

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: September 13, 2010
	Agenda Item No. 61A&B Roll Call No. [Roll Call] Communication No. <u>10-559</u> Submitted by: Phil Delafield, Community Development Director

AGENDA HEADING:

Approving agreements to assist homeowners affected by the 2010 flooding in Polk County:

A. Approving Grant Agreement between the Iowa Finance Authority and the City of Des Moines (IHI#:10-02) for the administration of the Iowans Helping Iowans Housing Assistance Program for residents of Polk County.

B. Authorizing the City Manager to enter into an agreement with Polk County to administer the Iowans Helping Iowans Housing Assistance Program for Polk County residents outside the City of Des Moines city limits.

SYNOPSIS:

The Iowans Helping Iowans Housing Assistance Program, administered through the Iowa Finance Authority (IFA), has been established to help homeowners who were affected by the rain events and flooding of 2010. Eligible homeowners who received assistance from the Federal Emergency Management Agency (FEMA) but are still in need of assistance repairing their home may receive assistance to make reasonable repairs to restore their home to pre-flood condition. Additionally, homeowners whose homes were destroyed may be eligible for down payment assistance toward the purchase of a replacement home.

IFA has divided the state into several zones to administer this program statewide. The City of Des Moines will administer the program for residents within Polk County. Action A authorizes the Grant Agreement (IHI #: 10-02) between the City of Des Moines and IFA. Action B allows the City Manager to establish an agreement between the City of Des Moines and Polk County for operation of the program outside the City of Des Moines city limits.

FISCAL IMPACT:

Amount: \$500,000

Funding Sources: The Iowa Finance Authority is providing the funding for Iowans Helping Iowans Housing Assistance Program. Additional funds may be available if initial allocation does not meet repair needs. No City match is required.

ADDITIONAL INFORMATION:

The Iowans Helping Iowans program will provide financial assistance to homeowners whose primary homes are located in Polk County and have been damaged or destroyed by the natural disasters of 2010. Homeowners must have registered with FEMA and been awarded some form of FEMA housing assistance to be eligible for this program. The home to be assisted must be an owner-occupied primary residence. Assistance provided under the program must be in compliance with all applicable local and state rules and ordinances, including but not limited to, those relating to building codes, zoning, flood plain ordinances, lead-safe renovators and work practices, and asbestos inspection and removal.

The financial assistance under this program includes:

1. *Housing Repair / Rehabilitation Assistance*

Individuals whose homes were damaged by the 2010 natural disasters and are not proposed for buyouts may receive financial assistance not to exceed \$25,000 for the necessary and reasonable cost of eligible repair expenses for a disaster-affected home determined feasible for rehabilitation. Individuals eligible for this assistance are not eligible for assistance under the Down Payment Assistance provision.

2. *Down Payment Assistance*

Individuals whose homes were destroyed or damaged beyond reasonable repair by the 2010 natural disasters may be provided down payment assistance for the purchase of replacement housing and, if necessary, for the cost of making reasonable repairs to the home being purchased to make it safe, decent, and habitable not to exceed the lesser of 25 percent of the purchase price of the home being purchased or \$25,000. Individuals eligible for this assistance are not eligible for assistance under the Housing Repair/Rehabilitation Assistance provision.

Assistance under this program will be provided as a forgivable loan, forgiven over a 5-year period at a rate of 20 percent a year so long as person remains in the home. If the homeowner sells the home before the end of the five year retention period, the homeowner shall repay the remaining loan balance upon the sale of their home.

Action A of this item authorizes the City of Des Moines to enter into a grant agreement (Attached as Exhibit A) to fund this program. An initial allocation of \$500,000 has been made to Polk County and applicants will be served on a first come first serve basis. Additional funds may be requested if the initial allocation doesn't meet the repair needs.

The City of Des Moines will administer the program for residents throughout Polk County. Action B of this item authorizes the City Manager to enter into an agreement between the City of Des Moines and Polk County for the operation of the program outside the city limits. It is anticipated the City of Des Moines' Neighborhood Conservation Services (NCS) Division will take applications and review them for eligibility. Once an application is initially approved for assistance, an inspector will visit the property and establish the scope of work for reasonable repairs. For homes within Des Moines, the NCS Division will handle the program from initial application through inspection and construction. For homes located outside the city limits, Polk County will handle the inspection and construction phase of the project and will seek reimbursement from the City of Des Moines once construction has been complete.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.