 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	February 14, 2011
	Agenda Item No.	52
	Roll Call No.	<u>11-0226</u>
	Communication No.	<u>11-080</u>
	Submitted by:	Phillip M. Delafield, Director of Community Development

AGENDA HEADING:

Approving Amendment to the Jumpstart Housing Assistance Program Grant Agreement between the City of Des Moines and the Iowa Finance Authority (Contract Number JHAP#: 09-09).

SYNOPSIS:

Recommend Council approve an Amendment to the Jumpstart Housing Assistance Program Grant Agreement, attached as Exhibit A, with the Iowa Finance Authority (IFA) for additional state funding to assist with the recovery efforts from the 2008 flood. These additional funds in the amount of \$19,472.78 have been reallocated from other areas across the State of Iowa and will be amended into the current grant agreement with the Iowa Finance Authority (IFA). The funds will cover the repair costs for the last homeowner repair applications from the 2008 flood event. In total, using state and federal disaster assistance, 166 homes/units were repaired. Construction costs totaled \$4,444,742.65 with an average per unit repair/rehab cost of almost \$27,000. See map and summary statistics for additional information.

FISCAL IMPACT:

Amount: \$19,472.78 Jumpstart Housing Assistance Program

Funding Source: The Iowa Finance Authority. No City match is required.

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. This action created the Jumpstart Housing Flood Assistance Program to aide owners in repairing property damaged during the heavy rains and flooding of 2008. Additional state funds have been added to the above mentioned contract and the City entered into two additional contracts with the Iowa Department of Economic Development to aide in the recovery (Roll Calls 08-1810 and 09-645).

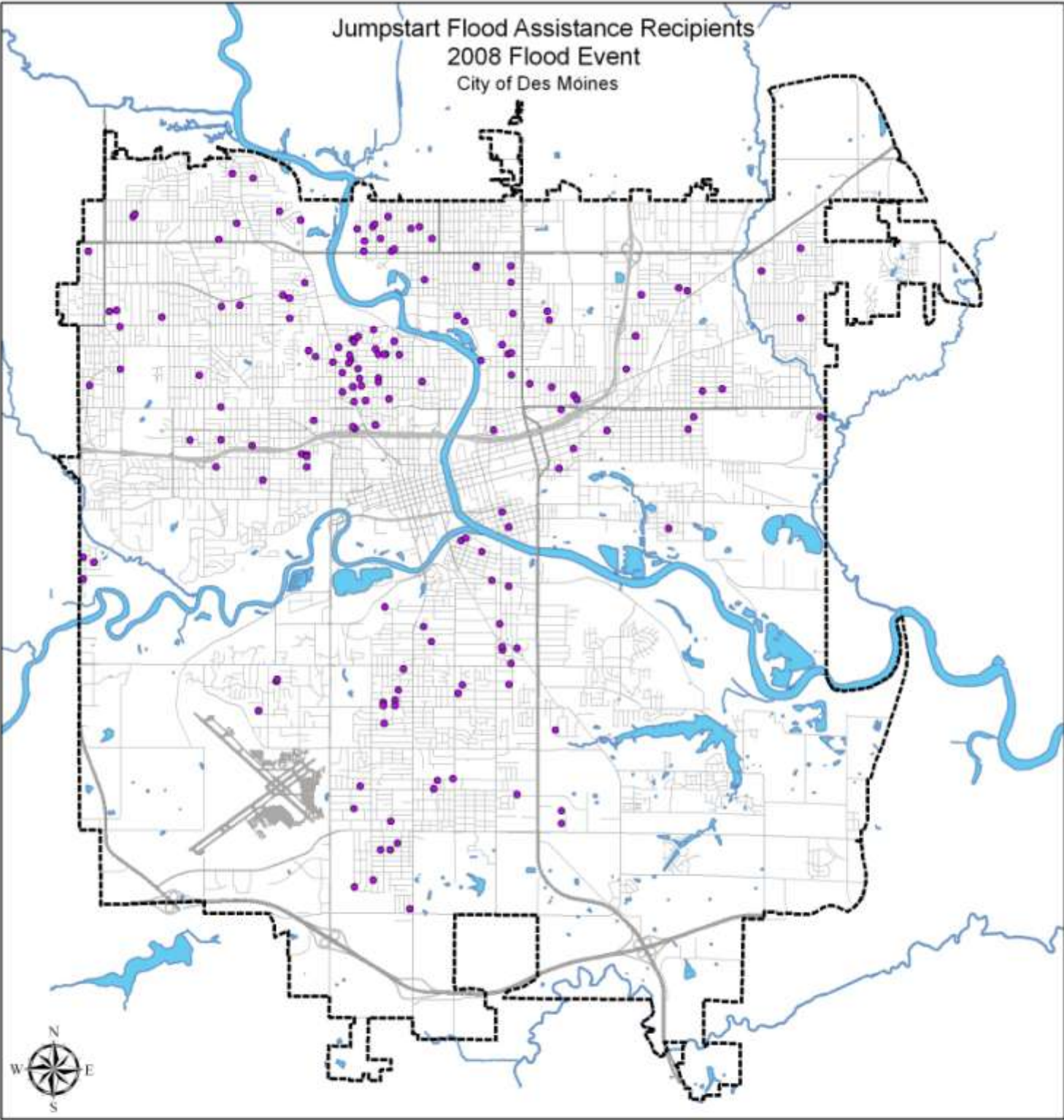
The Jumpstart Housing Flood Assistance Program created recovery assistance in several categories including repair/rehab of damaged homeowner and rental properties, new construction of replacement single-family owner-occupied homes, and new construction (including adaptive reuse) of replacement rental housing.

