institute for Community Alliances. Only programs that are specifically forbidden by other statutes or regulations (e.g. domestic violence victim service providers) may not participate.

² 2015-2016 Polk County Continuum of Care Annual Report

The City has agreed to contribute CDBG funds from 2016 through 2019 to kick start capacity building. Capacity building funds will incubate the DM/PCCoC as staff and volunteers strengthen their skills, which includes operation of HMIS.

Listing of Consulted Groups

Below is a listing of the primary agencies, groups, and organizations who were consulted in determining the housing and community development activities stated in the annual action plan.

Agency and Type of Organization	Reason for Consultation	Method of Consultation, Anticipated Outcomes
1 Des Moines Municipal Housing Agency Housing, PHA, Services-Housing,	Public housing needs	Staff read annual agency plan, performed in-person interview. The anticipated outcome was to understand how public housing fits with consolidated plan goals and partner to complete AFFH requirements.
2 Des Moines/Polk County Continuum of Care Housing, Services-homeless, Publicly funded institution	Homelessness	Staff attended an informational presentation, in-person interview with the executive director. The anticipated result is a better understanding of the organization's annual goals.
3 Office of Economic Development Grantee department	Economic development	Staff performed an in-person interview. The anticipated outcome is to identify neighborhood projects to implement, especially with joint funding.
4 HOME, Inc. Community Housing Development Organization	Affordable housing	Staff met with the executive director with the intent of learning of leveraged funds and plans to develop more affordable housing units.
5 Greater Des Moines Habitat for Humanity Non-profit housing developer	Affordable housing	Staff met in person and e-mailed about current efforts. The outcome will be target neighborhood selection to focus funding there.
6 Polk County Housing Trust Fund Housing, Services-homeless	Affordable housing	Staff met in person; PCHTF presented to Neighborhood Revitalization Board

Local and Regional Planning Efforts

The annual action plan summarizes how local and regional planning efforts align to improve affordable neighborhood revitalization into one document. There are several plans mentioned in the 2015-2019 Consolidated Plan that have influenced program activities. They are:

- Continuum of Care Plan lead by Des Moines/Polk County Continuum of Care,
- Sustainable Communities, which includes the Housing Tomorrow Plan, lead by the Metropolitan Planning Organization,
- Capital Crossroads lead by the Community Foundation of Des Moines, and
- Public Housing Authority 5-year Plan.

The four plans introduced in the 2015-2019 Consolidated Plan are still considered. The neighborhood plans mentioned in the following table are areas where planning implementation in 2017 through 2018 will be targeted.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Birdland Area Plan	City of Des Moines	One goal of the plan is to “support and revitalize existing neighborhood,” which includes the objective to provide LMI residents with housing rehab funding. This connects directly to the strategic plan goal of affordable housing.
Capitol East Neighborhood Plan	City of Des Moines , Iowa State University	“Improve the quality of housing” was listed in the plan with references to low-income housing service providers; this also directly connects to the Consolidated Plan’s goal of affordable housing.
Capitol Park Neighborhood Plan	City of Des Moines	A couple of the priority areas for Capitol Park include housing and neighborhood appearance.
MLK Jr Park Neighborhood Plan	City of Des Moines	A goal in the MLK Jr Park Neighborhood Plan is to improve the overall condition of existing housing. The primary partners listed in this plan are LMI housing providers that work in affordable housing.
River Bend Neighborhood Plan	City of Des Moines, Iowa State University	Similar to the other plans mentioned, this plan would like to “create a stable, affordable, and historic neighborhood that contains well maintained housing stock.”
SW 9 th Corridor Plan	City of Des Moines, Iowa State University	Residents want to improve the conditions of both single-family and multi-family housing. The housing strategy mentioned includes CDBG, HOME, and LIHTC—all programs to help with affordable housing.

The State of Iowa’s and surrounding governments’ plans are usually consulted on a project-by-project basis. For example, tax credit development is a major reason to consult with the Iowa Finance Authority,

and the City works with the Iowa Economic Development Authority during disaster recovery. The State of Iowa's Annual Action Plan is consulted when the City writes its Annual Action Plan as well. Regional consultation with other local governments usually occurs for homelessness initiatives or major transportation plans. The State of Iowa and Des Moines' metro neighbors are always consulted when a plan or project is anticipated to have a regional impact.

Participation

(AP-12, 91.105, 91.200(c))

The City of Des Moines looks for multiple ways to engage its citizens. It follows all traditional participation measures, such as allowing for written comments to the community development department or public hearings to allow citizens to voice their opinions to the Neighborhood Revitalization Board and City Council (see following table for details). Most recently, the City's public information department conducted a social media campaign, #SpeakUpDSM, to enhance citizen participation in the City's budgeting process. This includes six workshops, all dedicated to different topics, including community development and housing, where residents can attend in person, watch live from Facebook or a local cable channel, or fill in a survey.

The most successful and direct citizen participation is through the neighborhood development division's ongoing planning process with target neighborhoods. More than half of Des Moines' neighborhoods are considered low- to moderate-income areas (see Appendix 3). The City encourages these neighborhoods, especially those subject to significant slum and blight, to apply to the City to update or create neighborhood plans. Once the neighborhood development division selects interested neighborhoods, City staff work with residents to examine the current conditions to determine how and where growth and improvement should occur.

Through surveys, stakeholder interviews, and public meetings, the department gathers public input. This cooperative process provides an opportunity for residents and business owners to articulate their neighborhood vision and identity. The process also gives college and graduate students, who often facilitate meetings, real-world experience with citizen participation. Once a neighborhood has a completed plan, the City can direct implementation efforts toward the neighborhood's goals (see Appendix 4).

For example, since 2013 the City's neighborhood development division of the community development department in conjunction with Iowa State University planning students have created plans for three adjacent neighborhoods—Capitol Park, Capitol East, and MLK Jr. Park. This planning process sparked a coalition of community partners to create the revitalization initiative Viva East Bank! Since 2014, \$9.3 million has been invested by community partners to improve these three neighborhoods.³ CDBG, HOME, and ESG funding contributed to the development. The City intends to continue investment with community partners such as Greater Des Moines Habitat for Humanity, Community Housing Initiatives, and HOME, Inc.—organizations that have been vital to improving and increasing affordable housing in the East Bank neighborhoods.

³ 2015 Viva East Bank! Annual Report, www.vivaeastbank.com

Public Participation in 2016 to Prepare for 2017-18 Action Plan			
Date	Mode of Outreach	Target of Outreach	Summary of Purpose
2/22/2016	City Council Agenda	Community-wide	Set public hearing for public comments re: 2015 CAPER
3/7/2016	City Council Agenda	Community-wide	Set public hearing for comments re: 2016 Annual Action Plan
3/21/2016	Public Hearing	Community-wide	Hearing to allow public comments on CAPER
4/11/2016	Public Hearing	Community-wide	Hearing to allow public comments on 2016 Annual Action Plan
9/14/2016	Public Meeting	East Bank Neighborhood Residents	Gather public input about revitalization plans
10/5/2016	Presentation	Neighborhood Residents, NR Board	Present 2017 projects for annual action plan
10/10/2016	City Council Agenda	Community-wide	City Council allocation of HOME funds to Habitat for affordable hsg
11/3/2016	City Council Agenda	Community-wide	City Council allocation of additional HOME funds to CHDO for affordable hsg
11/9/2016	Public Meeting	Community-wide	Budget engagement workshop to gather public feedback on community dev spending
12/19/2016	Set Public Hearing	Community-wide	Public meeting notice and 30-day comment period announcement
2/6/2017	Public Hearing	Community-wide	Gather citizen comments on 2017-18 annual action plan
Ongoing	Internet Outreach	Community-wide	Quarterly digital newsletters to residents

Expected Resources

(AP-15, 91.220(c)(1,2))

The City of Des Moines has been an entitlement city since 1994. As an entitlement grantee, it receives CDBG, HOME, and ESG funds each year from HUD to carry out community projects that have been determined and prioritized through a needs assessment, market research, consultation with agencies, and citizen input.

The following table shows funds that are expected to be received in program year 2017. Those funds are added to any unused funds from the previous year. In program year 2017, the City expects \$3,382,984 in CDBG, \$753,484 in HOME, and \$309,179 in ESG.

Source	2017 Allocation	Program Income	Prior Year Resources	Total Available
CDBG	\$ 3,382,984	\$ 133,000	\$ 670,197	\$ 4,186,181
HOME	\$ 753,484	\$ 75,000	\$ -	\$ 828,484
ESG	\$ 309,179	\$ -	\$ -	\$ 309,179
<i>Totals</i>	\$ 4,445,647	\$ 208,000	\$ 670,197	\$ 5,323,844

Different projects and activities are allowed under each funding category. CDBG funds can be used for acquisition, administration and planning, economic development, housing, public improvements, and public services. HOME funds are for housing only; activities allowed are acquisition, homebuyer assistance, owner-occupied and multi-family housing rehab, multi-family and single-family new construction, and tenant-based rental assistance. ESG funds are intended for homelessness programs, which include conversion and rehab for transitional housing, financial or rental assistance, overnight shelter, rapid rehousing, services, and transitional housing.

The CDBG, HOME, and ESG funds will be leveraged by additional resources such as city programs, private investment of other local organizations and developers, and state programs. The City has established relationships with organizations that complement each other's programs and maximize investment.

City Sources

The City of Des Moines utilizes several tools to leverage federal funds. Strategies to partner activities funded by CDBG, HOME, or ESG are urban renewal districts, tax abatement, and direct funding from the capital improvement program.

Another way in which funds will be leveraged is by property acquired through tax sale certificates. The Polk County Board of Supervisors adopted an ordinance allowing the City of Des Moines to bid on and purchase delinquent taxes and to assign tax sale certificates of abandoned property, vacant lots, or public nuisances. These properties may be transferred to local non-profits or developers in order to rehab or develop affordable housing.

Other Local Sources

The most prominent source of leveraging and match is from local partnerships. One group, the Neighborhood Finance Corporation (NFC), helps facilitate neighborhood revitalization by offering lending programs for home purchase or improvement in target neighborhoods. The Neighborhood Development Corporation is a non-profit established to rehabilitate or redevelop properties in target

Des Moines neighborhoods as well. Both organizations are funding and development vehicles to supplement the City of Des Moines' neighborhood revitalization efforts in target, low-income areas.

Private funds also leverage federal funds via affordable housing developers. Non-profit developers produce new single-family and multi-family units with layered sources from HOME funds, cash contributions, sweat equity, and donated products or services—all sources that count as local match. Moreover, low-income applicants receive homebuyer counseling services and below market interest rates to purchase single-family homes.

