



# **Community Development Block Grant (CDBG) Substantial Amendment to the 2025-26 Annual Action Plan**

## **PROPOSED PUBLIC IMPROVEMENTS WATER MAIN REPLACEMENT PROJECT**

**April 12, 2026**

**Housing and Community Development Programs  
City Hall-515 Clark Avenue- Room 214  
Ames, Iowa 50010-515-239-5400; 515-239-5133 TDD**



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## A. Background/Summary

The City of Ames, Iowa, is an entitlement recipient of federal funds from the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program Funds.

In accordance with the City's 2024 updated Citizen Participation Plan:

1. The City will amend its approved plan whenever it makes a decision to make a change in its allocation priorities or a change in the method of distribution of funds; to carry out an activity using funds from any program covered by the Consolidated Plan (including program income), not previously described in the action plan; or to change the purpose, scope, location or beneficiaries of an activity.
2. The City will use the following criteria to determine what changes in the planned or actual activities constitute a substantial amendment to the Consolidated Plan; any of the following will require a substantial amendment following this citizen participation plan:
  - a. Changes in the use of CDBG funds from one eligible activity to another eligible activity that exceed \$100,000.
  - b. Carrying out a new CDBG-eligible activity in an amount greater than \$100,000.

A change in the entity responsible for carrying out an activity, a change in the proposed project's location, or any updates or corrections will not constitute a substantial amendment.

3. The City will publish a link to a summary of the proposed substantial amendment in the local newspaper, press releases, social media outlets, emails, and other outlets in a manner that affords citizens, public agencies, and other interested parties a reasonable opportunity to examine its contents and to submit comments. The entire substantial amendment and attachments will be published on the City's website. The City will also make copies of the proposed substantial amendment available at the Planning and Housing Department office and the City of Ames Public Library for review during public hours. Ten (10) free copies of the proposed plans will be made available. One free copy will be provided to each individual or organization requesting said copy until the supply is exhausted.

The City of Ames will hold at least one public hearing on the proposed substantial amendment to the Consolidated Plan prior to the submittal. Notice of the public hearing will be published in the local newspaper not less than four days or more than twenty

days before the public hearing. A 30-day comment period will be available on the proposed substantial amendment to the Consolidated Plan.

4. The City will consider any comments or views of citizens received in writing or orally at the public hearings in preparing the final substantial amendment to the consolidated plan. A summary of these comments or views and a summary of any comments or views not accepted and the reasons therefore shall be attached to the final amended consolidated plan.

In accordance with 24 CFR 91.505, the City of Ames will be submitting a substantial amendment to its' 2025-26 CDBG Annual Action Plan to HUD proposing the following changes:

- Adding an additional activity to the 2025-26 Annual Action Plan projects;
- Revised the 2025-26 CDBG Program Budget to reflect the new activity; and
- Update the amount of 2024-25 Rollover funds.

## **B. Substantial Amendment to the Action Plan/ CDBG Budget**

In discussions with the Public Works Department, it was discovered that an opportunity became available where CDBG funds could be used to provide public infrastructure improvements (removal of water mains and replacement of water lines (including lead services) in HUD-designated Low and Moderate Income Census #10 (see Attachment 1 map).

Census Tract 10 is one of the city's older core vital neighborhoods. The tract has 4-inch water mains that are aged and deteriorating, along with a high number of homes with lead services from the main to the house. There has also been a high number of water main breaks in this tract that have caused residences to be without water, lose water pressure, and have rusty water quality.

Under this activity, CDBG funds would be used to replace the old 4-inch mains with new 8-inch mains and to install new water service with copper piping along S. 3rd Street (between S Russell and S Oak), and along S Maple (from Lincoln Way to S 4th Street). This project will improve water quality, reduce lead services, and increase firefighting service capacity in this tract, and benefit a HUD-identified LMI population. This project is currently outlined in the 26-27 Capital Improvement Plan. Additionally, a part of our 2024-25 CDBG Public Infrastructure Improvements Program for this census tract, a Phase I Historic Architectural Survey has been completed that includes these two streets, which should make it simpler to receive project approval from the State Historic Preservation Office (SHPO).

This proposed project is an eligible activity under our CDBG program. However, since this activity is not listed in our adopted 2025-26 Action Plan activities, it will require a substantial amendment approval from HUD to be added. The estimated cost is approximately \$541. A

substantial amendment to the Action Plan requires a 30-day comment period for the public and a public hearing at the City Council before it can be submitted as an additional activity to the HUD Field Office.

