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City Manager Report to City Council

May 6, 2011 – Edition No.6

Report Overview

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Report Details

1. City Response to Citizen Inquiries

All staff members in the City Manager's Office are responsible for responding to direct citizen inquiries and referrals of questions from citizens received from City Council members.

In order to ensure a prompt response to all requests, and to avoid duplicating efforts, Deb Stalkfleet serves as a clearinghouse for constituent inquiries utilizing tracking provided by the Customer Relations Management (CRM) system. Deb assigns these requests to the proper departments, tracks the responses, and reports results back to originating Council members. Simply forward emails and questions to Deb for appropriate and timely handling.

City correspondence received through the City Clerk is tracked in a similar manner using the CRM process, or responded to by a direct email from Deb acknowledging receipt when a departmental response is not warranted. Departments are trained to respond initially to inquiries entered as CRMs within 24 hours, and to provide appropriate follow up as required.

2. Jumpstart Housing 5 Year Forgivable Liens

Homeowners participating in the Jumpstart Housing Program are required by State and Federal Program guidelines to consent to a 5-year receding forgivable lien. Some homeowners have recently raised questions regarding the lien effective date.

Jumpstart State and Federal program guidelines require that the effective date of the lien be the date of the last disbursement to the homeowner. That means that for a homeowner who,

due to their completion date, received their last payment on April 15, 2011, the lien effective date and the beginning of their 5-year retention period will be April 15, 2011. This is causing concern for some homeowners who experienced contractor shortages, had unresponsive contractors, or who performed the work themselves over a multi-year period. Staff has requested a program modification to allow the lien effective date to be the date of the first disbursement; however, agency officials have indicated that the rule was established by the state legislature, and would require legislative action to effect a change.

3. Affordable Housing Network, Inc. (AHNI) Contract

The City recently received notification from Affordable Housing Network, Inc. (AHNI), the current third party administrative agent for the Jumpstart Housing Program that AHNI does not intend to renew the existing contract, scheduled to expire June 30, 2011. Staff is evaluating options for a transition plan and consulting the Iowa Department of Economic Development regarding procurement options to ensure a seamless transition and completion of all active Jumpstart projects, which currently include 33 recipients of interim mortgage assistance and approximately 140 homeowners still completing rehabilitation. More information will be provided in the coming weeks.

4. Single Family New Construction Program Development Plan Approved By IDED

Community Development staff has been negotiating with IDED and the U.S. Department of Housing and Urban Development (HUD) to secure approval of the development plan for Single Family New Construction – Round 3 (SFNC3) for several months. HUD initially indicated that the disposition of lots acquired with CDBG for use in the program did not meet a National Objective to the extent that buyer income was between 80-100% of Area Median Income. Staff was able to successfully demonstrate that the activity of new housing construction on vacant land in the Neighborhood Revitalization Area meets the National Objective of Eliminating Slum or Blight. The City has received notification on April 29th that the development plan for SFNC3 has been approved and a contract amendment is being prepared. Staff will continue to move forward with program delivery, including notification of participating builders, marketing outreach, and preparation of development agreements for City Council consideration.

5. Acquired Property Disposition Update

To date, the City Council has adopted administrative plans for two programs for the disposition of properties within the City's locally defined Neighborhood Revitalization Area: The Residential Property Disposition Program, and the Single Family New Construction Program Third Round. In addition, City Council has approved two standalone requests from private workforce affordable housing developers, and a third proposal from Legion Arts/CSPS to create additional parking for their expansion.

A summary of approved programs/projects follows:

Program/Project	Activity	Number of Properties	National Objective Met
Residential Property Disposition Program	Rehabilitation of owner-occupied housing.	143	Elimination of Slum/Blight.
Single Family New	New construction of housing	134	Low/Mod Benefit

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Construction Program	and down payment assistance for owner-occupants.		(under 80% of AMI) Elimination of Slum & Blight (80-100% AMI)
Skogman/CHI/AHNI Rent-to-Own	New construction of Single Family rent-to-own homes.	21 parcels for 20 units	Low/Mod Benefit.
Habitat for Humanity Single Family Home	New construction of Single Family home, owner-occupied.	1	Low/Mod Benefit
Legion Arts/CSPS	Parking lot expansion for Arts & Cultural Facility	1	None – Agency will pay Fair Market Value as established by competitive bid process.

Total: 300

Staff has been informed by IDED and HUD that in order to dispose of properties acquired with CDBG funds, one of the following criteria must be met:

- The re-use of the property must meet a HUD National Objective (Low/Moderate Income Benefit or Elimination of Slum and Blight), or
- The City must repay the current Fair Market Value of the property to the program.

In addition, certain limitations on redevelopment apply to properties within the 100-year flood plain.

Staff is working diligently with the State and HUD to clarify options for commercial and vacant lot property disposition for the following other priorities outlined in the City's Framework Plan for Reinvestment as adopted in May 2009:

1. Support Affordable Housing
 - a. Variety of housing options at different price points;
 - b. Meet multi-generational needs;
 - c. Maintain vibrant neighborhoods that retain a traditional urban neighborhood character, with sufficient rooftops to support neighborhood shops and amenities.
2. Maintain Economic Vitality
 - a. Support neighborhood commercial uses where appropriately zoned and consistent with neighborhood character;
 - b. Other public services centralized for easy access to all citizens;
 - c. Support art/culture venues that create "destinations."

It is estimated that the City will receive further direction from the State and Federal government within the next two weeks. Staff will bring options before the City Council

Development Committee and/or Flood Recovery Committee in May or June, pending clear direction from the funding agencies.

6. Helping Hands Mowing Program

Similar to the sidewalk snow removal Helping Hands program, the City maintains a listing of people and companies providing residential mowing services. The Helping Hands program is a neighborhood initiative intended to assist residents who need help keeping their properties maintained. Parties interested in being listed are invited to call Public Works at 286-5802 or email street@cedar-rapids.org with this information: name, phone number, the neighborhood or section of the city served, and services provided. The current list of Helping Hands participants is located on the Street Maintenance page of the City's Website.

7. Fire Department Memorial 5K Walk/Run on May 28

Organized by members of the Cedar Rapids Fire Department in 2000, the annual Fire Department Memorial 5K Walk/Run will be held on Saturday, May 28. The race is designed to raise money for a Memorial Fund for fallen firefighters and their families. Besides the 5K Walk/Run, there is a Wheel Chair Race and the Junior Firefighter Half-Mile Fun Run. The CRFD Memorial 5K will be held on a USATF-certified 5K course (IA 03002-MF) at Prairie High School. More information on the Fire Department page of the City's Website.

8. Upcoming Events

- May 10, 5:30 pm – City Council Meeting
- May 17, 4:00 pm – Infrastructure Council Committee, City Hall North Conference Room
- May 24, 5:30 pm – City Council Meeting
- May 28 – CRFD Memorial 5K Walk/Run