State Programs

For-profit developers also leverage funds by their involvement in tax credit programs such as low-income housing, historic, and workforce housing tax credits. Administered by the Iowa Finance Authority (IFA), the low-income housing tax credit (LIHTC) program provides incentives to developers and project owners to invest in rental housing for fixed or limited income tenants. IFA will be allocated a little over \$7 million in tax credits in 2017. Developers and project owners often utilize HOME funds from the City of Des Moines in combination with the LIHTC program to help finance affordable rental development.

The State Historic Preservation and Cultural & Entertainment District (HPCED) Tax Credit Program provides a state income tax credit for the sensitive, substantial rehabilitation of historic buildings. It ensures character-defining features and spaces of buildings are retained and helps revitalize surrounding neighborhoods. The program provides an income tax credit of up to 25 percent of qualified rehabilitation expenditures. Historic tax credits are administered by the Iowa Department of Cultural Affairs.

The purpose of the workforce housing tax credit program is to assist the development of workforce housing in Iowa communities by providing incentives for housing projects that are targeted at middle-income households and that focus on the redevelopment or repurposing of existing structures. It is administered by the Iowa Economic Development Authority.

Annual Goals and Objectives

(AP-20, 91.420, 91.220(c)(3)&€)

During the planning process for the 2015-2019 Consolidated Plan, four priorities within the neighborhood stabilization strategy were identified—affordable housing, economic development, public services, and homelessness strategy. With these priorities in mind, the City then determines objectives to reach its goals, and objectives are measured by outcomes. Below are the goals, objectives, outcomes, and outcome indicators that drive the City's federally funded activities.

Affordable Housing

Maintain or improve current housing in order to provide decent, affordable housing for low- and moderate-income residents. The outcome of the following activities will allow more families the accessibility to affordable basics of daily living.

Affordable Housing Outcome Indicators		
Rental	Homeownership	Housing Inspections
Construct 11 units	- Construct 13 houses - Rehab 40 houses	- Demolish 5 structures - Inspect 5,000 housing units

There is a shortage of affordable housing in Des Moines. Of the estimated 88,816 housing units in the City, 27,619, or 31 percent, are a cost-burden to their residents. This means the homeowner or renter is paying in excess of 30 percent of their income toward housing costs. The majority, 55 percent, of cost-burdened residents are renters.⁴

New construction is one solution to the lack of affordable housing. In 2017, non-profit developers plan to construct 11 new multi-family units. All units will house low-income tenants, and HOME funds will help to develop the units. Local non-profit housing providers, HOME, Inc. and Greater Des Moines Habitat for Humanity, intend to start new single-family construction in the Birdland and East Bank neighborhoods utilizing HOME and CDBG funding as well.

Although 69 percent of residents do live in affordable housing, their housing may not be livable. Approximately 77 percent of the housing units in Des Moines were built before 1978, and 29 percent of those were constructed before 1939. With an older housing stock, residents are more likely to encounter environmental hazards, such as lead-based paint or asbestos, or may have large structural repairs, such as foundations or roofs.

To address issues related to aging neighborhoods, the neighborhood inspection division of the community development department will perform more than 5,000 inspections in 2017. Responsibilities include rental inspections, the oversight of condemned buildings, and junk and debris abatement. The inspection division in conjunction with the engineering department will complete five demolition projects funded by CDBG. An estimated 40 of owner-occupied repairs will be completed through the emergency repair loan and comprehensive rehab programs as well.

Economic Development

Administer loan and grant programs that create economic opportunities. Improving the community through economic development will help to sustain the neighborhoods where assisted businesses are located.

The City of Des Moines office of economic development utilizes CDBG funding for its neighborhood commercial revitalization program. The City provides assistance in the redevelopment of blighted or physically distressed commercial buildings to promote reinvestment and revitalization. Funding is usually applied to façade improvement. The office of economic development offers a 1:1 matching grant up to \$15,000 for improvements to the exterior of a commercial building.

Public Services

Provide public services to benefit neighborhoods, families, or individuals by addressing issues in their living environment. The outcome of these activities will be sustainability--to make neighborhoods livable, especially those considered low-income areas, by removing or eliminating blight.

The activities under public services are spring cleanup to remove urban blight (SCRUB) and support for IMPACT Community Action Agency. SCRUB is an opportunity for low- to moderate-income neighborhoods to remove junk and debris for no cost to

Economic Development Outcome Indicators

- Rehab 2 business store fronts
- Create or retain 2 jobs
- Assist 2 businesses

Public Service Outcome Indicators

- Assist 15,000 LMI persons
- Assist 200 other residents
- Work in 35 low-income areas

⁴ 2010-2014 American Community Survey, Selected Housing Characteristics

them. IMPACT Community Action Agency is one of 18 community action agencies in Iowa. It focuses local, state, and national resources to address poverty and help low-income people become more self-sufficient through a range of supportive services.

Homelessness Strategy

Address issue of homelessness by providing decent, affordable housing to homeless individuals or those at risk of becoming homeless. The outcome is that housing or shelter will be available or accessible to low-and moderate-income people, including persons with disabilities.

Homelessness Strategy	
• Provide rental assistance to 32 households • Provide overnight shelter to 50 persons	• Provide 9 beds for emergency shelter • Prevent 30 persons from becoming homeless

In the last year, local organizations have been able to reduce homelessness by 4.5 percent. Chronic homelessness was reduced by 40.6 percent, and veteran homelessness was reduced by 11 percent.⁵ Overall, the area is experiencing a decline in the number of homeless, the length of time in a shelter, and those who return to homelessness. Despite these improvements, there are still a significant number of homeless persons in Des Moines and Polk County. The local homeless strategy is to enhance the local CoC's organizational capacity, continue the Housing First model, and fund programs that provide emergency shelter assistance, rapid rehousing assistance, and permanent supportive housing.

Projects

(AP-35 and AP-38, 91.220(d))

Projects are the details of how the City plans to achieve its goals, objectives, and outcomes set forth in the consolidated planning process. The following table identifies planned projects categorized by goal addressed. As mentioned in previous sections, the four priorities of the 2015-2019 Consolidated Plan are affordable housing, economic opportunity, public services, and homelessness strategy.

⁵ 2015-2016 Polk County Continuum of Care Annual Report

Projects for Upcoming Program Years 2017-2018				
	Funding Type	Administering Division, Department, or Organization	2017 Amount	2018 Amount
General Administration (CDBG)	CDBG	Community Development Department		
General Administration (HOME)	HOME	Community Development Department		
Goal: Affordable Housing				
Comprehensive Repair, Emergency Repair Loan	CDBG	Neighborhood Conservation Services (CDD)	\$ 633,816	\$ 633,816
Developers' Rental, Homeownership Projects	HOME	Neighborhood Conservation Services (CDD)	\$ 678,136	\$ 678,136
Neighborhood Revitalization/Implementation	CDBG	Neighborhood Development Division (CDD)	\$ 100,000	\$ 225,000
Code Enforcement to Maintain Housing	CDBG	Neighborhood Inspection Division	\$1,416,184	\$1,416,184
Demolition of Blighted Structures	CDBG	Engineering Department	\$ 156,388	\$ 156,388
Goal: Economic Opportunity				
Commercial Neighborhood Revitalization Program	CDBG	Office of Economic Development	\$ 75,000	\$ 75,000
Goal: Public Services				
IMPACT Community Action Agency	CDBG	IMPACT Community Action Agency	\$ 150,000	\$ 100,000
SCRUB Property Clean-Up	CDBG	Public Works Department	\$ 100,000	\$ 100,000
Goal: Homelessness Strategy				
ESG Funding to Local Homelessness Agencies	ESG	DM/PC Continuum of Care	\$ 309,000	\$ 309,000
Capacity Building for Continuum of Care	CDBG	DM/PC Continuum of Care	\$ 75,000	\$ -

Geographic Distribution

(AP-50, 91.220(f))

Federal funding will be focused in neighborhood revitalization areas and low- to moderate-income areas; it will be split 50/50 between the two target areas. Most neighborhoods in Des Moines have low-income census tracts within them, and it is difficult to define how much assistance will be classified in the neighborhood revitalization program versus the low- to moderate-income eligible areas due to the overlap. Additionally, some funds, such as those going to assist low-income households, are scattered sites throughout the City. Simply, 100 percent of the projects will assist low-income areas or households, and those areas are part of larger target neighborhoods as part of the City's revitalization efforts.

In 2017, implementation efforts will focus on the east bank neighborhoods, River Bend, Drake, and the Birdland area of Union Park. See Appendix 1 for geographic reference. They are areas that have a higher concentration of low-income and minority populations compared to the outer edges of the City. Neighborhood planning is underway in Sherman Hill, and additional implementation efforts will continue in the SW 9th Street corridor, 6th Avenue corridor, and Douglas Avenue corridor.

Affordable Housing

(AP-55)

The City recognizes that many residents have excessive housing costs, especially low- and moderate-income households that disproportionately experience housing cost burden. As a response, the City will dedicate more than 80 percent of its project funds to help alleviate the lack of affordable housing.

Under its affordable housing projects, the City anticipates it will assist 96 households in 2017. The household breakdown is below.

Breakdown of Households Needing Affordable Housing	
Number of Households to be Supported	
5	Homeless households assisted
23	Non-homeless households assisted
1	Special needs households assisted
29	Total households assisted
Number of Households to be Supported through:	
32	Rental assistance
24	Production of new housing (rental or single-family)
40	Housing rehabilitation (rental or single-family)
96	Total households assisted by support type

Public Housing

(AP-60, 91.220(h))

The Des Moines Municipal Housing Authority (further referred to as DMMHA) serves as the City of Des Moines' public housing authority. As such, it is responsible for the distribution of housing vouchers, oversight of public housing units, and provision of supportive services. The following is information pulled from the DMMHA Annual Plan for 2017.

The main barrier that renters encounter in Des Moines and Polk County is the availability of affordable rental units. Regardless of age, race, ethnicity or disability, 34,425 renters in the jurisdiction have incomes of less than 80 percent of the area median income (AMI). Of those, 12,900 have incomes of less than 30 percent of AMI. There is a high demand for affordable housing units, and opportunities to apply are limited. Once a household completes an application, the average wait time for Section 8 assistance or the public housing program is two years. To address the high demand, the DMMHA has created a strategy that includes five goals:

1. Manage DMMHA's programs in an efficient and effective manner;
2. Development of affordable housing;
3. Increase assisted housing choices;
4. Promote self-sufficiency; and
5. Serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking.

