

Council Communication

Office of the City Manager

Date: October 24, 2011

Agenda Item No. 31

Roll Call No. <u>11-1791</u>

Communication No. <u>11-650</u>

Submitted by: Jeb E. Brewer, P.E.,

City Engineer

AGENDA HEADING:

Approving contract amendments to the 2008 Community Development Block Grant (CDBG) Disaster Recovery Hazard Mitigation Grant Program property acquisition contracts with Iowa Department of Economic Development.

SYNOPSIS:

Recommend approval of contract amendments to the 2008 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 2008 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.

FISCAL IMPACT:

<u>Amount</u>: \$1,082,605 estimated for acquisition, closing costs, relocation, and demolition. (\$270,652.00 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 contract amendments to Contract Nos. 08-DRMH-216 and 08-DRMH-221 for approval by the City to accurately reflect the local match under said contacts, with all other terms and conditions of the original contacts remaining the same. By these amendments, IDED will decrease Contract No. 08-DRMH-216 from \$207,439 to \$63,213 and increase Contract No. 08-DRMH-221 from \$63,213 to \$207,439 to accurately reflect the local match under both 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. Failure to approve the Contract Amendments will delay the City's ability to receive reimbursement funds for current, pending, and future pay requests.

PREVIOUS COUNCIL ACTION(S):

Date: December 6, 2010

Roll Call Number: 10-1990

<u>Action</u>: <u>Approving</u> contract amendments to Community Development Block Grant (CDBG) Disaster Recovery Hazard Mitigation Grant Program Property Acquisition Contracts with Iowa Department of Economic Development (IDED). (<u>Council Communication No. 10-721</u>) Moved by Mahaffey to adopt. Motion Carried 7-0.

<u>Date</u>: April 26, 2010

Roll Call Number: 10-590

<u>Action</u>: <u>Ratifying</u> 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. (<u>Council Communication No. 10-219</u>) Moved by Coleman to adopt. Motion Carried 7-0.

<u>Date</u>: 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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