

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: July 26, 2010
	Agenda Item No. 33 Roll Call No. <u>10-1224</u> Communication No. <u>10-470</u> Submitted by: Phil Delafield, Community Development Director

AGENDA HEADING:

Resolution to approve the revised Attachment A of the Neighborhood Stabilization Program contract between the City of Des Moines and the Iowa Department of Economic Development.

SYNOPSIS:

The City of Des Moines was awarded \$3.9 million in Neighborhood Stabilization Program (NSP) funds in February 2009, to redevelop foreclosed and abandoned housing. In May 2010, the City submitted an application for additional NSP funds should they be reallocated. IDED has reallocated \$264,481 of NSP funds to the City of Des Moines. This resolution will approve the amended Attachment A of the City’s NSP contract with IDED to allocate these funds.

FISCAL IMPACT:

Amount: Up to \$264,481

Funding Source: The Iowa Department of Economic Development is providing funding from the Federal Neighborhood Stabilization Program Fund Title III of the Housing and Economic Recovery Act of 2008 (PL 110–289). No City matching funds are required.

ADDITIONAL INFORMATION:

The State was awarded \$21 million of NSP funds in 2008. The purpose of these funds is to redevelop foreclosed and abandoned housing. In February 2009, the State allocated \$3.9 million of NSP funds to the City of Des Moines. IDED has placed two deadlines on communities to allocate NSP funds. The first deadline was to allocate 50% of funds by March 31, 2010, while the second deadline is to allocate 75% of funds by June 30, 2010. All NSP funds must be allocated by September 30, 2010.

On July 19, 2010, the City was informed that we will receive an additional \$264,481 of NSP funds. These funds will be used in accordance with the Neighborhood Stabilization Program plan approved by Council (Roll Call No. 09-341).

The City has obligated \$3.8 million of NSP funds. These funds are being used to rehab/redevelop 83 housing units in the City. Greater Des Moines Habitat for Humanity has used NSP funds to redevelop 23 properties throughout the City. There have been an additional ten single family homes rehabilitated with using program funds. In addition, NSP funds have been obligated to assist with the redevelopment of the

City-owned site on the 2200 block of Forest Avenue and with the redevelopment of the apartments above the Aqualand pet store (3600 6th Ave.).

Redevelopment continues on the Southern Meadows Apartments. Staff has sent out a request for proposals to hire a consultant to come up with a redevelopment concept plan. The State Historic Preservation Office has cleared the City to move forward with demolition of the 1950's building addition, which should be completed in late summer/early fall.

PREVIOUS COUNCIL ACTION(S):

Date: May 24, 2010

Roll Call Number: 10-861

Action: Authorize application for additional Neighborhood Stabilization Program funds from the Iowa Department of Economic Development. Sponsor: Mayor Cownie. (Council Communication No. 10-308). Moved by Hensley to adopt. Motion Carried 7-0.

Date: October 26, 2009

Roll Call Number: [09-1931](#)

Action: [Amended](#) Neighborhood Stabilization Program (NSP) Contract with the Iowa Department of Economic Development and related supporting Documents. ([Council Communication No. 09-751](#)) Moved by Vlassis to adopt. Motion Carried 7-0.

Date: February 23, 2009

Roll Call Number: 09-341

Action: [On](#) the City's plan to spend CDBG Neighborhood Stabilization Program Funds. ([Council Communication No. 09-105](#)) Moved by Coleman to adopt. Motion carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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