Council	Date April 6, 2009
CITY OF DES MOINES Communication Office of the City Manager	Agenda Item No.35Roll Call No. <u>09-</u> Communication No. <u>09-209</u> Submitted by: Larry Hulse, CommunityDevelopment Department Director

# AGENDA HEADING:

Authorizing the Mayor to sign a letter of application for Community Development Block Grant (CDBG) disaster funds for Housing Assistance.

### SYNOPSIS:

Authorizes the Mayor to sign a letter of application for CDBG disaster funds for the continuation of Housing Activities, including single and multi-family rehabilitation, homebuyer assistance, and interim mortgage assistance for families affected by the heavy rains and flooding during the summer of 2008.

### FISCAL IMPACT:

<u>Amount</u>: \$1,008,869

Funding Sources:The Iowa Department of Economic Development is administering the Community<br/>Development Block Grant (CDBG) Disaster Recovery Funds per a statewide<br/>allocation plan approved by Housing and Urban Development.

### **ADDITIONAL INFORMATION:**

On September 30, 2008 by Roll Call 08-1711 Council approved the Jumpstart Housing Assistance Program Grant Agreement with the Iowa Finance Authority (IFA) which provided funding for three housing programs to assist residents impacted by the flooding events of early summer. Additional funding in the amount of \$588,507 for these three programs was provided by the approval of the CDBG Housing Disaster Recovery Fund Contract with the Iowa Department of Economic Development on October 13, 2008 by Roll Call 08-1810. The program created Jumpstart Housing Assistance which allowed Des Moines residents impacted by last summer's events to access assistance for down payment assistance, housing repair/rehabilitation, and interim mortgage assistance. This program is for owneroccupied households that have been approved by FEMA for housing assistance.

The City of Des Moines was allocated \$658,711.43 for the State Jumpstart Housing Assistance Program through a grant agreement with IFA. In addition, the City of Des Moines was allocated an additional \$790,453.71 to State Jumpstart Housing Activities (Council authorized receipt of these funds through a grant agreement amendment on February 9, 2009 by Roll Call 09-236).

This letter of application will allow the City of Des Moines to access an additional allocation of CDBG Disaster recovery funds in the amount of \$1,008,869. These funds will allow for the continuation of single family repair, interim mortgage assistance and down payment assistance. These funds will also allow two new activities: multi-family repair (small projects) and multi-family repair (large projects).

The City of Des Moines Community Development Department—NCS Division has been administering the Jumpstart Housing Assistance Program since funding was first made available. Overall the City of Des Moines has about 200 applications it's working with. So far, over 50 families across the City have been assisted through the Jumpstart programs. Work typically includes repairing flood damaged basements, installing sump pumps and back-flow preventers, repairing or replacing furnaces, water heaters and/or AC units, foundation and basement floor repair or replacement, etc. It is estimated that the City will serve between 70 and 90 more families. Currently the City has just over \$822,000 under contract with almost \$550,000 already paid out to contractors and homeowners.

## **PREVIOUS COUNCIL ACTION(S):**

Date: February 09, 2009

Roll Call Number: 09-236

<u>Action</u>: <u>Approving</u> First Amendment to Jumpstart Housing Assistance Program Grant Agreement with the Iowa Finance Authority (IFA) for financial assistance to eligible residents for home repairs due to heavy rains and flooding during 2008. Sponsor: Mayor Cownie. <u>(Council Communication No. 09-073)</u> Moved by Kiernan to approve. Motion Carried 6-1. Absent: Cownie.

Date: October 13, 2008

Roll Call Number: 08-1810

<u>Action</u>: <u>Approving</u> CDBG Housing Disaster Recovery Fund Contract with Iowa Department of Economic Development. Sponsor: Mahaffey. (Council Communication No. 08-628) Moved by Mahaffey to adopt. Motion Carried 6-1. Absent: Cownie.

Date: September 30, 2008

Roll Call Number: 08-1711

<u>Action</u>: <u>Approving</u> Jumpstart Housing Assistance Program Grant Agreement and Application for Jumpstart Small Business Assistance and CDBG Supplemental Funds to assist with recovery efforts due to flooding. Sponsor: Mahaffey. (<u>Council Communication No.</u>

<u>08-589</u>) Moved by Mahaffey to refer to the City Manager to review energy efficiency and elevation of the homes and businesses. Motion Carried 6-1.

#### **BOARD/COMMISSION ACTION(S): NONE**

# ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Approval of contract, environmental publication.

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