In the adopted 2025-26 Action Plan, the City budgeted to implement a First-time Homebuyer Assistance Program, which would involve providing assistance to purchase homes in the Baker Subdivision and possibly city-wide homes. Since homes are currently being constructed in the Baker Subdivision, the First-time Homebuyer Assistance Program would be funded in both the 2025-26 and 2026-27 Annual Action Plan years. Additionally, the proposed CDBG Public Infrastructure Improvements Program activity would still benefit the needs of low and moderate-income households and count towards our 70% HUD benefit requirement and help to reduce program income revenue from the sale of the remaining market-rate lots.

Attachment 1 shows the proposed amended program budget for 2025-26 Action Plan program activities.

The rationale for adding the additional water main improvements project in LMI Census Tract 10 as additional project activity is as follows:

- The proposed project is located in a vital core neighborhood that is located in an LMI census tract where the public utilities are in very poor condition and therefore is consistent with the goals and priorities in our 2024-29 Consolidated Plan to benefit low-income residents in the community positively.
- The activity will continue to meet the City Council's goals of strengthening our neighborhoods.
- Continues the investment in improving both the housing stock and the infrastructure needs of vital core neighborhoods.
- The proposed project would result in the City's ability to meet HUD's 2026-27 timely expenditure requirements, as more lots would be sold in the Baker Subdivision, and allow for a quicker turnaround for program income expenditures.

## C. Public Comment Period

Federal regulations require for Entitlement Cities to provide the public with reasonable notice of and an opportunity to comment on any substantial amendments in accordance with 24 CFR 91.10. **The 30-day comment period will commence on March 13, 2026, and end on April 11, 2026. A detailed description of the proposed substantial amendment is located at the City of Ames, Department of Planning and Housing, 515 Clark Avenue, 2<sup>nd</sup> Floor, Room 214, Ames, Iowa, between the hours of 8:00 a.m. and 5:00 pm – Monday thru Friday, and the Ames Public Library, 515 Douglas Avenue. In addition, the substantial amendment has been posted to the City’s website at <http://www.cityofames.org/housing>**

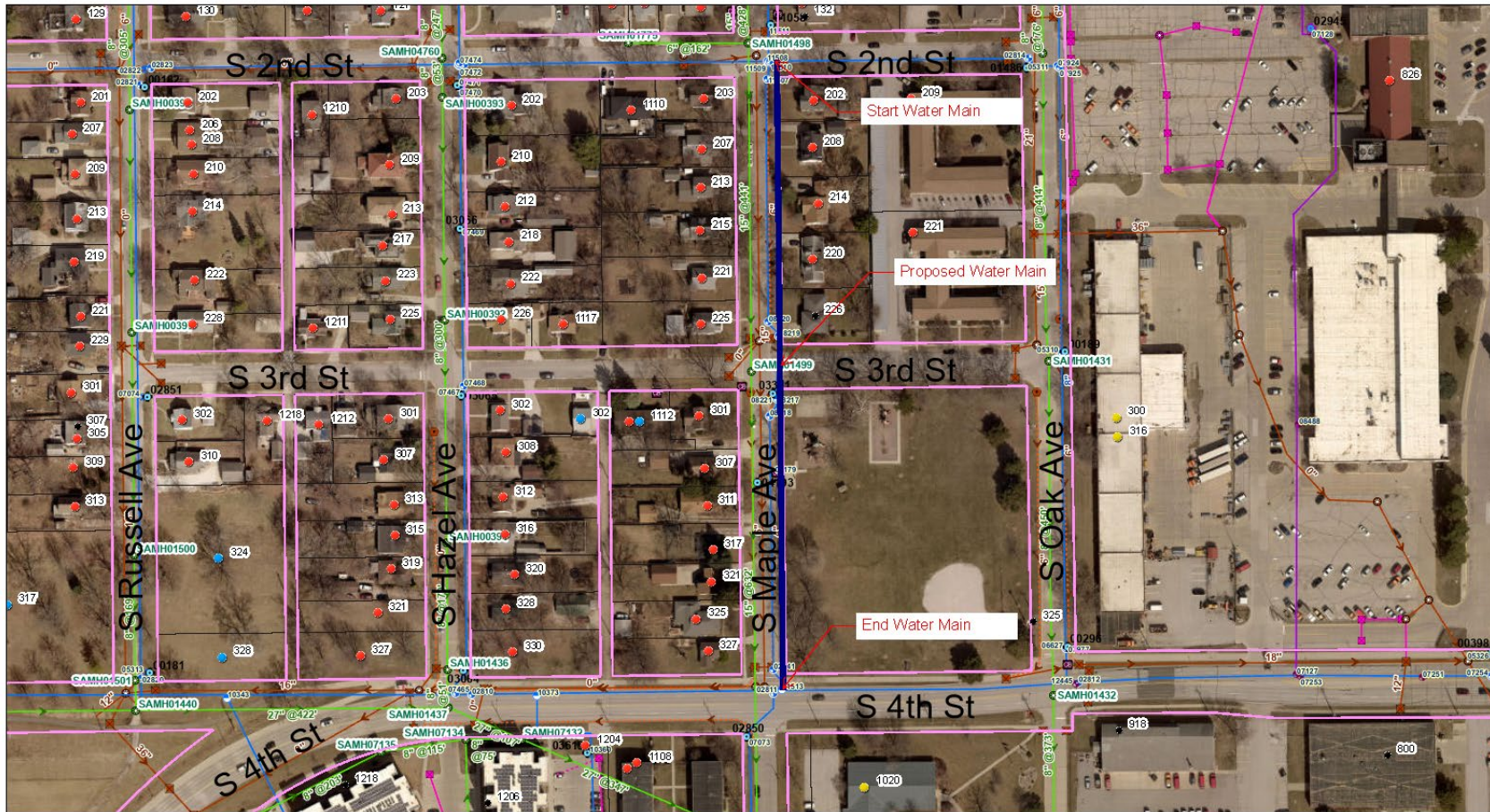
The public is encouraged to comment upon the proposed substantial amendment by submitting written comments to Vanessa Baker-Latimer, Housing Coordinator, Planning and Housing Department at P.O. Box 811, Ames, Iowa 50010-0811 or to [vanessa.bakerlatimer@cityofames.org](mailto:vanessa.bakerlatimer@cityofames.org).