The DMMHA also helps tenants become more self-sufficient. Since 1992, it has sold single-family homes owned by the agency to income eligible buyers under the 5(h) Homeownership Program. On September 21, 2015, DMMHA received HUD approval to remove the remaining fourteen unsold units from the 5(h) program designation. Although the 5(h) Homeownership Program is now complete, DMMHA will continue to do quarterly and annual updates with the 5(h) home purchasers for seven years from the date of home purchase to assist with successful homeownership outcomes.

Another homeownership initiative is being executed through vouchers. The agency received HUD approval to implement a Section 8 housing choice voucher homeownership program. Contingent on sufficient HUD funding, the DMMHA will allow up to twenty (20) homeownership vouchers to be

utilized. The homeownership voucher program is limited to family self-sufficiency participants, elderly, or disabled.

The DMMHA is also considering a HUD Section 32 homeownership plan to increase the ability for low-income qualified families to become homeowners. Should it be determined that the agency wants to pursue creation of a Section 32 homeownership program, a formal program request will be submitted to HUD for approval.

The DMMHA works diligently to assist those in need of affordable rental and transition eligible tenants into homeownership, which is one reason why HUD has designated it a high performer. It has received the high performer designation for the past 14 years for the Section 8 housing choice voucher program.

Homeless and Other Special Needs Activities

(AP-65, 91.220(i))

Des Moines has adopted a Housing First or rapid rehousing approach to homelessness. In January 2016, DM/PCCoC conducted a point-in-time count and found there were 793 homeless persons in the area. Although this is a 4.5 percent reduction from 2015, the City, DM/PCCoC, and local agencies would like to further reduce the homeless population by 15 percent, or 85 people, in 2017. Due to the extreme weather differences in Iowa, the CoC also conducts a summer point-in-time count for an internal reference.

Outreach Efforts

Homelessness outreach and advocacy is demonstrated by the City's participation in the Veterans Mayor's Challenge, a HUD program to demonstrate leadership on ending homelessness among veterans. Des Moines is one of 31 cities in the United States that participates in the program. In 2016, the City achieved "functional zero" benchmarks. It developed a service plan for each veteran facing homelessness, and the average length of homelessness dropped below 90 days for veterans. The City in partnership with the DM/PCCoC will continue to participate in this program and strive to achieve other benchmarks as set out by HUD.

The centralized intake system is another outreach activity that will continue in 2017. The centralized intake system gives housing and social service agencies access to relevant client health information. The centralized intake system allows better tracking of people, which allows service providers to recognize patterns and intervene when necessary.

To start the centralized intake process, an individual facing homelessness contacts Primary Health Care (PHC). A team of specialists within the homeless outreach and advocacy department collaborate with area homeless, family, and domestic violence shelters as well as a variety of other non-profit agencies to provide timely, efficient, and compassionate services. Using an assessment tool created by a coalition of local community providers, PHC case managers evaluate each individual or family to determine the best course of action to assist them.

During the evaluation, applicants for homeless assistance will be assessed for appropriate diversion and rapid rehousing before emergency shelter or transitional housing admission. A referral to another community agency may be deemed the most appropriate next step, and PHC's social workers will ensure a smooth transition.⁶ PHC is establishing memorandums of understanding with providers so that all CoC and ESG funded projects will receive and accept centralized intake referrals for emergency shelter, transitional housing, and permanent supportive housing.

⁶ Primary Health Care web site, www.phciowa.org

From Homelessness to Permanent Housing

Emergency and Transitional Shelter

According to the US Department of Human Services, transitional housing is longer-term housing, usually for less than two years, that provides intensive support services, geared toward increasing a household's self-sufficiency and helping it move towards permanency, often specializing in particular areas of client needs. Emergency shelter is designed for short-term stays designed to keep people safe from extreme conditions.

The Housing First model adopted by the City has directed toward more permanent housing solutions. In order to be eligible for emergency shelter assistance, an individual or family must be homeless or at imminent risk of being homeless. See Appendix 2 for more details on ESG assistance policies. In 2017, the City and DM/PCCoC would like to reduce the length of stay in emergency shelter by 10 percent. The ultimate vision is to eliminate homelessness in Des Moines altogether.

Chronically Homeless

HUD defines chronic homelessness as a person who either been continuously homeless for a year or more or a person who has had at least four episodes of homelessness in the last three years. One way to lower chronic homelessness is to recognize and address mental illness and substance abuse. High rates of mental illness and substance abuse are main contributing factors when evaluating chronic homelessness. With the centralized intake system managed by Primary Health Care, clients are referred to an agency specialized in the appropriate care. Providers are allowed access to a more complete client background, including necessary health information, which can help the providers identify behavioral patterns. Being well informed by more consistent client tracking allows providers to serve clients better, which may lead to a reduction in chronic homelessness associated with irregularly treated mental illness or substance abuse.

Another method to help homeless clients into a more permanent residence is to offer permanent supportive housing. Permanent supportive housing programs most frequently target veterans, disabled, and youth.

Homelessness Prevention

One step that the City has taken to prevent homelessness is creating a more structured CoC by hiring an executive director. The executive director is the CoC's first paid staff, and his role is to enhance collaboration among agencies serving homeless clients.

Another step the City has taken is continuing a strong emphasis on affordable housing. Affordable housing gives stability to an individual or family. To a household that may experience instability due to health, income, or food, having stable, affordable housing alleviates one stressor so that the family can focus on improving other areas in their lives.

Integrating the homelessness intake system with health care will also help prevent homelessness. Primary Health Care is a nonprofit community health center dedicated to serving those that experience barriers to receiving medical, dental, and mental health care. It is also the coordinator for Des Moines centralized intake system. Housing and health are interrelated issues for many low-income families facing homelessness, and meshing those resources will help prevent homelessness.

Barriers to Affordable Housing

(AP-75, 91.220(j))

In 2012, the City of Des Moines, City of West Des Moines, and the Des Moines Area Metropolitan Planning Organization (MPO) contracted the Department of Community and Regional Planning at Iowa State University to evaluate fair housing impediments in the Greater Des Moines Area. Together, the local governments and Iowa State University created the *Greater Des Moines Regional Analysis of Impediments to Fair Housing Choice*. In the *Regional Analysis of Fair Housing Impediments*, there were several factors listed as negatively effecting access to affordable housing. Below is a summary of impediments and how public policy addresses them.

First, the clearest impediment was a lack of affordable housing units. To address the lack of affordable housing, the City has incentives, such as tax abatement or federal funding assistance, to encourage the development of more affordable housing units. The approach is to encourage affordable housing near job centers, while also being cognizant in deconcentrating areas of high poverty, which also tend to be areas where there is a high concentration of minorities. Additionally, the City has requested proposals for niche rental projects such as multi-family units directed to seniors or the disabled.

Another major impediment is transportation. Des Moines, like many Midwest cities, has been designed to be convenient for a single-passenger vehicle. Although many travelers can travel quickly across the region, this transportation system is a hindrance to those who do not own a car. The Des Moines Metropolitan Planning Organization, which is the regional transportation authority, is working on a comprehensive transportation plan that will increase options and expand hours that lines run, and consequently, be more socially equitable.

The City of Des Moines is updating its zoning code to a hybrid of traditional and form-based code. Some planners suggest that traditional zoning uses streets as dividing lines, which chops up communities and adds to social divisions. By changing to form-based codes, the hope is it will streamline the permit process, which can speed up housing production. Because form-based codes focus on community character rather than land use, the code may allow a larger range of housing choices available rather than traditional policies. Finally, form-based code helps create a sense of place, which increases social engagement and improves the quality of life for all residents.

Other Actions

(AP-85, 91.220(k))

Neighborhood deterioration is a complex problem with many sources. Lack of affordable housing, lack of maintained housing, environmental hazards, income levels, economic environment, social perceptions, and resident pride are all factors that affect neighborhood health and stability. Neighborhood revitalization underlines how complex the sources of blight and deterioration can be, and it takes a multi-faceted approach to address issues. This section highlights other actions that have been or will be taken in neighborhood revitalization including a reiteration of affordable housing strategy, addressing lead-based paint, reducing poverty, institutional structure, and enhanced coordination.

Meeting Underserved Needs

The majority of residents in the City's targeted neighborhoods are low-income, and it is easy to spot blight when driving through the neighborhoods. There should be plenty of applicants for the City's programs; however, one obstacle to serving families is a lack of eligible applicants. To overcome this obstacle, the neighborhood conservation services division adjusted its marketing strategy. To solicit more eligible applicants, the division conducted a targeted mailing, which did bring in more eligible applicants for its rehab program. It will continue more targeted solicitation techniques in order to reach out to low-income residents.

Foster and Maintain Affordable Housing

As mentioned previously, some of the ways that the City will foster and maintain affordable housing is to create more units through new construction, maintain existing units by rehab, and offer developer incentives or assistance to produce affordable housing.

Lead-based Paint Hazards

Lead-based paint hazards will be addressed in compliance with all of the Iowa Department of Public Health's guidelines. City inspectors will ensure that contractors follow guidelines to protect owners from inhaling or being exposed to excessive levels of lead-based paint.

Reduce Poverty

The City of Des Moines has the highest percentage of people living in poverty, 17.7 percent, compared to other cities in the region. The average of other cities in the metro area is 9.9 percent. Most of the poverty in Des Moines is concentrated around the downtown core. To address poverty, the City will target economic development in its low- to moderate-income areas with the expectation that this will provide better job access and increased incomes. The City also encourages access to vocational job training in collaboration with groups such as the Des Moines Area Community College (DMACC).⁷

Develop Institutional Structure

The most direct action in developing institutional structure is the capacity building efforts at the DM/PCCoC. Within the last four years, the City and associated homelessness agencies have tried to develop a better institutional structure for the CoC. In 2015, they hired an executive director to act as a coordinator for the spectrum of homeless services. By developing a stronger structure, the homeless population has reduced, written policies were created, and an organized client intake system has been created.

Coordination with Housing and Social Service Agencies

As mentioned in the consultation (AP-10) section near the beginning of this plan, the City of Des Moines recognizes successful community development requires coordination with other housing and social service agencies. The City coordinates with agencies by working toward common goals. Coordination is achieved by established mutual goals, information sharing, and supportive action.

Program Specific Requirements

(AP-90, 91.220(I)(1,2,4))

CDBG Requirements

The total amount of CDBG funds expected to be available during the upcoming program year is \$3,382,984. The City anticipates approximately \$133,000 in program income. The City does not anticipate any urgent need activities. All CDBG funding, or 100 percent, will be used for activities that benefit low- to moderate-income people or areas.

HOME Requirements

The City will offer HOME funds in the forms of investment described in 24 CFR 92.205(b). HOME funding from the City will likely be in the forms of deferred payment loans or grants.

