

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	May 18, 2009
	Agenda Item No. 40 Roll Call No. 09- Communication No. <u>09-347</u> Submitted by: Larry Hulse, Community Development Director	

AGENDA HEADING:

Authorizing the City Manager to sign a letter of application to the Polk County Housing Trust Fund (PCHTF) for private funds to provide gap funding within the Jumpstart Housing Assistance Program.

SYNOPSIS:

Due to the restrictions of the State and Federal funding sources being used for the Jumpstart Housing Assistance programs for flood affected homes, there is sometimes a gap, typically ranging from \$500 to \$2,000 that is needed in order to fund the project. Private funds are being requested to fill that gap in order to serve as many applicants as are eligible throughout Des Moines.

FISCAL IMPACT:

Amount: \$50,000

Funding Sources: Private donations targeted for flood victims administered by the Polk County Housing Trust Fund.

ADDITIONAL INFORMATION:

Since October, 2008, the City of Des Moines Community Development Department—Neighborhood Community Services (NCS) Division has been administering the Jumpstart Housing Assistance Program. To date, 267 applications have been received. Of those applicants, 45 did not meet the eligibility requirements of the program. Of the 222 remaining applicants:

- 74 applicants are under contract or their projects have been completed. A total of \$1,358,846 has been committed to these projects for an average project cost of about \$18,000.
- 29 applicants have submitted a complete application (income verification, insurance and FEMA information, etc) and are in the inspection and bid process.
- 119 applicants are considered pending because they have not turned in the required paperwork in order for their application to be complete. The focus of staff over the next several months will be to work with these applicants to help them complete the application process.

In order to serve all that are eligible, supplemental private funds are being requested from the Polk County Housing Trust Fund to serve as gap funding for Jumpstart projects with special circumstances.

Due to the restrictions of the State and Federal funding sources being used for the Jumpstart programs, there is sometimes a gap, typically ranging from \$500 to \$2,000 that is needed in order to fund the project. Private funds are being requested to fill that gap in order to serve as many applicants as are eligible throughout Des Moines.

Funding regulations require that in order to receive Jumpstart home repair/rehabilitation assistance, a homeowner must document how all of the funds received from the Federal Emergency Management Agency (FEMA) were spent. Due to the length of time that has elapsed, the use of cash for expenses, the purchase of non-FEMA approved items and other circumstances, some homeowners are unable to document where all of their FEMA funds were spent. By providing private gap funding, more homeowners will be able have their homes repaired through the Jumpstart Program.

PREVIOUS COUNCIL ACTION(S):

Date: April 20, 2008

Roll Call Number: 09-645

Action: Iowa Department of Economic Development (IDED) Community Development Block Grant (CDBG) Housing Disaster Recovery Fund Contract (08-DHR-209). (Council Communication No. 09-254) Moved by Vlassis to approve. Motion Carried 7-0.

Date: February 09, 2009

Roll Call Number: 09-236

Action: Approving 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. (Council Communication No. 09-073) Moved by Kiernan to approve. Motion Carried 6-1. Absent: Cownie.

Date: October 13, 2008

Roll Call Number: 08-1810

Action: Approving 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.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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