In total, the City of Des Moines has gained access to almost \$11.5 million in federal and state disaster recovery housing assistance with an additional \$2.6 million in federal funds preliminarily committed.

This Council Action authorizes the City Manager or his Designee to sign an amendment from the Iowa Finance Authority for \$19,472.78. These state funds will cover the last homeowner repair costs and allow the City of Des Moines to close out the Jumpstart Housing Assistance Grant Agreement held between IFA and the City. Jumpstart Housing Flood Program contracts are still open for federal funds administered through the Iowa Department of Economic Development and will continue to be used for new construction of owner-occupied and rental replacement housing.

Repair/Rehabilitation Assistance:

The following map and summary statistics provides an overview of individual properties that have been repaired/rehabilitated through the Jumpstart Housing Flood Assistance Program administered by the Community Development Department. The vast majority of those assisted were homeowners, with less than 0.5% being rental units. See map and charts on following page.



Jumpstart Program Funding by Source	
Source	Amount
State:	\$ 2,049,499.57
Federal:	\$ 2,352,276.22
Private:	\$ 42,966.86
TOTAL	\$ 4,444,742.65

Properties	
Total # of Units	166
Avg. Funding per Unit	\$26,775.56

Recipient Demographics*			
% Black	34%	Avg. Family Size	3
% White	56%	% Elderly	19%
% Asian	5%	% with Disability	7%
% Other	1%	Avg. Income Level (Based on HUD Guidelines)	59% AMI**
% Hispanic	2%	**AMI = Area Median Income	
% Not Reported	2%	The 2010 Income for a family of 4 at 60% AMI was \$43,920.	

*As reported by program applicants

New Construction of Single-Family Owner-Occupied Replacement Housing:

A total of \$1,210,232 in subsidy has been approved for the new construction of 33 single-family owner-occupied homes throughout the city of Des Moines. Greater Des Moines Habitat for Humanity is building 26 homes, HOME, Inc is building 2 homes and Madden Construction is building 5 homes. Allocation of these funds was procured through a Request for Proposal process with all of the submissions being funded.

An additional \$623,572 in subsidy has been preliminarily approved for the construction of an additional 21 homes during 2011 and 2012. Greater Des Moines Habitat for Humanity will build 19 new homes and Madden Construction will build 2 new homes. Allocation of these funds was procured through a Request for Proposal process with all of the submissions being funded.

New Construction/Adaptive Re-use of Multi-Family Rental Replacement Housing:

22nd and Forest Project: A total \$960,000 in construction subsidy was awarded for a townhouse rental project that sits on the north side of Forest Avenue between 22nd and 23rd streets in the Drake Neighborhood. Anawim Housing is partnering with Hubbell Realty Company for the project.

The project includes two buildings facing Forest Avenue with eight 3 bedroom/2 bathroom units per building. Each unit has its own entrance and over 1600 square feet. The buildings will have a varied color scheme, partial brick façade, high quality siding and architectural shingles. The site will feature a courtyard/play area between the two buildings and thirty parking spaces (almost double the amount required by zoning). Hubbell will serve as the developer while Anawim will own and manage the units.

713 Walnut Street (the former Younkers building): \$3 million in construction subsidy was awarded to convert the former Younkers building to 140 units of rental housing. Alexander Company, based out of Madison Wisconsin, is working with the current owner on this \$44 million redevelopment project.

The project will feature first and second floor commercial space, underground parking, 142 one and two bedroom units and will preserve the Tea Room. This project is being financed through a wide variety of sources including state and federal Historic Tax Credits, Enterprise Zone Credits, Polk County, conventional financing and the leveraging of other sources of equity, including a deferred development fee.

This project will result in mixed income rental units. While 72 of the units will be reserved for and affordable to individuals or families at or below 80% Area Median Income (\$41,000/year or \$19.71/hour for an individual), the remaining 68 units will have no income or rent restrictions. The period of affordability will be ten years after which no units will have income or rent restrictions.

322 SW 3rd (Des Moines Brewery/Green Foundry Building): \$2 million in construction subsidy has been preliminarily awarded to assist with the residential portion of an historic rehabilitation and conversion into a mixed use commercial and residential project. Green Ltd. L.C. is taking on the project which will consist of 25 one, two, and three-bedroom housing units.

PREVIOUS COUNCIL ACTION(S):

Date: September 14, 2009

Roll Call Number: 09-1650

Action: Second Amendment to the Jumpstart Housing Assistance Program Grant Agreement. (Council Communication No. 09-635) Moved by Vlassis to approve. Motion Carried 7-0.

Date: April 20, 2009

Roll Call Number: 09-645

Action: Iowa Department of Economic Development (IDED) Community Development Block Grant (CDBG) Housing Disaster Recovery Fund Contract (08-DHR-209). (Council Communication No. 09-254) Moved by Vlassis to approve. Motion Carried 7-0.

Date: October 13, 2008

Roll Call Number: 08-1810

Action: Approving CDBG Housing Disaster Recovery Fund Contract with Iowa Department of Economic Development. Sponsor: Mahaffey. (Council Communication No. 08-628) Moved by Mahaffey to adopt. Motion Carried 6-1. Absent: Cownie.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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