Additionally, NOTICE IS HEREBY GIVEN that prior to the adoption of the substantial amendment, the Ames City Council will conduct a public hearing to receive comments on the Substantial Amendment to the 2025-26 Action Plan on April 14, 2026, at 6:00 p.m., City Hall Council Chambers, 2<sup>nd</sup> Floor, 515 Clark Avenue, Ames, Iowa. Persons wishing to comment on the Substantial Amendment to the 2025-26 Annual Action Plan may state their views at this hearing.

If you are in need of special accommodations for a disability or language translation, please contact Vanessa Baker-Latimer, at the Department Planning & Housing Department at 515-239-5400 or the TDD at (515) 239-5133 by April 9, 2026. Disabled persons attending the meeting should access City Hall through the east door and take the elevator to the Council Chambers on the second floor.

The City of Ames will consider any comments or views of residents, agencies, or other interested parties received in writing or orally at Public Hearings in preparation for the final amendment. A summary of these comments will be included in this document.

# ATTACHMENT 1 Project Maps



City of Ames IA  
1:1,998

South Maple Avenue



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## ATTACHMENT 2 Project Budget

<b>2025-2026 Proposed Amended CDBG Project Budget</b>	<b>Original Funding</b>	<b>Net Change</b>	<b>Amended Funding</b>
<b>Total Allocations</b>	<b>2,368,609</b>	-	<b>2,368,609</b>
CDBG Administration (20% Cap)	125,755	12,454	138,209
Homebuyer Assistance Program	234,000	(29,488)	204,512
Single-Family Housing Rehabilitation Program	248,000	(248,000)	-
Public Infrastructure Improvements - Sidewalk Programs	67,748	(67,748)	-
Public Facilities Rehabilitation Program (Non-Profits)	154,513	(154,513)	-
Public Infrastructure Improvements (Water System Improvements - S. Riverside & S. Russell)	1,408,826	(49,655)	1,359,171
Disposition of Properties (1107 Grand, 621 Grand, 1514 Duff, Baker Subdivision)	15,000	(5,000)	10,000
Public Infrastructure Improvements (Water System Improvements - S. 3rd & S. Maple)	-	541,950	541,950
<b>Program Totals</b>	<b>4,622,451</b>	-	<b>4,622,451</b>

## **ATTACHMENT 3**

**Public Notices/Releases/Proof of Publication**

**To be added**

**ATTACHMENT 4**  
**City Council Public Hearing Minutes**  
**/Public Comments Received**

**To be added**

**ATTACHMENT 5**  
**City Council Resolution**

**To be added**