

**Agenda Item Number** 

EX.1

Date July 28, 2008

## AUTHORIZATION TO DEVELOP, EXECUTE AND ADMINISTER AN AGREEMENT WITH NEIGHBORHOOD FINANCE CORPORATION TO FUND A VOLUNTARY FLOOD ACQUISITION PROGRAM; APPROVAL TO PROCEED WITH ACQUISITION OF ELIGIBLE FLOOD DAMAGED PROPERTIES IN THE BIRDLAND AREA; AND AUTHORIZATION TO ALLOCATE FUNDS FOR THE HOME RESTORATION PROGRAM TO BE ADMINISTERED BY THE POLK COUNTY HOUSING TRUST FUND TO REHABILITE FLOOD DAMAGED PROPERTIES IN THE BIRDLAND AREA

WHEREAS, On July 14, 2008 by Roll Call No. 08-1274, the City Council authorized staff to submit an application for funds for Emergency Community Development Block Grant Funds from the Iowa Department of Economic Development for flood relief, including a voluntary acquisition program and assistance with residential home repair; and

WHEREAS, it appears that funding will not be available in the near future and may be very limited for Des Moines because of the major devastation in the eastern part of the state; and

WHEREAS, it is very important for citizens to be able to repair their homes or purchase another home and restore their lives to normal; and

WHEREAS, from structural assessments, City and County rehabilitation staff estimate that there are 40 properties in the Birdland area that suffered substantial damage; and

WHEREAS, the Neighborhood Finance Corporation recognizes the devastating impact that the flood has had in the Birdland area and has offered \$1,000,000 to the City for a Voluntary Acquisition Program to be operated by the City's Engineering Department, Real Estate Division; and

**WHEREAS**, the program will be completely voluntary and will use guidelines based on previous City sponsored flood acquisition programs; and

WHEREAS, 16 of the 40 damaged homes are owner-occupied and need rehabilitation assistance; and

WHEREAS, 10 of the 40 damaged homes are owner-occupied and have sustained 60% or more damage to the property and are eligible for voluntary acquisition or rehabilitation assistance; and

**WHEREAS**, the remaining 14 properties are investor owned properties that may need assistance for repairs to the properties; and

WHEREAS, Polk County Trust Fund working with the City and the County, have put together a program to assist homeowners with rehabilitation funding to be administered by Polk County; and

WHEREAS, the City has been asked to contribute \$125,000 of non-federal funds for the Home Restoration Program, which funds are available from the Housing Services Department Operating Budget; and



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**WHEREAS**, the City Manager will direct existing Community Development Block Grant funds to assist with rehabilitation of investor-owned rental properties in the Birdland area to ensure that all homes in the area that were damaged due to the June 2008 floods are repaired; and

**WHEREAS**, Greater Des Moines Habitat for Humanity is available to provide additional resources to families devastated by the flood that may need additional resources for rehabilitating or rebuilding their home.

## NOW THEREFORE, BE IT RESOLVED:

- 1. The voluntary acquisition and rehabilitation programs described above are hereby approved.
- 2. The City Manager is authorized and directed to negotiate and enter into a funding agreement with the Neighborhood Finance Corporation for voluntary acquisition of owner-occupied properties in the Birdland area that were damaged over 60% by recent flooding events.
- 3. The City Manager is authorized and directed to negotiate and enter into an agreement with the Polk County Housing Trust Fund to provide \$125,000 from the city's Housing Services Department Operating Budget to the Home Restoration Program.
- 4. The City Manager is authorized and directed to allocate existing CDBG funds for rehabilitation of rental properties in the Birdland area consistent with all federal regulations and city program requirements.
- 5. The City Manager shall work with Greater Des Moines Habitat for Humanity to assist those residents who may need additional help in restoring their homes or demolishing and rebuilding their homes in the Birdland area.
- 6. If the property owners agree to convey the property to the city in accordance with the 2008 Voluntary Flood Acquisition Program, the Finance Director is authorized and directed to issue checks in the amounts necessary to carry out these transactions and to pay any unforeseen additional costs certified by the Legal Department and the Engineering Department; the Real Estate Division Manager is authorized and directed to complete these transactions in accordance with standard real estate practices and state law requirements.
- 7. The Real Estate Division of the Engineering Department is directed to obtain the Legal Department's review and approval of all closing documents prior to closing.
- 8. The Mayor is authorized and directed to execute the Offer to Purchase and Warranty Deed and the City Clerk is hereby authorized and directed to endorse upon the Real Estate documents listed above the approval and acceptance of this Council and is further authorized and directed to deliver the aforementioned documents to the Real Estate Division Manager, who shall proceed to closing in accordance with standard real estate practices.
- 9. The Real Estate Division Manager is hereby authorized and directed to execute Maintain Vacancy Agreements and Rental Agreements, if necessary.



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(Council Communication No. 08-<u>462</u>)

Moved by Mussis to adopt.

APPROVED AS TO FORM:

Michael F. Kelley, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT	CERTIFICATE
COWNIE					
COLEMAN	V,				I, DIANE RAUH, City Clerk of said City here certify that at a meeting of the City Council said City of Des Moines, held on the above da among other proceedings the above was adopted IN WITNESS WHEREOF, I have hereunto set hand and affixed my seal the day and year fi above written.
KIERNAN					
HENSLEY	V				
MAHAFFEY	V,				
MEYER	V,				
VLASSIS					
TOTAL	7				
MOTION CARRIED		no la	A	Mayor	City Cle