

# **Council Communication**

Office of the City Manager

**Date** April 20, 2009

Agenda Item No. 30
Roll Call No. 09Communication No. 09-254

**Submitted by: Larry Hulse, Community Development Department Director** 

#### **AGENDA HEADING:**

Authorizing the Mayor to sign the Iowa Department of Economic Development (IDED) Community Development Block Grant (CDBG) Housing Disaster Recovery Fund Contract (08-DHR-209).

### **SYNOPSIS:**

Authorizing the Mayor to sign a contract with IDED 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:**

Amount: \$1,008,869

Funding Sources: The Iowa Department of Economic Development is administering the Community

Development Block Grant (CDBG) Disaster Recovery Funds per a statewide

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 last year's flooding events. 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 Iowa Department of Economic Development on October 13, 2008 by Roll Call 08-1810. The programs created by Jumpstart Housing Assistance, allows Des Moines residents impacted by last summer's flooding events to access down payment assistance, housing repair/rehabilitation, and interim mortgage assistance. This program is for owner-occupied 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 contract 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 we are 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: April 6, 2009

Roll Call Number: 09-552

<u>Action</u>: <u>Authorizing</u> the Mayor to sign a Letter of Application for CDBG Disaster Funds for Housing Assistance. (<u>Council Communication No. 09-209</u>) Moved by Hensley to adopt. Motion Carried 7-0.

Date: April 6, 2009

Roll Call Number: 09-555

<u>Action</u>: <u>Concurrent</u> Notice to the Public of Finding of No Significant Impact on the Environment and Request for the Release of Funds from the Iowa Department of Economic Development for funds from the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act of 2009. (<u>Council</u> Communication No. 09-212

) Moved by Hensley to adopt. Motion Carried 7-0.

<u>Date</u>: February 09, 2009 <u>Roll Call Number</u>: 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.

<u>Date</u>: October 13, 2008 Roll Call Number: 08-1810

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

<u>Date</u>: 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. 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: NONE

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