

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date</b>	October 26, 2009
	<b>Agenda Item No.</b> 24 <b>Roll Call No.</b> <u>09-</u> <b>Communication No.</b> <u>09-752</u> <b>Submitted by:</b> Larry Hulse, Community Development Director	

**AGENDA HEADING:**

Authorizing the Mayor to sign Major Amendment #6 of the Community Development Block Grant (CDBG) Housing Disaster Recovery Fund Contract with Iowa Department of Economic Development (IDED), (Contract Number 08-DHR-009).

**SYNOPSIS:**

Authorizing the Mayor to sign Major Amendment #6 to a contract with IDED for CDBG disaster funds for the continuation of Housing Activities, primarily for housing repair and rehabilitation for families affected by the heavy rains and flooding during the summer of 2008. A Contract amendment for additional funds from the Iowa Finance Authority in the amount of \$600,000 for the Jumpstart Program is also on the Council Agenda for October 26, 2009.

**FISCAL IMPACT:**

Amount: \$420,979

Funding Sources: The Iowa Department of Economic Development is administering the Federal Community Development Block Grant (CDBG) Disaster Recovery Funds per a statewide allocation plan approved by the Department of 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 which provided funding in the amount of \$658,711.43 for three housing programs to assist residents impacted by the heavy rain and flooding events of 2008. The programs created Jumpstart Housing Assistance which allows Des Moines homeowners impacted by last summer’s rain and flood events to access assistance for down payments, housing repair/rehabilitation, and interim mortgage assistance. The programs have been expanded to include repair/rehabilitation assistance to landlords as well.

Since the initial State funding was awarded in September of 2008, three additional allocations have already been awarded to Des Moines for the Jumpstart Housing Assistance Programs:

- \$1,177,014 in Federal Community Development Block Grant (CDBG) funds administered by the Iowa Department of Economic Development (IDED). Half of these funds were provided to the

City by the approval a CDBG Housing Disaster Recovery Fund Contract with the Iowa Department of Economic Development on October 13, 2008 (Roll Call 08-1810).

- \$790,453.71 from the State of Iowa via House File 64 and administered by the Iowa Finance Authority (IFA). Council authorized receipt of these funds through a grant agreement amendment on February 9, 2009 by Roll Call 09-236.
- \$1,008,869 in CDBG funds administered by the IDED. Council authorized receipt of these funds through authorization of the Iowa Department of Economic Development (IDED) Community Development Block Grant (CDBG) Housing Disaster Recovery Fund Contract (08-DHR-209).
- \$162,715 from the State of Iowa via Senate File 376 and administered by the IFA authorized through Roll Call 09-1650.
- Total Jumpstart Budget prior to the two amendments up for consideration: \$3,797,763.10

The amendment up for consideration would add additional funds to the Jumpstart Housing Assistance Program:

- \$420,979 in CDBG funds administered by the IDED. These funds would be amended into Contract Number 08-DHR-009 between the City and IDED.
- Total Jumpstart Budget with Proposed Amendment: \$4,218,742.10

Additional amendments up for consideration October 26, 2009:

- \$600,000 from the State of Iowa through reallocated funds from HS 64 and administered by IFA.
- Total Jumpstart Budget if both proposed amendments are passed by Council: \$4,818,742.10

The primary focus of these funds will be to assist Jumpstart Applicants repair and rehabilitate their homes that were damaged due to the heavy rains and flooding of 2008. To date the City of Des Moines NCS Division has contracted over \$2.8 million for over 100 projects. Staff has also approved additional 50-60 applicants and there are about 100 that are still in the process of applying. These new funds will be used in conjunction with the existing funds to complete needed repairs.

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

Date: June 30, 2009

Roll Call Number: 09-1165

Action: Authorizing the Mayor to sign Major Amendment #5 of the Community Development Block Grant Housing Disaster Recovery Fund Contract with Iowa Department of Economic Development (Contract Number 08-DHR-009). (Council Communication No. 09-438) Moved by Vlassis to approve. Motion Carried 5-2.

Date: April, 20, 2009

Roll Call Number: 09-646

Action: Authorizing submittal of two single-family new construction applications for Community Development Block Grant (CDBG) funds to the Iowa Department of Economic Development (IDED). (Council Communication No. 09-250) Moved by Vlassis to adopt. Motion Carried 7-0.

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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