

**Community Development Block Grant (CDBG) & Emergency Solutions Grant (ESG) Funding
from the CARES ACT**

CDBG-CV - \$2,231,212

On April 20, 2020 City Council set the date of Public Hearing for May 4, 2020 to amend the City's 2019 Action Plan. As of the date of publication, the City issued a Public Notice to use this funding for a Small Business Relief Fund and Rental/Mortgage Assistance. Between now and the May 4th Public Hearing the City will receive public comments. The City Council can make any changes to these funding allocations at the Public Hearing.

The City is yet to receive the funding or accompanying grant agreement from HUD. The City has received guidance on how to use existing CDBG funding for COVID-19 related costs. The only guidance received for CDBG-CV in the CARES ACT is that the funding must be used to "to prevent, prepare for, and respond to coronavirus."

Administration - \$446,242

It is recommended to use this funding for eligible administration costs. This represents 20% of the grant allowable under CDBG regulations.

Small Business Relief Fund - \$1,000,000

The following language was published in our public notice:

"Small businesses can apply to the City of Des Moines through the Greater Des Moines Partnership for financial assistance to private for-profit businesses to provide operating capital. The form of assistance will be forgivable loans up to \$15,000. The city will provide an additional \$500,000 separate from the CDBG-CV funds."

The program details will be further defined as the program is further developed.

Rental/Mortgage Assistance - \$684,970

The following language was published in our public notice:

"\$784,970 to IMPACT Community Action Agency: Low-income individuals and households will apply to IMPACT and may receive up to three months of housing subsistence payments paid directly to their landlord or lender. Payments for mortgages may include taxes and insurance. Assistance per household will be determined by proof of housing costs with a cap determined by Fair Market Rent. Households must be below 60% of area median income within the last 30 days once the application period opens, and they must have been current on rent or mortgage payments through March 15, 2020."

The program details will be further defined as the program is further developed. The amount is recommended to be reduced to \$684,970 to allow \$100,000 for an Emergency Food Distribution program.

Emergency Food Distribution - \$100,000

This program would include the preparation of hot meals to be prepared by local restaurants and distributed in low/mod census tracts. The specifics of the program will need to be further defined for eligible costs.

ESG – CV - \$1,108,334

The City is yet to receive the funding or accompanying grant agreement from HUD. The City has received guidance on how to use existing ESG funding for COVID-19 related costs. The only guidance received for ESG-CV in the CARES ACT is that the funding must be used to “to prevent, prepare for, and respond to coronavirus.”

Administration - \$110,833

It is recommended to use this funding for eligible administration costs. This represents 10% of the grant allowable under ESG regulations.

Homeless Management Information System (HMIS) - \$33,250

It is recommended to use this funding for eligible HMIS costs. This represents 3% of the grant as we have agreed to under ESG Regulations for Institute of Community Alliances to provide this service for Des Moines.

Emergency Shelter, Homeless Prevention, Rapid Rehousing - \$964,251

The Polk County Continuum of Care Board will be making a recommendation to the City Council on the use of these funds for the May 4th City Council meeting. The City Manager’s recommendation will accompany this recommendation.