



Roll Call Number

21-1341

Agenda Item Number

311

Date August 23, 2021

**APPROVE SECOND ADVANCE TO IMPACT COMMUNITY ACTION AGENCY FOR
THE SECOND ROUND OF THE
EMERGENCY RENTAL ASSISTANCE PROGRAM (ERAP) FROM THE U.S.
DEPARTMENT OF TREASURY**

WHEREAS, on December 27, 2020 the U.S. Department of Treasury was authorized to make available \$25 billion to assist households with the Emergency Rental Assistance Program (ERAP), as included in the Consolidated Appropriations Act, 2021; and

WHEREAS, on January 11, 2021 by Roll Call No. 21-0026, Council approved an application to the U.S. Treasury for the first round of ERAP funds, which totaled \$6,410,165.20, and authorized an advance of ERAP funds to IMPACT Community Action Agency to continue its rental assistance efforts in response to the COVID-19 pandemic; and

WHEREAS, on March 11, 2021, the American Rescue Plan—which continues many of the programs started by the CARES Act (2020) and Consolidated Appropriations Act (2021) by adding new phases, new allocations, and new guidance, including a second round of funding for ERAP—was signed into law; and

WHEREAS, on May 10, 2021 by Roll Call No. 21-0701, Council approved another application to the U.S. Treasury for the second round of ERAP funds, which totaled \$5,072,063.70, and authorized up to 50 percent advance of ERAP funds to IMPACT Community Action Agency to continue its rental assistance efforts in response to the COVID-19 pandemic; and

WHEREAS, eligible grantees for ERAP includes States, U.S. Territories, local governments with more than 200,000 residents, the Department of Hawaiian Home Lands, and Indian tribes; and

WHEREAS, in Iowa, eligible grantees for ERAP includes Linn County, Polk County, and the City of Des Moines; and

WHEREAS, 90 percent of awarded funds must be used for direct financial assistance—including rent, rental arrears, utilities and home energy costs, utilities and home energy costs arrears, and other expenses related to housing—for eligible residents of Des Moines. Remaining funds are available for housing stability services, including case management and other services intended to keep households stably housed, and administrative costs; and

WHEREAS, eligible residents of Des Moines includes those who qualify for unemployment or has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to COVID-19; demonstrate a risk of experiencing



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homelessness or housing instability; and have a household income at or below 80 percent of the area median; and

WHEREAS, IMPACT Community Action has obligated \$5,072,063.70 in ERAP 2 funds to renters and landlords in Des Moines and has requested the balance of \$3,043,238.22 to be advanced to complete emergency rental assistance payments already approved under the program.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that an advance of \$3,043,238.22 in ERAP 2 funds to IMPACT is hereby approved, and Neighborhood Services staff is authorized to request to the Finance Department the advance of \$3,043,238.22 in ERAP 2 funds.

MOVED BY Gatto TO ADOPT

FORM APPROVED:

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 (7).

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.

J. M. Franklin Curran Mayor

P. Kay Cmelik City Clerk

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development

Office of Community Planning and Development
 Community Development Block Grant Program

OMB Approval No. 2506-0193
 exp 5/31/2018

1. Name of Grantee (as shown in item 5 of Standard Form 424) Des Moines	3a. Grantee's 9-digit Tax ID Number 426004514	3b. Grantee's 9-digit DUNS Number 073498909
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 602 East 1st Street Des Moines, IA 50309-1881	4. Date use of funds may begin (mm/dd/yyyy) 01/01/2021	
	5a. Project/Grant No. 1 B-21-MC-19-0003	6a. Amount Approved \$3,888,182
	5b. Project/Grant No. 2	6b. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) Francis T. Severin		Grantee Name (Contractual Organization) Des Moines (Des Moines Housing Authority (City of))	
Title Director, Community Planning and Development Division		Title	
Signature 	Date (mm/dd/yyyy) 07/28/2021	Signature 	Date (mm/dd/yyyy) 8/23/21

