

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	December 6, 2010
	Agenda Item No.	13
	Roll Call No.	[_____]
	Communication No.	<u>10-721</u>
	Submitted by:	Jeb E. Brewer, P.E. City Engineer

AGENDA HEADING:

Approving contract amendments to Community Development Block Grant (CDBG) Hazard Mitigation Grant Program property acquisition contracts with Iowa Department of Economic Development.

Recommend approval of contract amendments to Community Development Block Grant (CDBG) Hazard Mitigation Grant Program property acquisition contracts with Iowa Department of Economic Development. These actions are required in order to remain eligible for these grant funds, which provide for 100% of the state and local funding match for property acquisition costs under the FEMA Hazard Mitigation Grant Program. The Iowa Department of Economic Development has amended the CDBG Disaster Recovery Hazard Mitigation contracts, which provide for continued FEMA funding of 75% and 25% CDBG funds administered by the Iowa Department of Economic Development. These grant amendments close out the first allocation of CDBG funds, which have been spent and activate the second allocation of CDBG funds.

All 12 properties under this FEMA Buyout program have been acquired and the structures have been demolished. City staff is currently in the process of drawing down the grant funds for reimbursement of all project expenses.

FISCAL IMPACT:

Amount: \$1,082,605 estimated for acquisition, closing costs, relocation, and demolition. (\$270,652 associated with current contract amendments)

Funding Source: 75% by FEMA, 25% by City as the local match using State CDBG funds.

ADDITIONAL INFORMATION:

The Hazard Mitigation Grant Program (HMGP) provides grants to State and local governments to implement long-term hazard mitigation measures following a Presidential disaster declaration to allow measures to be implemented during recovery that will limit damages in the future. The City of Des Moines currently has two HMGP grant agreements with FEMA in order to purchase twelve flood damaged properties in the Four Mile Area, which have all been acquired.

The Iowa Department of Economic Development (IDED) is providing the City with funds to cover FEMA’s 25% local match requirement. IDED has now provided additional contract amendments to Contract Nos. 08-DRMH-016 and 08-DRMH-021 for approval by the City to address the closing of the first allocation of funds and the opening of the second allocation. By these amendments, IDED will close the original contracts and will open new contracts (Contract Nos. 08-DRMH-216 and 08-DRMH-221) with the City of Des Moines with beginning balances from IDED of \$63,213 and \$207,439, respectively.

All terms of the contracts will remain unchanged and are in full force and effect other than to amend the start and end dates of the above-referenced contracts, and to add reference to P.L. 110-329 to said contracts.

All 12 properties under this FEMA Buyout program have been acquired and the structures have been demolished. City staff is currently in the process of drawing down the grant funds for reimbursement of all project expenses.

PREVIOUS COUNCIL ACTION(S):

Date: April 26, 2010

Roll Call Number: 10-590

Action: [Ratifying](#) Community Development Block Grant (CDBG) Hazard Mitigation Grant Program match for property acquisition contracts with Iowa Department of Economic Development and approving and authorizing contract amendments. ([Council Communication No. 10-219](#)) Moved by Coleman to adopt. Motion Carried 7-0.

Date: May 18, 2009

Roll Call Number: 09-842

Action: [Approving](#) and authorizing execution of Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) Agreements and HMGP Administrative Plan and authorizing voluntary property acquisition. ([Council Communication No. 09-345](#)) Moved by Kiernan to adopt. Motion Carried 6-1. Absent: Cownie.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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