



Date ..... September 14, 2020 .....

**PUBLIC HEARING FOR APPROVAL OF THE  
APPLICATION TO IOWA ECONOMIC DEVELOPMENT AUTHORITY (IEDA) FOR  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS TO PREPARE, PREVENT,  
AND RESPOND TO CORONAVIRUS**

**WHEREAS**, on March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into Public Law 116-136, which provides additional Community Development Block Grant (CDBG-CV) and Emergency Solutions Grant (ESG-CV) funding to prepare, prevent, and respond to coronavirus; and

**WHEREAS**, on May 11, 2020, the U.S. Department of Housing and Urban Development (HUD) announced the availability of a second round of \$1 billion in CDBG-CV funds for states which allows them to fund activities in entitlement areas; and

**WHEREAS**, HUD allocated \$9,529,120 in CDBG-CV funds to the State of Iowa and administered by IEDA; and

**WHEREAS**, IEDA chose a methodology for funding entitlement cities based on population and a standard factor and has proposed an allocation of \$1,951,677 CDBG-CV funds to the City of Des Moines; and

**WHEREAS**, in accordance with instructions from IEDA and 24 Code of Federal Regulations (CFR) 91 Subpart B, an entitlement jurisdiction receiving CDBG-CV funding, such as the City of Des Moines, must follow its citizen participation procedures and provide citizens with a reasonable opportunity to comment on federally funded activities; and

**WHEREAS**, HUD has issued several regulatory waivers and suspensions for federally funded programs, including Consolidated Plan and citizen participation requirements in 24 CFR 91, in conjunction with the CARES Act; and

**WHEREAS**, on April 13, 2020, HUD acknowledged the City of Des Moines' intent to waive 1.) the citizen participation 30-day public comment period for Consolidated Plan amendments to no less than five days and 2.) citizen participation reasonable notice and opportunity to comment in the city's citizen participation plan; and

**WHEREAS**, it is necessary, by public hearing following notice, to obtain the views of citizens regarding community development and housing needs and to provide a forum for citizen comment on the City's proposed activities in the CDBG-CV application to IEDA; and

**WHEREAS**, on August 19, 2020, by Roll Call No. 20-1400, the City Council set a public hearing for September 14, 2020 at 5:00 p.m. to obtain citizen comments regarding the Application to IEDA; and

**WHEREAS**, due notice of the public hearing was published in the Des Moines Register on August 28, 2020, and copies of the proposed activities were made available for public review at the Clerk's Office in City Hall at 400 Robert D. Ray Drive, Des Moines and on the City of Des Moines' web site, dsm.city; and



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WHEREAS, IEDA requires the public hearing include the nine factors included on Exhibit A; and

WHEREAS, the public hearing on this date has been opened and those seeking to comment on the activities in the CDBG-CV Application to IEDA have been afforded the opportunity to do so; and

WHEREAS, IEDA will forward the Grant Agreements for CDBG-CV funds to prepare, prevent, and respond to coronavirus once the Application has been received and approved.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that:

- 1. All public comments regarding the activities in the CDBG-CV Application to IEDA have been received and the hearing is hereby closed.
2. The aforementioned proposed activities of the CDBG-CV Application to IEDA, on file with the City Clerk and by this reference made a part hereof, is hereby approved.
3. The Mayor is hereby authorized and directed to sign Exhibit B, the Application's cover letter.
4. The City Manager or his designee is hereby authorized and directed to sign and submit the Application and related materials, such as the disclosure report and federal assurances, to IEDA.

MOVED BY \_\_\_\_\_ TO ADOPT.

APPROVED AS TO FORM:

Judy K. Parks-Kruse
Judy K. Parks-Kruse, Assistant City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, BOESEN, GATTO, GRAY, MANDELBAUM, VOSS, WESTERGAARD, and TOTAL.

CERTIFICATE

I, P. Kay Cmelik, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED

Mayor

City Clerk

## Exhibit A: Public Hearing Information

### 1. Need for the CDBG project

#### ***Housing subsistence payments***

The City of Des Moines will allocate funding to IMPACT to administer as an amendment to their CDBG-CV contract. Need for housing assistance has been inferred by the Iowa governor's proclamation of March 17, 2020 to temporarily close several businesses, especially those businesses that employ service workers, in response to COVID-19. Need has been demonstrated more concretely by the 211 call count data provided by United Way. In Polk County calls asking for information on housing assistance steadily rose overall from March through August 2020. Compared to August 2019 where there were 304 calls for housing assistance, the calls for housing assistance in August 2020 were more than doubled at 679. Moreover, service providers such as IMPACT or HOME, Inc. have also been fielding many calls for housing assistance and have started waiting lists for assistance.

#### ***Mental health services***

The City of Des Moines will issue a Request for Interest to identify a mental health services provider in a low/mod census tract or one that serves primarily low- and moderate-income clientele. Need for this service has also been shown by 211 data provided by United Way. In Polk County, calls requesting assistance for mental health services have been 50% higher on average since March 2020 compared to calls in 2019 for mental health services, with a spike of 167% increase in May 2020 compared to May 2019.