The City intends to use some HOME funds for low-income homebuyer assistance activities. Attached are copies of the resale or recapture homebuyer agreements on Appendix 5. No payment is due while homebuyers occupy HOME-assisted properties as their principal residence during the affordability period. The affordability period—either 5, 10, or 15 years—is determined by the amount of homebuyer

⁷ Greater Des Moines Regional Analysis of Impediments to Fair Housing Choice, 2012

assistance, and the homebuyer assistance amount is determined by a buyer's income and ability to make house payments.

Every homebuyer receiving HOME assistance will sign an agreement and restrictive covenant that will act as lien against the unit until the successful completion of the affordability period. In the event a HOME-assisted unit is sold, conveyed, or otherwise transferred during the affordability period, the resale or recapture provisions will go into effect.

When recapturing funds, the City will reduce the recaptured amount on a prorated basis for the time the homeowner has owned and occupied the housing. Most affordability periods will be 5 years to be reduced 1/60th monthly or 10 years to be reduced 1/120th monthly. Prorated funds will be recaptured from net proceeds.

In some instances where resale can be guaranteed to another low-income homebuyer, such as when partnering with a non-profit home builder or CHDO, the City may choose the resale option. A house with a recorded resale provision must be resold to a household below 80 percent of area median income. This will institute a new affordability period and change the agreement from resale to recapture.

Affordability is ensured by homeowner annual verification of their principal residence. Every spring, City staff verifies that the HOME-assisted unit is still the principal residence of the original low-income homebuyer by collecting updated homeowners' utility bills.

The City does not intend to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds.

ESG Requirements

See Appendix 2 for the written standards for ESG assistance.

Centralized Intake System

A centralized intake system was established in 2015. Primary Health Care (PHC) is the responsible organization for receiving clients. Once PHC has been contacted, a team of specialists within the homeless outreach and advocacy department collaborate with area homeless, family, and domestic violence shelters as well as a variety of other non-profit agencies to provide timely, efficient, and compassionate services. PHC case managers evaluate each individual or family and determine the best course of action to assist them.

During the evaluation, applicants for homeless assistance will be assessed for appropriate diversion and rapid rehousing before emergency shelter or transitional housing admission. A referral to another community agency may be deemed the most appropriate next step, and PHC's social workers will ensure a smooth transition.

Allocation of ESG Funds to Sub-grantees

The City of Des Moines directly channels its ESG funds to the DM/PCCoC. Every other year, DM/PCCoC requests ESG fund proposals from local agencies and non-profits that provide homelessness services. Once proposals have been received, a grant review committee, which includes City staff, recommends promising proposals to the DM/PCCoC Board of Directors. The board then makes a recommendation to the Homeless Coordination Council, a political body established by the Des Moines City Council, and the City Council makes final decision as to which agencies will receive ESG funding.

Participation Requirement in 24 CFR 576.405

To ensure that ESG funds are used effectively, the City of Des Moines will obtain Continuum of Care board members from subgrantee agencies that receive ESG funds. This also satisfies the requirement of interim regulations under 24 CFR part 576.405.

Performance Standards

There are four areas that will be evaluated regarding the use of ESG funds. They are street outreach, homeless prevention, shelter, and repaid rehousing. The priorities and performance standards are as follows:

1. Street Outreach: Increase in the percent of persons who exit to shelter or a permanent housing destination.
2. Homeless Prevention: Increase the percent of households that remain permanently housed during the 12 months after Homelessness Prevention assistance ends.
3. Shelter:
 - a. Increase in the percent of participants who exit to a permanent destination; and
 - b. Reduction in the average and median lengths of time that persons remain homeless in your shelter.
4. Rapid Re-housing:
 - a. Decrease the average length of time to re-house participants;
 - b. Increase the percent of households that remain permanently housed after Rapid Re-housing assistance ends (program exit); and
 - c. Increase the percent of households that remain permanently housed during the 12 months after program exit.

Appendices

Appendix 1: Map of Neighborhood Revitalization Target Areas

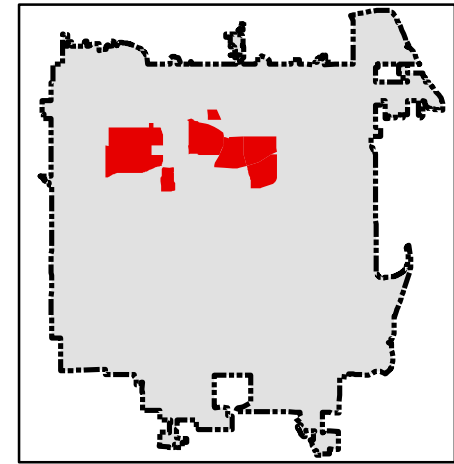
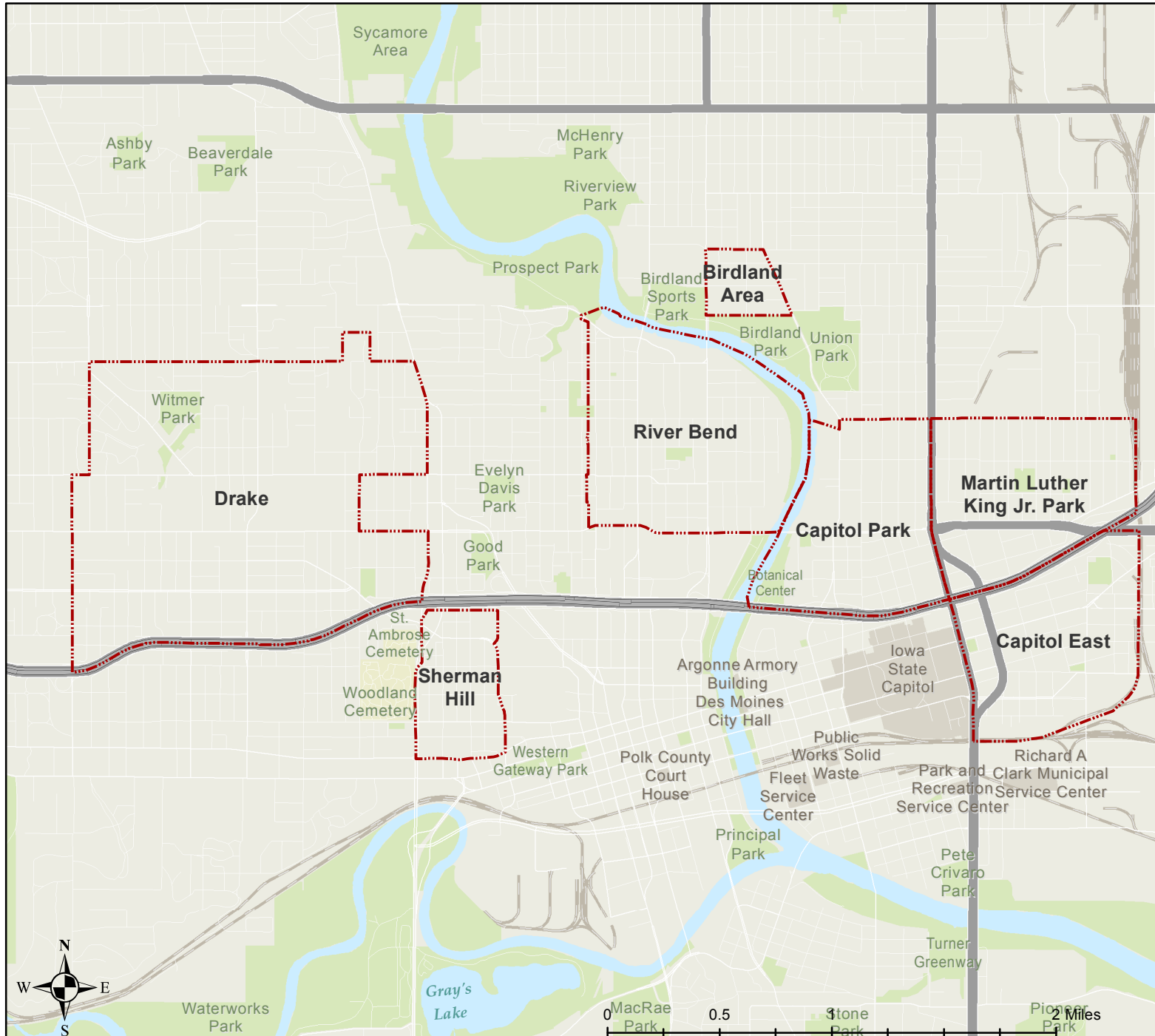
Appendix 2: ESG Policies

Appendix 3: Map of Low- and Moderate-Income Census Blocks

Appendix 4: Neighborhood Stabilization Steps

Appendix 5: HOME Recapture and Resale Examples

Appendix 1: Target Areas for Entitlement Funds



Project Highlights:

1. Affordable Housing

- 5 demolition projects
- 11 new rental units
- 13 new single-family units
- 40 rehabbed single-family units
- 5,000 housing inspections

2. Economic Opportunity

- 2 rehabbed business store fronts
- 2 retained jobs
- 2 businesses assisted

3. Public Services

- 15,000 LMI persons assisted
- 200 other residents assisted
- 35 low-income areas assisted

4. Homelessness Strategy

- 9 emergency shelter beds provided
- 30 households prevented from homelessness
- 32 households provided rental assistance
- 50 persons provided overnight shelter

Appendix 2: ESG Policies



Eligibility Evaluation Policy

Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under the Emergency Solutions Grant (ESG).

POLICY:

- I. Organizations receiving ESG funds must first evaluate participant's eligibility in an ESG-funded program. All such criteria must contain the following:

Standards for Receiving Street Outreach Assistance

1. The individual or family must be "homeless" as defined by the following categories of the Homeless Definition Final Rule:
 - a. Category 1: Literally Homeless – Limited to individuals and families living on the streets (or other places not meant for human habitation) and are unwilling or unable to access services in emergency shelter;
 - b. Category 4: Fleeing/Attempting to Flee Domestic Violence (where the individual or family also meets the criteria for Category 1).

