

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	January 25, 2010
	Agenda Item No. 24 Roll Call No. <u>10-</u> Communication No. <u>10-039</u> Submitted by: Larry Hulse, Community Development Director	

AGENDA HEADING:

Authorizing the Mayor to sign Major Amendment #7 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 a Major Amendment #7 to a contract with IDED for CDBG disaster funds for the continuation of Jumpstart Housing Activities, primarily for housing repair and rehabilitation for families affected by the heavy rains and flooding during the summer of 2008.

FISCAL IMPACT:

Amount: \$1,497,752

Funding Sources: The IDED is administering the Federal CDBG Disaster Recovery Funds per a statewide allocation plan approved by the Department of Housing and Urban Development (HUD).

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 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:

- \$2,101,053 in Federal CDBG funds administered by the IDED. Initial funds were provided to the City by approval of a CDBG Housing Disaster Recovery Fund Contract with the IDED on October 13, 2008, by Roll Call 08-1810. Additional funds for housing rehabilitation and repair were provided through Major Contract Amendment #6 on October 26, 2009, by Roll Call 09-1925.

- \$790,453.71 from the State of Iowa via House File 64 and administered by the 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 IDED 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 on September 14, 2009, by Roll Call 09-1650.
- Total Jumpstart Budget prior to the amendment up for consideration: \$4,721,802.14

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

- \$1,497,752 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: \$6,219,554.14
- Additional Contract Changes contained within this amendment:
 - Revised Attachment E (effective October 20, 2009): This attachment outlines updates to the program requirements for Single-Family Jumpstart Housing Activities.
 - Revised Attachment H (effective November 6, 2009): This attachment outlines updates to the program requirements for Single-Family New Unit Production. This attachment applies to the first round of funds for new construction of which the City of Des Moines was awarded \$503,061 for the construction of 13 Habitat for Humanity Homes throughout Des Moines on June 30, 2009, by Roll Call 09-1165.

The primary focus of these funds will be to assist Jumpstart Applicants in repairing and rehabilitating their homes that were damaged due to the heavy rains and flooding of 2008. To date, the City of Des Moines Neighborhood Community Services (NCS) Division has contracted over \$3.7 million for almost 150 projects. Also, staff has initially approved an additional 20-30 applicants and there are subsequent applicants 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: October 26, 2009

Roll Call Number: 09-1925

Action: Major Amendment #6 of Community Development Block Grant (CDBG) Program Disaster Recovery Housing Fund Contact with Iowa Department of Economic Development to add funds. (Council Communication No. 09-752) Moved by Vlassis to approve. Motion Carried 7-0.

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.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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