#### ***Childcare services expansion***

The City of Des Moines will also issue a Request for Interest to identify a childcare facility in a low/mod census tract or one that serves primarily low- and moderate-income clientele that has interest in expanding their services. Per the Center for American Progress, child care programs across the country are also suffering as a result of the stay-at-home orders due to COVID-19. The Center for American Progress estimates that the country could lose half of its licensed child care capacity without government intervention.

#### ***Personal protection equipment***

Finally, the city will use CDBG-CV funds to reimburse for masks purchased by the city and additional personal protection equipment purchases to carry out public services. Per the Iowa Department of Public Health and the Centers for Disease Control and Prevention, a cloth face mask can help slow the spread of COVID-19 in Iowa. Wearing a face covering when out in public is a best practice when social distancing is not possible. Having masks and other personal protection equipment available to staff and community members when serving the public is a necessary safety measure during this pandemic.

### 2. Description of the CDBG funded project & activities

#### ***Housing subsistence payments***

The first activity is a housing assistance program, which will be an extension of a program that the City of Des Moines funded with its entitlement CDBG-CV award.

IMPACT Community Action Agency will continue to administer the program on the City of Des Moines behalf. Residents of Des Moines who earn 80% or less of the area median income will be eligible for either rent or mortgage assistance.

Assistance will be offered one month at a time with two renewals, for up to three months in total assistance if needed. However, the city would like to request flexibility in adjusting the program to allow for six months of assistance if the pandemic and economic effects are longer lasting than can be currently foreseen. The amount available per household is determined by proof of housing costs, including mortgage and escrow statement, lease, or other documentation that shows housing costs as deemed acceptable by IMPACT, with a cap on assistance.

The assistance cap is determined by Fair Market Rent (FMR) by number of bedrooms. For example, the FMR for a two-bedroom is \$900 per month. If an applicant pays \$1,000 per month in rent for a two-bedroom apartment and

demonstrates need for three months of assistance, the city's program will cover \$900 per month for three months, totaling \$2,700.

The average need is expected to be \$3,000 per household. Should assist approximately 275 households. Applicants will be asked to certify receipt of other federal assistance to avoid duplication of benefits. To demonstrate that this is COVID-specific, the applicant must have been current on housing payments (either rent and utilities or mortgage, taxes, and insurance) through March 15, 2020.

#### ***Mental health services***

The City of Des Moines will issue a Request for Interest to identify a mental health services provider in a low/mod census tract or one that serves primarily low- and moderate-income clientele. A full program description is not available yet because the city will solicit information from providers on their existing programs that need increased capacity.

#### **Childcare expansion**

The City of Des Moines will also issue a Request for Interest to identify a childcare facility in a low/mod census tract or one that serves primarily low- and moderate-income clientele that has interest in expanding their services. Similar to the mental health services category, a full program description will be available after interest and information is solicited from providers.

#### **Personal protection equipment**

The city will use CDBG-CV funds to reimburse for masks purchased by the city and additional personal protection equipment purchases to carry out public services. Although the funding is proposed primarily for masks, it may be used for other personal protective equipment, such as gloves, if necessary.

### 3. The amount of CDBG funds for the project

<b>Program</b>	<b>Amount of Funds</b>	<b>National objective</b>
1 Housing Subsistence Payments	\$ 926,677	LMC (05Q)
2 Mental Health Services	\$ 500,000	LMA or LMC (05O)
3 Childcare Expansion	\$ 500,000	LMC (05L)
4 Personal Protection Equipment	\$ 25,000	LMA or LMC (05M)
Total amount	\$1,951,677	

### 4. Estimated amount of CDBG assistance that will benefit low-and moderate-income persons

All CDBG assistance--\$1,951,677—is expected to benefit low-and moderate-income persons. The national objective for each proposed activity is targeted to low- and moderate-income clientele or areas.

### 5. The location of project activities

All activities will take place in the City of Des Moines jurisdiction. Housing payments will be scattered sites as the assistance is based on where applicants live. Mental health and child care services will be in one of Des Moines low- and moderate-income census tracts. Des Moines highest areas of low- and moderate-income persons are in the neighborhoods adjacent to Downtown.

### 6. Any relocation that will have to take place because of the CDBG project

No relocation will take place because of the CDBG project. Conversely, the funds will be primarily used to help residents maintain housing and stay in place.

7. City/ County contact information for residents to contact with concerns or complaints regarding the project

Residents may submit concerns or complaints to Lisa Crabbs at [lmcrabbs@dmgov.org](mailto:lmcrabbs@dmgov.org). Complaints may also be mailed to Neighborhood Services, Attn: Lisa Crabbs, 602 Robert D. Ray Drive, Des Moines, IA 50309.

8. Community Development and Housing Needs of low to moderate persons in the City and any planned or potential activities to address these needs.

As mentioned above, the primary use of the funds will be to address housing needs especially for low- and moderate-income persons. The city is currently funding a rent and mortgage assistance program with its entitlement CDBG-CV funds, and this program is anticipated to run out of funding by early October. The CDBG-CV funds from the State of Iowa will extend and help additional households who are on the waitlist.

9. Other Community Development and Housing needs and any planned or potential activities to address these needs.

The city is also using ESG-CV funds to fund rapid rehousing, homelessness prevention, emergency shelter, and street outreach.