Standards for Receiving Homeless Prevention Assistance

1. An individual or family who:
 - a. Has an annual income below 30% of the median family income for the Des Moines Metropolitan Statistical Area; AND
 - b. Does not have sufficient resources to prevent them from moving to an emergency shelter or another place defined in Category 1: Literally Homeless of the Homeless Definition Final Rule; AND
2. The individual or family must be "homeless" as defined by the following categories of the Homeless Definition Final Rule:
 - a. Category 2: Imminent Risk of Homelessness
 - b. Category 3: Homeless Under Other Federal Statutes
 - c. Category 4: Fleeing/Attempting to Flee Domestic Violence; OR
3. The individual or family must be "at-risk of homelessness" as defined by the following At-Risk of Homelessness Definition categories found in the Homeless Definition Final Rule:
 - a. Category 1: Individuals and Families
 - b. Category 2: Unaccompanied Children and Youth
 - c. Category 3: Families with Children and Youth

Standards for Emergency Shelter Assistance

1. The Individual or family must be “homeless” as defined by the following categories of the Homeless Definition Final Rule:
 - a. Category 1: Literally Homeless
 - b. Category 2: Imminent Risk of Homeless
 - c. Category 3: Homeless Under Other Federal Statutes
 - d. Category 4: Fleeing/Attempting to Flee Domestic Violence

Standards for Receiving Rapid ReHousing Assistance

1. The individual or family must be “homeless” as defined by the Homeless Definition Final Rule:
 - a. Category 1: Literally Homeless

II. Organizations receiving ESG funds must document the individuals’ or families’ eligibility at intake and at re-evaluation using the following standards:

1. ESG subrecipients shall use the Eligibility Verification Form developed for the ESG program which contain the criteria to document the eligibility standards for each program type, described in Section I, met by an individual or family applying for ESG funded services as well as acceptable evidence to establish and verify the individual or family meet the applicable eligibility standards. If the individual or family is determined to be ineligible for homelessness prevention services or rapid rehousing, documentation must reflect the reason for ineligibility.
2. The individual or family requesting ESG funded assistance must present evidence to establish and verify they meet the applicable eligibility standards, described in Section I, at the time they go through the centralized intake.
3. The determination of homeless or at-risk of homeless status shall always be documented in writing and maintained in the individual’s or family’s case file. The order of preference for documenting an individual’s or family’s homeless or at-risk of homeless status shall be:
 - a. Third-party documentation
 - b. Intake work observations
 - c. Certification from the person seeking assistance
4. Utilizing other forms of already available documentation shall also be acceptable evidence of an individual or family’s homeless status. Already available documentation shall include certification or other appropriate service transactions recorded in ServicePoint as well as discharge paperwork to verify a stay in an institution of 90 days or less
5. Where third-party documentation is not obtainable, a written record of the case manager’s due diligence in attempting to obtain the evidence and certification by the head(s) of household seeking assistance shall be maintained in the family’s case file.

6. Where required, the determination of income eligibility shall be documented (see interim rule on documenting income) and maintained in the individual's or family's case file.

PROCEDURE:

- I. Organizations receiving ESG funds for homelessness prevention assistance must use the following procedure for documenting homeless/at-risk of homeless status:
 1. An Eligibility Verification Form shall be completed, at the centralized intake, indicating the criterion that defines the individual's or family's homeless/at-risk of homeless status as well as the type(s) of evidence relied upon to establish and verify the individuals' or family's homeless/at-risk of homeless status.
 - 1.1. Every attempt shall be made to obtain third-party documentation of homeless/at-risk of homeless status. In lieu of third-party documentation, a written record of due diligence shall be noted in the corresponding section of the Eligibility Verification form that includes the date(s) documentation was sought, the type(s) of documentation sought, the source(s) from whom the documentation was sought, and a description of the response received from each attempt to obtain the documentation.
 - 1.2. All documents used to establish and verify an individual's or family's homeless/at-risk of homeless status shall be attached to the Eligibility Verification Form and placed in the individual's or family's case file.
 2. A Homeless Verification letter, documenting the name(s) of the individual(s) or family members and the category of homelessness or at-risk of homeless status, shall be uploaded into the individual's or family's ServicePoint record.
 3. The ESG funded program shall complete the Eligibility Verification Form indicating the criterion that defines the individual's or family's homeless/at-risk of homeless status based on the Homeless Verification letter provided by the centralized intake.
 - 3.1. The Homeless Verification letter shall be attached to the Eligibility Verification Form and placed in the individual's or family's case file.

Homeless Services Coordination Policy

Policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid rehousing assistance providers, other homeless assistance providers, and mainstream service and housing providers.

CENTRALIZED INTAKE

POLICY

- I. All ESG-funded programs are required to participate in the Polk County Continuum of Care (PCCoC) Centralized Intake System. Consistent with PCCoC policies, all ESG- funded projects will rely on service, shelter and housing placements as a result of a completed assessment and referral from the Centralized Intake staff.

PROCEDURE

- I. All ESG-funded programs are required to submit, as part of their application, a completed and signed Centralized Intake Verification form to affirm their project's participation within the Polk County Centralized Intake System.
 1. The applicant will accept referrals exclusively from the Centralized Intake System;
 2. The appropriate program staff have read the Centralized Intake Policies and Procedures and understand their organization's obligations with regard to the centralized intake
 3. In an instance where a referral from the Centralized Intake is denied, the program will comply with the Referral Rejection section of the Centralized Intake System Policies and Procedures;
 4. The applicant will notify the Centralized Intake staff, in a timely manner, of open units.

HOMELESS MANAGEMENT INFORMATION SYSTEM

POLICY

- I. All ESG-funded programs must participate in the Homeless Management Information System (HMIS), commonly known as ServicePoint, administered by the Institute for Community Alliances. Only programs that are specifically forbidden by other statutes or regulations (e.g. domestic violence victim service providers) may not participate.

- II. All ESG-funded programs, who are domestic violence service providers must participate in a comparable domestic violence information database.

PROCEDURE

- I. All ESG-funded programs shall collect and maintain common data fields as directed by the Institute for Community Alliances, considering all relevant regulations.
 1. The relevant staff of first-time subrecipient programs shall participate in an introductory ServicePoint training.
 2. The relevant staff of all subrecipient programs shall participate in subsequent trainings following data field or system changes as directed by the Institute for Community Alliances.
 3. Program staff shall enter data in a manner such that it meets the PCCoC Board's data completeness and quality standards.
 4. Program staff shall enter data in a manner such that it meet's the PCCoC Board's data timeliness standards.
 5. Program staff not meeting either the data completeness and quality standards or the data quality standards shall participate in additional ServicePoint trainings as need to meet these data standards.

Prioritization Policies

Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid rehousing assistance.

POLICY

- I. The recipient must have written standards for providing Emergency Solutions Grant (ESG) Assistance including policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid rehousing assistance.

PROCEDURE

- I. All referrals for Homeless Prevention and Rapid Rehousing assistance must come through the centralized intake.
 1. ESG-funded Homeless Prevention and Rapid Rehousing programs that are contacted directly for assistance shall refer the individual and family to the Centralized Intake.
 2. Individuals and families will complete an Initial Intake to assess their need and eligibility for Homeless Prevention or Rapid Rehousing, including the VI-SPDAT.
- II. Individuals and families will be prioritized for Homeless Prevention and Rapid Rehousing based on their VI-SPDAT score with the highest score signifying the greatest need.
- III. Any individual or family that may otherwise be eligible for prevention assistance under ESG must also meet the “but for” rule – that is, “Would this individual or family be homeless but for this assistance?”
 1. The “but for” rule can be documented with the following:
 - a. Certification by the individual or head of household that no subsequent residence has been identified; AND
 - b. Self-certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

2. Furthermore, any household that qualifies for prevention assistance and meets the “but for” rule must also have the following qualifications:
 - a. Have no more than three months of arrears
 - b. Demonstrated an ability to sustain housing; and
 - c. Demonstrate an ability to earn income; and
 - d. Would remain in housing that is decent, safe, sanitary, and affordable.

Rent & Utility Cost Sharing Policy

Standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving homelessness prevention or rapid rehousing assistance.

Each individual program is allowed to have general criteria by which they determine a program participant's share of rent and/or utilities in an ESG-funded program. However, in no case shall a program participant's share of rent plus utilities exceed 30% of their income (income verification will use HUD's Part 5 definition).

Homelessness Prevention

At initial assessment, client's share of rent and utilities shall be zero. At re-evaluation, client's share shall equal 30% of household income.

Rapid ReHousing

Assumes same 18 month program length as in the Homeless Prevention/Rapid Rehousing Program (HPRP).

In the first 6 months, client's share of rent shall be at least \$50. Per month, reaching a maximum of 30% of household income by the end of the 6 month period.

Over the next 9 months, client's share of rent shall be at least 30% of household income with incremental increases reaching 100% of rent paid by the client at the end of the 9 month period.

Over the remaining 3 months, the client will pay 100% of the rent.

[INCOME VERIFICATION FORM using Part 5 determination]

Length of Participation Policies – Financial Assistance

Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.

Rental Assistance

Rental Assistance can be tenant-based or project-based. Total rent assistance that an individual receives, either as an individual or as part of a family is limited by HUD to no more than 24 months in any 3-year period.

- a. **Short Term Assistance:** Up to 3 months of rent.
- b. **Medium Term Assistance:** For more than 3 months, up to 24 months in any 3 year period.
- c. **Arrears:** One-time payment for up to 6 months of rent in arrears, including late fees on arrears.

Housing Stabilization and/or Relocation Services (HRSS)

The amount and type of Housing Stabilization and/or Relocation Services to be provided to a particular program participant will be determined by the organization providing the assistance. However, the duration of such services shall not exceed 6 months.

Eligible financial assistance costs covered under HRSS are listed below:

- a. **Rental Application Fee:** only fees charged by owner to all applicants.
- b. **Security Deposits:** Must not exceed 2 months' rent.
- c. **Last Months' Rent:** If necessary, may be paid at the time owner is paid the security deposit and first month's rent. Must not exceed one month's rent.
- d. **Utility Deposit:** Standard deposit required by utility companies for gas, electric, water and sewage.
- e. **Utility Payments:** Up to 24 months per participant, per service, including up to 6 months of payments in arrears, per service.

Performance Standards – Indicators & Outcomes

Must describe the performance standards for evaluating ESG-funded activities. These standards shall complement and/or contribute to the Continuum of Care program performance measures detailed in Section 427 of the McKinney-Vento Act, as amended by the HEARTH Act.

Performance Standards

Street Outreach

1. Increase in the percent of persons who exit to shelter or a permanent housing destination.

Homeless Prevention

1. Increase the percent of households that remain permanently housed during the 12 months after Homelessness Prevention assistance ends.

Shelter

1. Increase in the percent of participants who exit to a permanent destination; and
2. Reduction in the average and median lengths of time that persons remain homeless in your shelter.

Rapid Re-housing

1. Decrease the average length of time to re-house participants;
2. Increase the percent of households that remain permanently housed after Rapid Re-housing assistance ends (program exit); and
3. Increase the percent of households that remain permanently housed during the 12 months after program exit.

24 CFR part 576.405 Requirement of the Interim Regulations for the Emergency Solutions Grant Program

Must describe how the recipient must provide for the participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policy-making entity of the recipient to the extent that the entity considers and makes policies and decisions regarding any facilities, services or other assistance that receive funding under Emergency Solutions Grant (ESG).

