



Council Communication

Office of the City Manager

Date	May 19, 2008
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Agenda Item No.	34
Roll Call No.	08-
Communication No.	08-295
Submitted by:	Larry Hulse, Community Development Director

AGENDA HEADING:

Resolution to Support the Polk County Health Department Application to the U.S. Department of Housing and Urban Development (HUD) 2008 Lead Hazard Control Program Grant.

SYNOPSIS:

Authorize and direct the City Manager to sign a Letter of Commitment for the City of Des Moines, Iowa in support of the Polk County Health Department's application to HUD's 2008 Super NOFA (Notice of Funding Availability) grant for Lead Hazard Control Programs.

FISCAL IMPACT:

Amount: The grant application has a match requirement and City funds are essential for the Polk County grant to be competitive. Funds would be approximately \$213,333 (CDBG) and \$106,000 (HOME) per year over the course of the three year program for a total City contribution of \$957,999.

Funding Source: FY 2008-09 Operating Budget; Community Development Block Grant, SP020 CDD049900, pg 104; HOME Investment Partnerships (HOME) funds, SP036, CDD049900, pg 108.

ADDITIONAL INFORMATION:

Childhood lead poisoning has adverse effects on nearly all organ systems in the body. It is especially harmful to the developing mental capabilities and nervous systems of children under the age of six years. At very high blood lead levels, children have severe brain damage or even die. At blood lead levels as low as 10 micrograms per deciliter, children's intelligence, hearing and growth are affected. According to Polk County Health Services, lead poisoning is one of the top causes of mental retardation of children in Polk County.

Lead paint, which was banned from residential use in 1978, is the primary source of lead poisoning in Iowa. Two-thirds of Des Moines' housing stock was built before 1978. The US Department of Housing and Urban Development estimates that 35 percent of all housing units in the Midwest have "significant lead-based paint hazards." In Polk County that would amount to 63,017 units (based on 2006 US Census data).

Statewide, the prevalence of lead poisoning among children under the age of six years is 7%. This is more than four times the national average of 1.6%. In Polk County, the prevalence of lead poisoning among children under the age of six years averages 4%. However, in some zip codes, the rate is up to 13%.

Lead poisoning is 100% preventable by addressing the hazards in our housing stock. Remediating lead hazards is a long-term strategy which requires the community to prioritize their housing rehab funding streams to target families with children under the age of six years who reside in homes built before 1978.

A \$3 million dollar, three-year HUD Grant Application for Lead Base Paint Hazard control is being sought. Primary strategies for this grant include:

- Taking a regional approach (Dallas County is in the process of considering joining the effort). Conducting community outreach and marketing to identify eligible homes and families.
- Partnering with housing rehabilitation agencies to repair lead hazards in 60 units through integration with rehab work.
- Conducting lead remediation in 100 owner-occupied units.
- Conducting lead remediation in 53 rental property units.
- Relocating all families during lead remediation work.

As a part of the planning for this grant, there is a major effort underway to bring together over 50 community agencies. As result of this effort, approximately \$4,000,000 in leveraged funds have been identified for the grant application

It is important to note that this application has a match requirement and the City funds are essential for the Polk County grant to be competitive. The City of Des Moines has been asked to submit a support letter that will provide a funding commitment for the rehab of 40 owner occupied properties and 53 rental units in the city of Des Moines. This will require the NRB and the City Council to commit \$213,333 of CDBG and \$106,000 HOME funds annually for bricks and mortar rehabilitation activities and maintain the level of funding for staff for the next three years for this Polk County project.

The application’s budget also will be utilizing the competitive grant funds the City receives from the Polk County Trust Fund and the Federal Home Loan Bank as a match. As result of the grant, each of the City’s homeowner projects will be eligible to receive an additional \$8,000 for lead remediation costs and each of the rental units will be eligible for \$6,000 in lead remediation work. This provides an additional \$318,000 of federal funds for lead remediation costs. Homeowners and renters will also be provided with relocation funds from the Lead Grant program. Currently, they are required to find replacement housing during the lead work with no reimbursement from the City.

The City and County started a pilot effort in August 2006 and the results are as follows:

- Polk County Health Department has submitted a total of 39 applications to the City’s NCS program of which 14 units have been rehabbed.
 - 17 applications are currently being processed and eight have been denied.
- \$644,974 has expended from the following sources:
 - CDBG \$275,347
 - HOME \$46,500
 - PCHTF \$278,127
 - FHLB \$ 45,000

The current funding commitment reserved for the remaining 17 applications is \$799,000, which shall come from the following resources:

- CDBG \$357,000
- PCHTF \$357,000
- FHLB \$ 85,000

The proposed program to be funded by the Lead Grant application will be integrated into the existing homeowner program and the rental program will be expanded to address the needs identified by this grant. The lead reduction rental component will require changing the selection criteria in the current NCS program. The majority of the rental funds are funds used for tax credit projects or multi-family redevelopment projects. This grant application would require the City to reserve HOME funds for the rental portion of the grant application.

Additionally, the Community Development Department's Community Services Division will participate in the education and community outreach components of the proposed Lead Hazard Control Program, with in-kind and programming contributions valued at a total of \$27,990 for the three year period through referrals, mailings and active membership in the Lead Poisoning Prevention Coalition.

This resolution authorizes the City Manager to sign a letter of commitment from the City for the grant application submission.

PREVIOUS COUNCIL ACTION(S):

Date: May 17, 2004

Roll Call Number: 04-1025

Action: Goals for 2005-2009 Housing and Urban Development (HUD) Consolidated Plan Affordable Housing Strategy. ([Council Communication No. 04-243](#)) Moved by Hensley to adopt, and include Public Transit Assistance in the list of goals. City Manager to report on the issue of housing in the City. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Date: May 7, 2008

Board: Neighborhood Revitalization Board

Action: Neighborhood Revitalization Board recommended that the City of Des Moines support Polk County's \$3 million dollar, three-year HUD Grant Application for Lead Poisoning Remediation application.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Annual commitment within NCS Budget of \$319,333 (CDBG and/or HOME) for a three year program for a total of \$957,999.

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