

**FY 2014 COMMUNITY DEVELOPMENT PROGRAM  
Staff Report**

|                                                                                                                     |              |                                      |                |                                                         |                            |                           |
|---------------------------------------------------------------------------------------------------------------------|--------------|--------------------------------------|----------------|---------------------------------------------------------|----------------------------|---------------------------|
| <b>Project:</b> CHDO Pre-development<br>One Roof Community Housing                                                  |              |                                      |                | <b>Application Number:</b><br>14-CD-01 Page 159         |                            |                           |
| <b>Consolidated Plan Objective:</b> 1. & 5. Assist families to secure affordable rental and owner-occupied housing. |              |                                      |                |                                                         |                            |                           |
| <b>FY 2014 Goal:</b><br>5 Development Outcomes                                                                      |              | <b>Amount Requested:</b><br>\$20,000 |                | <b>Performance Indicator:</b><br>Future Housing Project |                            |                           |
| <b>Previous Awards and Spending Rates (as of 3/31/13 in the 2012 CAPER):</b>                                        |              |                                      |                |                                                         |                            |                           |
|                                                                                                                     | <b>Award</b> | <b>Expended</b>                      | <b>Balance</b> | <b>Goal</b>                                             | <b>Actual</b>              | (Verified)<br><b>%LMI</b> |
| <b>2012</b>                                                                                                         | 12,890       | 12,890                               | 0              | 11 SF<br>FY 2013                                        | Underway                   | N/A                       |
| <b>2011</b>                                                                                                         | 17,999       | 17,999                               | 0              | 10-15 SF<br>32 Rental<br>FY 2012                        | Goal 5 SF<br>Hillside Apts | N/A                       |
| <b>2010</b>                                                                                                         | 22,000       | 22,000                               | 0              | 9-12 SF<br>FY 2011                                      | 10 SF                      | N/A                       |

**1. Consolidated Plan Priority**

Con Plan Community Development Goals:

- Consistent with Con Plan goals to create affordable owner-occupied housing, by determining the need and feasibility of future housing projects. As pre-development activities, it is unknown how many units will result, so the degree to which the goal of additional units will be achieved can't be determined. .

Priority Community Development Needs:

- Creation of affordable rental and owner-occupied housing is a priority need in the Con Plan.

**2. Project Readiness**

Timely Completion/Expenditure of Funds:

- One Roof has employees experienced in housing development on staff. It is highly probably that the funds will be expended by March 31, 2015.

Additional Actions Needed: None

**3. Project Impact and Delivery**

Achievement of Expected Results:

- Applicant explains the significance of the need, and provides supporting statistics on rental vacancy rates and waiting list.

Target Clientele:

- Target clientele is 100% low- to moderate-income persons.

Outcome Measurements:

- Applicant has met previous pre-development goals. Proposed outcomes are realistic and of importance to the community.

Number of Persons/Households to Benefit:

- Outcomes will be for acquisition/rehab or new construction of land trust homes and a new multi-family project. Pre-development grant awards are reimbursed on a per outcome basis, as outcomes are achieved.

Business/Operations Plan Approach:

- One Roof's approach is to minimize public dollars for operating expenses, instead using them for project capital. The two certified Duluth CHDO's that qualify for this assistance, One Roof and Center City Housing, have agreed to alternate requests for operating support.

**4. Financial Considerations**

Sufficiency and Leveraging of Resources:

- Other funding sources leverage \$5 to every HOME \$1, 50% of other sources are secured.

Fiscal Support and Viability:

- No audit findings, payment requests have been accurate and timely.

Project Budget Detail/Use of Funds:

- Although funds will be paid on the basis of achievement of outcomes, the actual expenses proposed are salary and fringe for staff. HOME funds will pay for about 9% of the Development Coordinator, Deputy Director and Executive Director. Budget doesn't itemize costs for other pre-development activities.

**5. Applicant Attributes**

Project /Program Management Ability and Capacity:

- The City has certified Center City Housing as capable in undertaking housing development using HOME program funding.
- The organization has operated for more than 11 years, and the development team is experienced in producing rental and homeowner projects.

Past Performance/Experience:

- Applicant has extensive experience managing federal funds. Monitoring issues related to inspections and work scopes on single family rehab projects, which have been addressed by having HRA inspectors oversee scope of work development and rehab progress.

Quality of Application:

- The application is adequately written, but has minimal budget detail.

**BONUS POINTS - N/A**