It is the policy of the City of Des Moines (Recipient) to fulfill this requirement through the board membership of the agencies that receive ESG subgrants.

Eligibility Verification Form Homeless Prevention Services

_____ has applied for homeless assistance through _____.
_____. As required by the Department of Housing and Urban
Development, this individual meets the definition of homeless or at-risk of homeless due to the
following reason **(check all that apply)**:

HOMELESS STATUS

_____ **Imminent Risk of Homelessness** – Individual or family who will imminently lose their
primary nighttime residence, provided that:

- _____ Residence will be lost within 14 days of the date of application for
homeless assistance;
- _____ No subsequent residence has been identified; and
- _____ The individual or family lacks the resources or support networks (e.g.,
family, friends faith-based or other social networks) needed to obtain
other permanent housing.

_____ **Fleeing/Attempting to Flee Domestic Violence** – Any individual or family who:

- _____ Is fleeing, or is attempting to flee, domestic violence;
- _____ Has no other residence; and
- _____ Lacks the resources or support networks to obtain other permanent housing.

This determination is based on **(check all that apply)**:

Imminent Risk of Homelessness

- _____ A court order resulting from an eviction action notifying the individual or
family that they must leave; or
- _____ For individual and families leaving a hotel or motel – evidence that they lack
the financial resources to stay; or
- _____ A documented and verified oral statement; and
- _____ Certification that no subsequent resident has been identified; and
- _____ Self-certification or other written documentation that the individual lack the
financial resources and support necessary to obtain permanent housing.

Record of Due Diligence: _____

Fleeing/Attempting to Flee Domestic Violence

For victim service providers:

- _____ An oral statement self-certified by the individual or head of household seeking
assistance, or a certification by the intake worker which states:

- * They are fleeing;
- * They have no subsequent residence; and
- * They lack resources

For non-victim service providers:

- _____ Oral statement which is self-certified by the individual or head of household seeking assistance, or by the case worker, that they are fleeing. When the safety of the individual or family is not jeopardized, the oral statement must be verified; and
- _____ Certification by the individual or head of household that no subsequent residence has been identified; and
- _____ Self-certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

Record of Due Diligence: _____

AT-RISK OF HOMELESS STATUS

_____ **Individuals and Families** – Meets one of the following conditions:

- _____ Has moved because of economic reasons 2 or more times during the 60 days immediately preceding the application for assistance; OR
- _____ Is living in the home of another because of economic hardship; OR
- _____ Has been notified that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance; OR
- _____ Lives in a hotel or motel and the cost is not paid for by charitable organizations or by Federal, State or local government programs for low-income individuals; OR
- _____ Lives in an SRO or efficiency apartment unit in which there resides more than 2 persons or lives in a larger housing unit in which there resides more than one and a half persons per room; OR
- _____ Is exiting a publicly funded institution or system of care; OR
- _____ Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness.
 - _____ Lacks adequate heat
 - _____ Lacks running water
 - _____ Physical condition of the housing unit's structure makes continued occupancy impossible (e.g., broken windows, hanging or fallen ceiling, roof persistently leaking, condition of walls or floors jeopardize the occupants' safety)
 - _____ Presence of lead-based paint or other materials that pose an immediate health risks.
 - _____ The housing unit is infested with insects or rodents that make continued occupancy impossible

This determination is based on **(check all that apply)**:

Individuals and Families

- _____ Source documents that evidence one or more of the conditions listed above (*e.g.*, eviction notice, notice of termination from employment, bank statement); or
- _____ A written statement by the relevant third party (*e.g.*, former employer, owner, primary leaseholder, public administrator, hotel or motel manager) or the written certification by an intake worker or case manager of the oral verification received from the relevant third party that the applicant meets one or more of the conditions listed above; or
- _____ A written statement by the intake worker or case manager that the staff person has visited the applicant's residence and determined that the applicant meets one or more of the conditions listed above or, if a visit is not practicable or relevant to the determination, a written statement by the intake worker or case manager describing the efforts taken to obtain the required evidence; or

Record of Due Diligence: _____

Client Signature: _____ Date: _____

Intake Worker/Case Manger Signature: _____ Date: _____

Eligibility Verification Form Street Outreach Services

_____ has applied for homeless assistance through _____.
_____. As required by the Department of Housing and Urban
Development, this individual meets the definition of homeless or at-risk of homeless due to the
following reason **(check all that apply)**:

HOMELESS STATUS

_____ **Literally Homeless** – Individual or family who lacks a fixed, regular, and adequate nighttime
residence, meaning:

_____ Has a primary nighttime residence that is a public or private place not meant for
human habitation;

_____ **Fleeing/Attempting to Flee Domestic Violence** – Any individual or family who:

_____ Is fleeing, or is attempting to flee, domestic violence;

_____ Has no other residence; and

_____ Lacks the resources or support networks to obtain other permanent housing.

_____ Meets the criteria for “Literally Homeless”

This determination is based on **(check all that apply)**:

Literally Homeless

_____ Written observation by the outreach worker; or

_____ Written referral by another housing or service provider; or

_____ Certification by the individual or head of household seeking assistance stating that (s)he was
living on the streets or in shelter;

Record of Due Diligence: _____

Fleeing/Attempting to Flee Domestic Violence

For victim service providers:

_____ An oral statement self-certified by the individual or head of household seeking
assistance, or a certification by the intake worker which states:

* They are fleeing;

* They have no subsequent residence; and

* They lack resources

* Has a primary nighttime residence that is a public or private place not meant for human
habitation

For non-victim service providers:

- _____ Oral statement which is self-certified by the individual or head of household seeking assistance, or by the case worker, that they are fleeing. When the safety of the individual or family is not jeopardized, the oral statement must be verified; and
- _____ Certification by the individual or head of household that no subsequent residence has been identified; and
- _____ Certification by the individual or head of household that they have a primary nighttime residence that is a public or private place not meant for human habitation; and
- _____ Self-certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

Record of Due Diligence: _____

Client Signature: _____ Date: _____

Intake Worker/Case Manger Signature: _____ Date: _____

Eligibility Verification Form

Emergency Shelter Services

_____ has applied for homeless assistance through _____. As required by the Department of Housing and Urban Development, this individual meets the definition of homeless or at-risk of homeless due to the following reason **(check all that apply)**:

HOMELESS STATUS

_____ **Literally Homeless** – Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- _____ Has a primary nighttime residence that is a public or private place not meant for human habitation;
- _____ Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); or
- _____ Is exiting an institution where (s) he has resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

_____ **Imminent Risk of Homelessness** – Individual or family who will imminently lose their primary nighttime residence, provided that:

- _____ Residence will be lost within 14 days of the date of application for homeless assistance;
- _____ No subsequent residence has been identified; and
- _____ The individual or family lacks the resources or support networks (e.g., family, friends faith-based or other social networks) needed to obtain other permanent housing.

_____ **Fleeing/Attempting to Flee Domestic Violence** – Any individual or family who:

- _____ Is fleeing, or is attempting to flee, domestic violence;
- _____ Has no other residence; and
- _____ Lacks the resources or support networks to obtain other permanent housing.
- _____ Meets the criteria for “Literally Homeless”

This determination is based on **(check all that apply)**:

Literally Homeless

- _____ Written observation by the outreach worker; or
- _____ Written referral by another housing or service provider; or
- _____ Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in shelter;

Record of Due Diligence: _____

Imminent Risk of Homelessness

- _____ A court order resulting from an eviction action notifying the individual or family that they must leave; or
- _____ For individual and families leaving a hotel or motel – evidence that they lack the financial resources to stay; or
- _____ A documented and verified oral statement; and
- _____ Certification that no subsequent resident has been identified; and
- _____ Self-certification or other written documentation that the individual lack the financial resources and support necessary to obtain permanent housing.

Record of Due Diligence: _____

Fleeing/Attempting to Flee Domestic Violence

For victim service providers:

- _____ An oral statement self-certified by the individual or head of household seeking assistance, or a certification by the intake worker which states:
 - * They are fleeing;
 - * They have no subsequent residence; and
 - * They lack resources

For non-victim service providers:

- _____ Oral statement which is self-certified by the individual or head of household seeking assistance, or by the case worker, that they are fleeing. When the safety of the individual or family is not jeopardized, the oral statement must be verified; and
- _____ Certification by the individual or head of household that no subsequent residence has been identified; and
- _____ Certification by the individual or head of household that they have a primary nighttime residence that is a public or private place not meant for human habitation; and
- _____ Self-certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

Record of Due Diligence: _____

Client Signature: _____ Date: _____

Intake Worker/Case Manger Signature: _____ Date: _____

Eligibility Verification Form

Rapid Rehousing

HOMELESS STATUS

_____ has applied for rapid rehousing through _____.
_____. As required by the Department of Housing and Urban Development,
this individual meets the definition of homeless due to the following reason **(check all that apply)**:

_____ **Literally Homeless** – Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- _____ Has a primary nighttime residence that is a public or private place not meant for human habitation;
- _____ Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); or
- _____ Is exiting an institution where (s) he has resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

This determination is based on **(check all that apply)**:

Literally Homeless

- _____ Written observation by the outreach worker; or
- _____ Written referral by another housing or service provider; or
- _____ Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in shelter;

- _____ For individuals exiting an institution – one of the forms of evidence above and:
 - _____ Discharge paperwork or written/oral referral, or
 - _____ Written record of intake worker's due diligence to obtain above evidence and certification by individual that they exited institution.

Record of Due Diligence: _____

Client Signature: _____

Date: _____

Intake Worker/Case Manager Signature: _____

Date: _____

Centralized Intake System Verification

All CoC- and ESG-funded projects are required to participate in the Polk County Continuum of Care (PCCoC) Centralized Intake System. Consistent with PCCoC policies, all CoC- and ESG-funded projects will rely on service and housing placements as a result of a completed assessment and referral from the Centralized Intake Staff. Please initial each of the following to affirm your project's participation within the Polk County Centralized Intake System.

- _____ The applicant will accept referrals exclusively from the Centralized Intake System;
- _____ The appropriate program staff have read the Centralized Intake Policies and Procedures and understand their organization's obligations with regard to the centralized intake;
- _____ In an instance where a referral from the Centralized Intake is denied, my project will comply with the Referral Rejection section of the Centralized Intake System Policies and Procedures;
- _____ The applicant will notify the Centralized Intake staff, in a timely manner, of open units.

