

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	October 26, 2009
	Agenda Item No. 25 Roll Call No. <u>09-</u> Communication No. <u>09-753</u> Submitted by: Larry Hulse, Community Development Director	

AGENDA HEADING:

Approving the Third Amendment to the Jumpstart Housing Assistance Program Grant Agreement between the City of Des Moines and the Iowa Finance Authority (Contract Number JHAP#: 09-09).

SYNOPSIS:

Recommend Council approval of the Third Amendment to the Jumpstart Housing Assistance Program Grant Agreement, attached as Exhibit A, with the Iowa Finance Authority (IFA) for additional state funding to assist with the recovery efforts from the 2008 flooding. These additional funds in the amount of \$600,000 have been reallocated from other areas across the State of Iowa and will be amended into the current grant agreement with the IFA. A Contract amendment for additional funds from the Iowa Department of Economic Development in the amount of \$420,979 for the Jumpstart Program are also on the Council Agenda for October 26, 2009.

FISCAL IMPACT:

Amount: \$600,000 Jumpstart Housing Assistance Program

Funding Sources: The Iowa Finance Authority is providing the funding for the Jumpstart Housing Assistance Program. No City match is required.

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:

- \$600,000 from the State of Iowa through reallocated funds from HS 64 and administered by IFA.
- Total Jumpstart Budget with Proposed Amendment: \$4,397,763.10

Additional amendments up for consideration October 26, 2009:

- \$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 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: September 14, 2009

Roll Call Number: 09-1650

Action: Second Amendment to the Jumpstart Housing Assistance Program Grant Agreement. (Council Communication No. 09-635) Moved by Vlassis to approve. 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.

Date: September 30, 2008

Roll Call Number: 08-1711

Action: Approving 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. (Council Communication No. 08-589) 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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