



Council Communication

Office of the City Manager

Date July 13, 2009

Agenda Item No. 70
Roll Call No. 09-
Communication No. 09-449
Submitted by: Larry Hulse, Director
Community Development Department and Jeb
E. Brewer, P.E., City Engineer

AGENDA HEADING:

Authorization to submit a grant application to the Iowa Department of Economic Development in order to fund a voluntary structural acquisition project for purchase of eligible properties in the Four Mile Area.

SYNOPSIS:

Recommend Council authorization to submit a grant application to the Iowa Department of Economic Development in order to fund a voluntary structural acquisition project for purchase of eligible properties in the Four Mile Area. If authorized, the City will apply for funds for a voluntary buy-out program for eligible properties that did not qualify for acquisition under the FEMA funded voluntary buyout program. Council authorization provides the ability to act expeditiously when funding becomes available and to let citizens know that the City intends to request funding for this voluntary buy-out program.

FISCAL IMPACT:

Amount: \$4,000,000 estimated for acquisition, closing costs, relocation, and demolition

Funding Source: 100% by Iowa Department of Economic Development (IDED) using Community Development Block Grant (CDBG) funds

ADDITIONAL INFORMATION:

City staff initially identified three properties that sustained flood damage in the Four Mile Area, and those properties were enrolled in the city-sponsored buyout program. The available funding for that program was expended. As time passed, thirteen additional property owners were identified that had sustained damages, but had not contacted the City regarding their needs. These properties are currently eligible for acquisition under the Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP).

There are twelve additional properties in the Four Mile area that have either expressed interest in a voluntary acquisition project and/or did not qualify for eligibility under the FEMA HMGP. These properties are located in the floodway or the regulatory flood plain and are located such that they may be at risk for future flooding. These properties are zoned "U-1" Floodplain District or "FW" Floodway District. These zoning districts were developed to protect the health and welfare of the public from the impacts of frequent flooding. Development in these districts is severely limited as a result of this mission. The reconstruction of these properties would be restricted and possibly prohibited by the City's

Zoning Ordinance. Staff believes a buy-out program would prevent future losses due to frequent flooding in the area. Acquired properties would be cleared of all structures, which will allow the land to return to its natural state and restore its floodplain functions.

The purpose of the CDBG Structural Acquisition Project is to acquire properties that were not eligible for Hazard Mitigation Grant Program (HMGP) funding. On April 29, 2009, the City of Des Moines received an invitation to submit a Notice of Interest (NOI) to the Iowa Department of Economic Development in order to be eligible for consideration to apply for CDBG Structural Acquisition funds. On May 18, 2009, the City of Des Moines submitted the NOI to the IDED in order to become eligible for consideration to apply for CDBG funds. On July 2, 2009, the City of Des Moines received a formal invitation to complete and submit a CDBG Structural Acquisition Grant Project application.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Acceptance of grant and authorization to proceed with the voluntary acquisition of eligible properties.

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