


COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	23-422	Meeting:	September 11, 2023
	Agenda Item:	37	Roll Call:	23-1261
	Submitted by:	Chris Johansen, Neighborhood Services Department Director		

AGENDA HEADING:

Resolution approving supplemental funding for the City’s Neighborhood Block Challenge Grant (BCG) Program.

SYNOPSIS:

The Neighborhood BCG Program provides matching grant funds to improve the physical exterior conditions for residential properties located within the City while bringing neighbors together to build community.

FISCAL IMPACT:

Amount: \$200,000

Funding Source: Fiscal Year (FY) 2024 Operating Budget, Finance Department, Local Option Sales and Services Tax (LOSST), Neighborhood Improvements Expenditures, Neighborhood Matching Grant, Page 90

ADDITIONAL INFORMATION:

- This action authorizes Finance Department and Neighborhood Services Department staff to forward \$200,000 to Invest DSM, Inc. as soon as practical for project costs incurred in the BCG Program in FY2024.
- With the supplemental funding of \$200,000, the total BCG Program funding is \$500,000 in FY2024 and allows the BCG Program to serve 260+ Program participants.
- Invest DSM, Inc. serves as the Program’s fiscal agent. An administrative fee of \$15 per reimbursement check is paid to Invest DSM, Inc.
- The BCG Program provides a 50% matching grant of up to \$2,500 per application depending on team size and location within the city. Households that receive income-based assistance, such as food or utility assistance, may be eligible for a 75% matching grant of up to \$2,500 per application.
- Fifty percent (50%) of the City of Des Moines’ annual funding for the BCG Program is reserved for low/moderate income areas, which are census tracts or block groups where at least 51% of the

residents are low- and moderate-income persons. “Low- and moderate-income person” means having an income of equal to or less than 80% of the Area Median Income (AMI), as published annually in the Section 8 low-income limit established by HUD.

- BCG Program funding in FY2022 was \$241,449.09 and served 120 Program participants.
- BCG Program funding in FY2023 initially was \$200,000. Additional funding of \$250,000 was approved on August 8, 2022, for total funding of \$450,000. Funding allowed the BCG Program to serve 231 Program participants in FY2023.
- On August 8, 2023, supplemental funding of \$300,000 was approved for FY2024. Neighborhood Services Department staff understood the supplemental funding of \$300,000 approved for FY2024 is in addition to the \$200,000 approved in the FY2024 Operations Budget, Finance Department, LOSST, Neighborhood Improvements Expenditures, Neighborhood Matching Grant, Page 90, provided a total of \$500,000 in BCG Program funding. This action clarifies the intent of FY2024 funding.

PREVIOUS COUNCIL ACTION(S):

Date: August 8, 2022

Roll Call Number: [22-1258](#)

Action: [Resolution](#) approving First Amendment to the Memorandum of Understanding between the City and Invest DSM, Inc. for Supplemental Funding for the City’s Neighborhood BCG Program. ([Council Communication No. 22-353](#)) Moved by Gatto. Seconded by Boesen. Motion Carried 7-0.

Date: April 18, 2022

Roll Call Number: [22-0615](#)

Action: [Resolution](#) approving Memorandum of Understanding between the City and Invest DSM, Inc., whereby Invest DSM, Inc. serves as a fiscal agent for the City’s Neighborhood BCG Program. ([Council Communication No. 22-181](#)) Moved by Gatto to adopt. Second by Boesen. Motion Carried 7-0.

Date: May 24, 2021

Roll Call Number: [21-0784](#)

Action: [Resolution](#) approving the Memorandum of Understanding between the City of Des Moines and Invest DSM, Inc. for the administration of the City’s Neighborhood Matching Grant Fund Program. ([Council Communication No. 21-225](#)) Moved by Boesen to adopt. Motion Carried 7-0.

Date: August 19, 2019

Roll Call Number: [19-1346](#)

Action: [Intergovernmental](#) 28E Agreement between the City of Des Moines, Polk County, and Invest DSM, Inc. ([Council Communication No. 19-376](#)) Moved by Boesen to adopt. Motion Carried 7-0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The First Amendment to the Memorandum of Understanding between the City and Invest DSM, Inc., is through June 30, 2024. The City and Invest DSM, Inc. will reevaluate their partnership in 2024 and will make a joint decision on the renewal of the MOU. City Council will consider action in spring 2024.

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