Signature of Authorized Representative

Date

Housing First Verification

All ESG-funded outreach, homelessness prevention, rapid rehousing, transitional housing and emergency shelter projects must operate as a Housing First model. Please complete the Housing First checklist below by checking the boxes in front of each of the Housing First criteria that is reflective of your program then sign and date the form. **Please attach to this form a copy of your program's admissions policy and program termination policy.**

All Programs:

- ☐ Access to programs is not contingent on sobriety, minimum income requirements, lack of a criminal record, completion of treatment, participation in services, or other unnecessary conditions, with the exceptions of restrictions imposed by federal, state or local law or ordinance (e.g., restrictions on serving people who are listed on sex offender registries) or that pose a threat of danger to other shelter residents.
- ☐ Programs or projects that cannot serve someone work through the coordinated entry process to ensure that those individuals or families have access to housing and services elsewhere.
- ☐ Programs or projects do everything possible not to reject an individual or family on the basis of poor credit or financial history, poor or lack of rental history, minor criminal convictions, or behaviors that are interpreted as indicating a lack of "housing readiness."
- ☐ People with disabilities are offered clear opportunities to request reasonable accommodations within applications and screening processes and during tenancy, and building and apartment units include special physical features that accommodate disabilities.
- ☐ Housing and service goals and plans are highly client-driven.
- ☐ Supportive services emphasize engagement and problem-solving over therapeutic goals.
- ☐ Participation in services or compliance with service plans are not conditions of acceptance/retention of shelter or housing, but are reviewed with participants and regularly offered as a resource to participants.

Rapid Rehousing and Transitional Housing:

- ☐ Services are informed by a harm-reduction philosophy that recognizes that drug and alcohol use and addiction are a part of some tenants' lives. Tenants are engaged in non-judgmental communication regarding drug and alcohol use and are offered education regarding how to avoid risky behaviors and engage in safer practices.
- ☐ Substance use in and of itself, without other lease violations, is not considered a reason for eviction.

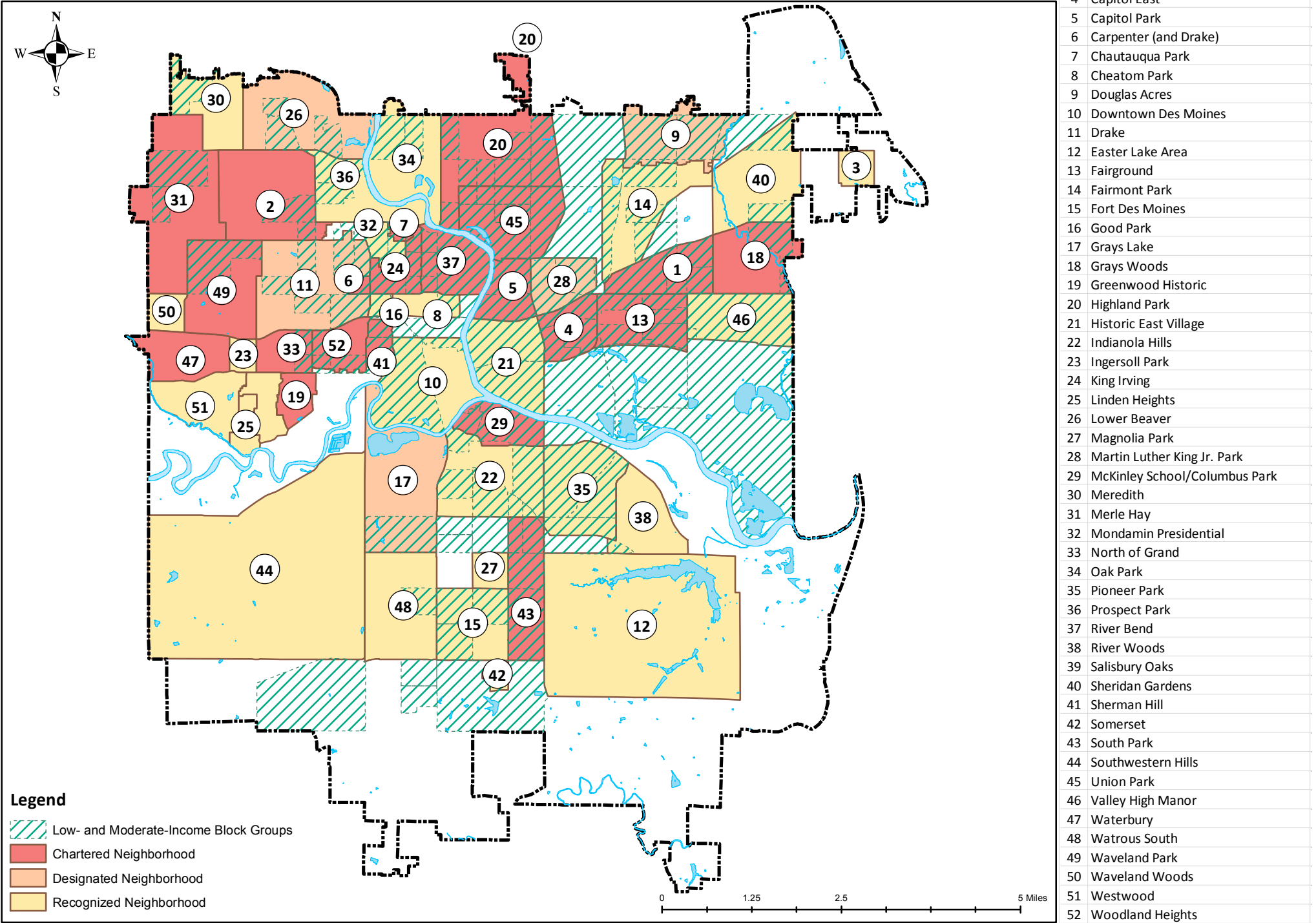
- ☐ Tenants in supportive housing are given reasonable flexibility in paying their share of rent on time and offered special payment arrangements for rent arrears and/or assistance with financial management, including representative payee arrangements.

This form WILL NOT be considered complete unless a copy of your program's admissions policy and program termination policy are attached.

Signature of Authorized Representative

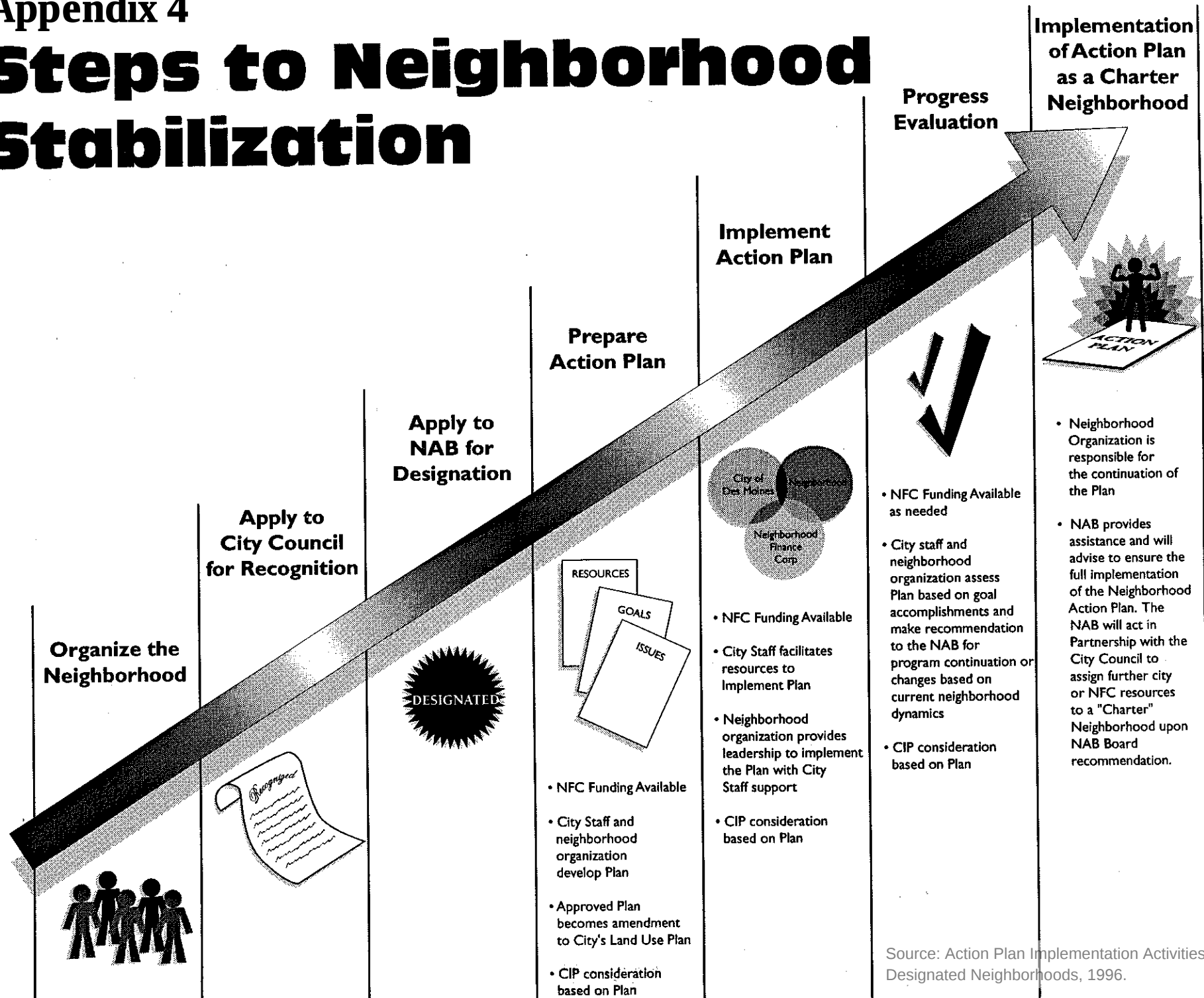
Date

Appendix 3: Des Moines Low- to Mod-Income Areas



Appendix 4

Steps to Neighborhood Stabilization



Appendix 5

SPACE ABOVE THIS LINE FOR RECORDER

Prepared by: Mary Neiderbach, Community Development Department, NCS Division, 602 Robert D. Ray Drive, Des Moines, IA 50309, 515-283-XXXX

Return to: Same

**Recapture
HOME AGREEMENT AND LIEN**

Home Buyer Program

CITY OF DES MOINES

HOME INVESTMENT PARTNERSHIP PROGRAM

AGENCY: CITY OF DES MOINES
COMMUNITY DEVELOPMENT DEPARTMENT
NEIGHBORHOOD CONSERVATION SERVICES DIVISION

HOME BUYER:

ADDRESS: _____

LOAN #: 15-CHDO-800-XXXXXX

CLOSING DATE: _____

EFFECTIVE DATE: _____

HOME INVESTMENT PARTNERSHIP PROGRAM

Recapture Home Buyer Program Agreement

THIS AGREEMENT is entered into by and between the City of Des Moines, Iowa, hereinafter called "City" and ____ (hereinafter called "Home Buyer", effective the day of execution.

