

**CITY COUNCIL  
COMMUNICATION:**

**03-313**

**AGENDA:**

JULY 14, 2003

**SUBJECT:**

APPLICATIONS FOR  
FEDERAL FUNDS  
RELATED TO  
DES MOINES  
BROWNFIELDS  
REVITALIZATION  
EFFORTS

**TYPE:**

**RESOLUTION**  
**ORDINANCE**  
RECEIVE/FILE

**SUBMITTED BY:**

ERIC A. ANDERSON  
CITY MANAGER

**ITEM \_\_\_\_\_**

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**SYNOPSIS —**

On the July 14, 2003 Council agenda is a roll call to authorize the Mayor to execute Federal documents related to applying for and accessing \$1.2 million in grant funds from the U.S. Environmental Protection Agency (EPA). On June 20, 2003, EPA awarded these grants to the City and has invited the requisite applications—\$1 million to establish a citywide revolving loan fund (RLF), which is proposed to be used initially for cleanup activities in Riverpoint West, and \$200,000 to clean up one site in the Guthrie Avenue Business Park south of Nesbit Distributing. The City will also transition \$499,000 in existing EPA revolving loan funds to new EPA rules established in January 2002 because it is more advantageous. Ellen Walkowiak with the City's Office of Economic Development are coordinating the City activities for this project.

**FISCAL IMPACT —**

A 20 percent cost share is required for both revolving loan fund and cleanup activities. Potential revolving loan fund recipients will contribute the required \$300,000 cost share to access nearly \$1.5 million in revolving loan funds. For the cleanup grant, the City will provide \$40,000 in cash, labor, materials, and other services for eligible and allowable expenses related to remediation on the site. Funds are available from the Guthrie Avenue Business Park account.

**RECOMMENDATION —**

**Approval.**

**BACKGROUND —**

On November 18, 2002, by Roll Call No. 02-2738, the City Council authorized staff to submit an initial proposal to secure federal funds for assessment, revolving loan fund, and cleanup activities to revitalize Des Moines brownfields. EPA invited the City to submit final proposals for revolving loan fund and cleanup activities, which the City Council authorized on March 10, 2003, by Roll Call No. 03-552.

Des Moines competed well in the national grants competition. The City received one of only 28 grants for revolving loan funds (\$1 million) and one of 69 grants for cleanup (\$200,000). Des Moines received all of the funds for which it applied, which represents 1.6

percent of the \$73.1 million awarded nationwide, and the highest grant award in EPA Region VII's four-state area of Iowa, Missouri, Kansas, and Nebraska.

The City will transition \$499,000 of existing EPA revolving loan funds to create a total \$1.499 million RLF Program to assist in brownfields remediation citywide. It is important to transition the funds so that the City can extend the timeframe for their initial use by three years and obtain additional regulatory flexibility.