7. Category of Title I Assistance for this Funding Action: Entitlement, Sec 106(b)	8. Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 04/09/2021	10. check one <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number
		9b. Date Grantee Notified (mm/dd/yyyy) 07/28/2021	
		9c. Date of Start of Program Year (mm/dd/yyyy) 01/01/2021	
11. Amount of Community Development			
Block Grant		FY 2021	
a. Funds Reserved for this Grantee		\$3,888,182	
b. Funds now being Approved			
c. Reservation to be Cancelled (11a minus 11b)			

12a. Amount of Loan Guarantee Commitment now being Approved N/A	12b. Name and complete Address of Public Agency Des Moines Housing Authority (City of) 602 East 1st Street Des Moines, IA 50309-1881
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only Region 7, Field Office 26, Appropriation 861/30162, PAS Code EC1, Source Year 2021 (4)

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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8. Special Conditions.

- (a) The period of performance for the funding assistance specified in the Funding Approval (“Funding Assistance”) shall begin on the date specified in item 4 and shall end on September 1, 2028. The Grantee shall not incur any obligations to be paid with such assistance after September 1, 2028.
- (b) The Recipient shall attach a schedule of its indirect cost rate(s) in the format set forth below to the executed Agreement that is returned to HUD. The Recipient shall provide HUD with a revised schedule when any change is made to the rate(s) described in the schedule. The schedule and any revisions HUD receives from the Recipient shall be incorporated herein and made a part of this Agreement, provided that the rate(s) described comply with 2 CFR part 200, subpart E.

<u>Administering Department/Agency</u>	<u>Indirect cost rate</u>	<u>Direct Cost Base</u>
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____

Instructions: The Recipient must identify each agency or department of the Recipient that will carry out activities under the grant, the indirect cost rate applicable to each department/agency (including if the de minimis rate is used per 2 CFR §200.414(f)), and the type of direct cost base to which the rate will be applied (for example, Modified Total Direct Costs (MTDC)). Do not include indirect cost rates for subrecipients.

- (c) In addition to the conditions contained on form HUD 7082, the grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Dun and Bradstreet Data Universal Numbering System (DUNS); the System for Award Management (SAM.gov.); the Federal Funding Accountability and Transparency Act as provided in 2 CFR part 25, Universal Identifier and General Contractor Registration; and 2 CFR part 170, Reporting Subaward and Executive Compensation Information.
- (d) The grantee shall ensure that no CDBG funds are used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use. For the purposes of this requirement, public use shall not be construed to include economic development that primarily benefits private entities. Any use of funds for mass transit, railroad, airport, seaport or

highway projects as well as utility projects which benefit or serve the general public (including energy-related, communication-related, water-related and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfield as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Public Law 107-118) shall be considered a public use for purposes of eminent domain.

- (e) The Grantee or unit of general local government that directly or indirectly receives CDBG funds may not sell, trade, or otherwise transfer all or any such portion of such funds to another such entity in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under title I of the Act.
- (f) E.O. 12372-Special Contract Condition - Notwithstanding any other provision of this agreement, no funds provided under this agreement may be obligated or expended for the planning or construction of water or sewer facilities until receipt of written notification from HUD of the release of funds on completion of the review procedures required under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs, and HUD's implementing regulations at 24 CFR Part 52. The recipient shall also complete the review procedures required under E.O. 12372 and 24 CFR Part 52 and receive written notification from HUD of the release of funds before obligating or expending any funds provided under this agreement for any new or revised activity for the planning or construction of water or sewer facilities not previously reviewed under E.O. 12372 and implementing regulations.
- (g) CDBG funds may not be provided to a for-profit entity pursuant to section 105(a)(17) of the Act unless such activity or project has been evaluated and selected in accordance with Appendix A to 24 CFR 570 - "Guidelines and Objectives for Evaluating Project Costs and Financial Requirements." (Source - P.L. 113-235, Consolidated and Further Continuing Appropriations Act, 2015, Division K, Title II, Community Development Fund).