WHEREAS, the City is the recipient of HOME funding from the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, on the XXth day of **April, 20XX**, the City of Des Moines entered into a HOME Agreement with **Home Opportunities Made Easy, Inc.** (hereinafter the Developer) to rehab a home which is locally known as __, Des Moines, Iowa, and legally described as:

Parcel A Book XXXX Lot X Block X in X SUB DIVISION, an Official Plat, now included in and forming a part of the City of Des Moines, Polk County, Iowa.

WHEREAS, the full amount of HOME assistance loaned to build and occupy this house is **\$210,000.00**. Of that amount, **\$195,001.00** was provided to the Developer for construction (known as Developer Assistance) and **\$14,999.00** is provided to the Home Buyer for purchase (known as Home Buyer Assistance).

WHEREAS, the Home Buyer is requesting approval from the City of Des Moines to purchase the above-described property as an eligible purchaser; and

WHEREAS, the City's Community Development Department has reviewed all supporting documents submitted by the Home Buyer and Developer, completed a Homebuyer assistance underwriting form, and has determined that the Home Buyer meets all eligibility requirements for this program and the assistance provided.

WHEREAS, the HOME Program Rule 24 CFR 92.254(a)(5)(ii)(A) defines "net proceeds" as the sales price minus the Superior Non-Home Debt minus closing costs.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the City and the Home Buyer mutually agree as follows:

1. The City hereby approves the Home Buyer as an eligible purchaser of the above described property at the subsidy listed in 2(a).
2. The Home Buyer specifically agrees that:
 - a. The City of Des Moines has disbursed the sum of **\$14,999.00** to the Home Buyer for the purpose of purchasing this home at an affordable cost.

- b. The Home Buyer will occupy this property as their principal residence for the duration of the affordability period which is 60 months or 5 years from the execution of this document by all parties.
 - c. As long as the Home Buyer occupies this property as its principal residence, no payment is due on the Home Buyer HOME assistance.
 - d. The Home Buyer assistance will further be reduced at a rate of 1/60th annually beginning immediately years after the execution of this agreement and continuing until the assistance is totally forgiven at the end of the affordability period. The City will release the lien at such time.
 - e. If the property is sold, refinanced other than for rate or term, or transferred prior to the end of the period of affordability, the homebuyer must repay the total amount of the HOME investment, less the prorated HOME investment amount for the length of time the home buyer owned and occupied the unit limited to the "net proceeds" of the sale as defined in HOME Program Rule 92.254(a)(5)(ii)(A). The City will release the lien at such time.
 - f. The Home Buyer will not lease, sub-lease or transfer any interest in this real estate during the period of affordability. If the Home Buyer does not sell the property but fails to occupy the unit as their principal residence, the Home Buyer is in non-compliance with the HOME program (24 CFR 92.503(b)). The City will take legal action to collect the full amount of HOME investment in the property, (Developer assistance and Home Buyer assistance), referenced in the preamble of this agreement.
- 3. The City will release the restrictive covenant only upon the successful completion of the affordability period or repayment of the outstanding HOME funds disbursed to the Home Buyer limited to the net proceeds.
 - 4. The Home Buyer agrees that the City will monitor this program annually and that the Home Buyer will submit, at the request of the City, documentation verifying their principal residency at this address, including but not limited to verification of mailing address by the U.S. Postal Service, current utility bills and other documents as requested.
 - 5. The City is entitled to conduct an annual physical inspection of the property by appointment and the Home Buyer will cooperate with the City in scheduling this appointment.
 - 6. The Home Buyer specifically acknowledges that giving any false, misleading or incomplete information to the City concerning their eligibility for this program is a violation of the HOME Program regulations and will entitle the City to recapture the HOME Investment Partnership money (Home Buyer Assistance and Developer Assistance) invested in this project.
 - 7. Any additions, modifications or amendments to this Agreement, including any attachment, shall be in writing executed by both parties.

8. The restrictive covenant attached hereto as Exhibits "A" is specifically incorporated into this Agreement and by this reference made a part hereof.

IN WITNESS WHEREOF the parties have executed this Agreement on the _____ day of _____,
_____.

HOME BUYER

Date

Date

STATE OF IOWA)
COUNTY OF POLK) §:

On this _____ day of _____, _____, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared __, to me personally known, who, being by me duly sworn, did state that they are the persons named in and who executed the foregoing instrument, and acknowledged the execution of the instrument to be their voluntary act and deed.

Notary Public for the State of Iowa

CITY OF DES MOINES

Phillip Delafield
Community Development Director

Date

STATE OF IOWA)
COUNTY OF POLK) §:

On this _____ day of _____, _____ before me, the undersigned, a Notary Public, personally appeared Phillip Delafield, to me personally known, who, being by me duly sworn, did state that he/she is the Community Development Director for the City of Des Moines, Iowa, by and that he acknowledged the execution of the instrument to be the voluntary act and deed of the municipal corporation, by it voluntarily executed.

Notary Public for the State of Iowa

SPACE ABOVE THIS LINE FOR RECORDER

PREPARED BY: Tara Porche Community Development - 602 Robert D. Ray Drive, Des Moines, IA 50309, 515-283-4182

RETURN TO: Tara Porche Community Development - 602 Robert D. Ray Drive, Des Moines, IA 50309, 515-283-4182

HOMEBUYER MORTGAGE AGREEMENT RESALE

CITY OF DES MOINES HOME PROGRAM

(Home Investment Partnership Program)

AGENCY: CITY OF DES MOINES
COMMUNITY DEVELOPMENT DEPARTMENT
NEIGHBORHOOD CONSERVATION SERVICES DIVISION

BORROWER: _____

ADDRESS: _____

LOAN #: _____

LOAN CLOSING DATE: _____

EFFECTIVE DATE: _____

HOME INVESTMENT PARTNERSHIP PROGRAM

Homebuyer Program Agreement - Resale

THIS AGREEMENT is entered into by and between the City of Des Moines, Iowa, (hereinafter called CITY) and (hereinafter called HOMEBUYER) effective the day of execution.

WHEREAS, the CITY is a recipient of HOME funding from the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, on the ____ day of ____, ____, the CITY entered into a HOME Agreement with ____ (hereinafter called the DEVELOPER) to **PICK ONE** home at ____, **Des Moines, Iowa** and legally described as:

____, an Official Plat, now included in and forming a part of the City of Des Moines, Polk County, Iowa.

WHEREAS, the HOMEBUYER is requesting approval from the CITY to purchase the above-described property as an eligible purchaser; and

WHEREAS, the CITY's Community Development Department has reviewed all supporting documents submitted by the HOMEBUYER and DEVELOPER and has determined that the HOMEBUYER meets all eligibility requirements for this program.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the CITY and the HOMEBUYER mutually agree as follows:

1. The CITY hereby approves the HOMEBUYER as an eligible purchaser of the above described property.
2. The HOMEBUYER specifically agrees that:
 - a. The property will meet the affordability requirements of 24 CFR 92. The affordability period is set for ____ months from the date of this AGREEMENT. Income restrictions of the initial HOMEBUYER is set at 80% Area Median Income for Des Moines.
 - b. The HOMEBUYER will occupy this property as its principal residence for the duration of the affordability period. The affordability period is set for ____ months from the date of this AGREEMENT.
 - c. The HOMEBUYER must give the City written notification of any request to sell or re-convey the above-described property.
 - d. The HOMEBUYER will not lease, sub-lease or transfer any interest in this real estate without the prior written approval of the CITY.
 - e. The HOMEBUYER agrees that selling the property during the period of affordability requires the lien to be assumed by a subsequent homebuyer with a total household income under 80% AMI and the property will be the principal residence of the subsequent homebuyer.
 - f. When selling the house as described in letter e, the HOMEBUYER may receive a "Fair Return on Investment". The "Fair Return on Investment" the HOMEBUYER may receive is the actual dollar amount contributed by the homebuyer as shown on the HUD-1

Statement (no interest is accrued on the contribution in the City's calculation), multiplied by the Neighborhood's Replacement Costs New Less Depreciation (RCLDN) per the Polk County Assessor's Office, plus the return on any capital improvements documented through the building permit process. Realtor and other sale fees may be included in the cost of the sale and do not count toward "fair return on investment".

- g. Should the subject property fail to comply with the affordability requirements referred to above, the HOMEBUYER will repay the loan in full to the CITY along with any costs the CITY has incurred.
- 3. The CITY will release the restrictive covenant and lien only upon the successful completion of the affordability period.
 - 4. The HOMEBUYER agrees that the CITY will monitor this property annually and that the HOMEBUYER will submit, at the request of the CITY, documentation verifying their principal residency at this address, including but not limited to verification of mailing address by the U.S. Postal Service, current utility bills and other documents as requested.
 - 5. The CITY is entitled to conduct an annual physical inspection of the property by appointment and the HOMEBUYER will cooperate with the CITY in scheduling this appointment.
 - 6. The HOMEBUYER specifically acknowledges that giving any false, misleading or incomplete information to the CITY concerning their eligibility for this program is a violation of the HOME Program regulations and will entitle the CITY to recapture the HOME Investment Partnership money invested in this project.
 - 7. Any additions, modifications or amendments to this Agreement, including any attachment, shall be in writing executed by both parties.
 - 8. The restrictive covenant and lien document attached hereto as Exhibits "A" and "B" are specifically incorporated into this Agreement and by this reference made a part hereof.

THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK

EACH MORTGAGOR ACKNOWLEDGES HAVING READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS MORTGAGE AND EACH AGREES TO ITS TERMS.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT on the ____ day of _____, 2016.

HOMEBUYER:

Homebuyer Signature

Homebuyer Signature

STATE OF IOWA)
) §:
COUNTY OF POLK)

On this ____ day of _____, 20____, before me, a Notary Public in and for the State of Iowa, personally appeared _____ and _____, who are the persons named in and who executed the foregoing instrument and acknowledges the execution of the instrument to be their voluntary act and deed.

My Commission Expires:

Notary Public in the State of Iowa

LENDER: CITY OF DES MOINES, IOWA

Phil Delafield, Community Development Director
As authorized by the Des Moines City Council pursuant
to Roll Call No. 10-357

STATE OF IOWA)
) §:
COUNTY OF POLK)

On this ____ day of _____, 2016, before me, a Notary Public, in and for the State of Iowa, personally appeared Phil Delafield, to me personally known, who, being by me duly sworn, did state that he is the Community Development Director for the City of Des Moines, Iowa, and that he acknowledged the execution of the instrument to be the voluntary act and deed of the municipal corporation, by it voluntarily executed.

My Commission Expires:

Notary Public in the State of Iowa