

# Council Communication

Office of the City Manager

**Date** March 8, 2010

Agenda Item No. 28
Roll Call No. 10Communication No. 10-116

Submitted by: Larry Hulse, Community

**Development Director** 

#### **AGENDA HEADING:**

Authorizing the Mayor to sign a request for Amendment #8 of the Community Development Block Grant Housing Disaster Recovery Fund Contract with Iowa Department of Economic Development (Contract Number 08-DHR-009) and Authorizing the Mayor to sign Signature Authorization for Alternate Signators designating a signator for draw requests pertaining to Contract Numbers 08-DHR-009 and 08-DHR-209.

#### **SYNOPSIS:**

Authorizing the Mayor to sign a request for Amendment #8 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. This amendment adjusts the activities within the existing contract budget to more accurately reflect the needs of families affected by the heavy rains and flooding of 2008.

Additionally, this action authorizes the Mayor to sign the Signature Authorization for Alternate Signators form which designates the Community Development Director as authorized to sign draw requests for work completed under two contracts (08-DHR-009 and 08-DHR-209).

#### **FISCAL IMPACT:**

Amount: None—line item adjustment within existing, approved budget

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:

- \* \$3,598,805 in Federal Community Development Block Grant (CDBG) funds administered by the Iowa Department of Economic Development (IDED). Initial funds were provided to the City by the approval of a CDBG Housing Disaster Recovery Fund Contract with the Iowa Department of Economic Development on October 13, 2008 (Roll Call 08-1810). Additional funds for housing rehab and repair were provided through Major Contract Amendment #6 on October 26, 2009 (Roll Call 09-1925).
- \$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 amendment up for consideration: \$6,219,554.14

The amendment up for consideration will not add additional funds to the Jumpstart Housing Assistance Program but will instead adjust the line item budget to better serve flood victims. The revised Attachment A is attached to the Roll Call.

The budget adjustments to Attachment A include moving homeowner rehab funds to Activity 2 which serves homeowners that are between 80-100% Area Median Income. Currently, about 30% of the repair/rehab applicants fall into this income bracket. This budget adjustment allows the Jumpstart program to serve the families in this income category.

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

<u>Date</u>: January 25, 2010

Roll Call Number: 10-114

<u>Action</u>: <u>Major</u> Amendment #7 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. 10-039

) Moved by Mahaffey to approve. Motion Carried 7-0.

Date: October 26, 2009 Roll Call Number: 09-1925 <u>Action:</u> <u>Major</u> 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.

# BOARD/COMMISSION ACTION(S): NONE

## ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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