

 Council Communication Office of the City Manager	Date: August 9, 2010
	Agenda Item No. 61 Roll Call No. <u>10-1333</u> Communication No. <u>10-485</u> Submitted by: Phil Delafield, Director, Community Development Director

AGENDA HEADING:

Resolution authorizing submittal of an application for a Community Challenge Planning Grant sponsored by the US Department of Housing and Urban Development (HUD).

SYNOPSIS:

Staff recommends approval of a resolution authorizing submittal of an application for a Community Challenge Planning Grant sponsored by the US Department of Housing and Urban Development (HUD) in the amount of up to \$1.75 million.

FISCAL IMPACT:

Amount: \$1,750,00 for the total grant amount. The responsibility of the City for matching funds is 20% of the grant amount which is \$350,000. The match may all be in-kind but may also include cash.

Funding Source: At this time it has been determined that \$250,000 of U.S. Department of Energy funds that are proposed to be reallocated for a Downtown Sustainability Study may be considered eligible as match. In addition, it is estimated that at least \$100,000 of additional in-kind match will be comprised of staff time and overhead from within the normal operating budget of the Community Development Department.

ADDITIONAL INFORMATION:

The Federal Consolidated Appropriations Act of 2010 provided \$40 million for the US Department of Housing and Urban Development's Community Challenge Planning Grants to foster reform and reduce barriers to achieving affordable, economically viable and sustainable communities. Such efforts may include amending or replacing local master plans, zoning codes and building codes on a jurisdiction-wide basis to promote mixed-use development, affordable housing, the reuse of older buildings and structures for new purposes, and similar activities with the goal of promoting sustainability at the local level. A maximum of \$3 million may be awarded to an individual jurisdiction to conduct such efforts.

On July 26, 2010 the City of Des Moines submitted a pre-application for a Community Challenge grant of up to \$3 million to complete a comprehensive plan update to incorporate a land use inventory and sustainable planning principles mandated by State of Iowa; to audit and re-write zoning and construction codes to support transit, housing affordability, sustainability and green building goals; and to conduct a downtown sustainability study that includes the Eco-Core demonstration project.

Applicants must provide 20 percent of the requested funding amount in leveraged resources in the form of cash and/or verified in-kind contributions or a combination of these sources. In-kind contributions may be in the form of staff time, donated materials, or services and cash contributions may come from any combination of local, state and/or Federal funds, and/or private and philanthropic contributions dedicated to the express purposes of this proposal.

Pursuant to Roll Call 10-1170 on July 12, 2010 the City Council authorized staff to request a scope revision to the US Department of Energy to reallocate \$250,000 of the EECBG funds from the ineligible Mortgage Buy-Down for a Downtown Sustainability Study to help downtown redevelop in a more energy efficient manner. Appropriation of such funds for that purpose may be utilized as match for a Community Challenge Grant in addition to staff time. At this time, staff has identified at least \$100,000 of staff time and overhead cost to bring the matching total to \$350,000 allowing for a grant request of \$1,750,000.

The application deadline for the US Department of Housing and Urban Development's Community Challenge Planning Grant program is August 23, 2010.

PREVIOUS COUNCIL ACTION(S):

Date: July 12, 2010

Roll Call Number: 10-1170

Action: Amendment to scope of Department of Energy (DOE), Energy Efficiency and Conservation Block Grant (EECBG), and approving staff recommendation to utilize aluminum replacement windows in City Hall and the Police Station. (Council Communication No. 10-423). Moved by Hensley to adopt; refer to the City Manager to identify funds to offer a mortgage buy-down or similar program, and to report back in 30 days. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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