

**Wednesday, December 9, 2020**  
**2:00pm**

# 2019 CDBG-DR Application Workshop



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## Teams Meeting Format

This meeting will be recorded and posted to our website.

Questions may be submitted through the Chat feature.

At the end of the presentation, we will review questions, publish the question for the group to see and answer the questions.

If the Q&A system doesn't work for you, please email questions to: [ann.schmid@iowaeda.com](mailto:ann.schmid@iowaeda.com) and I will respond after the event.



**Use the Camera and microphone icons to control your personal settings.**

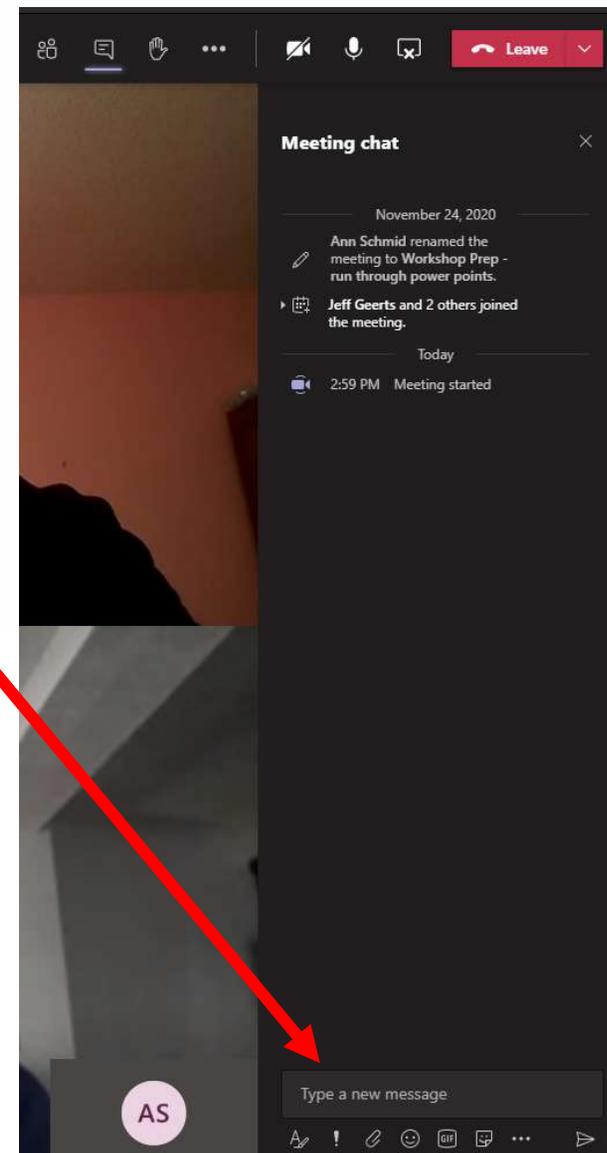
**Please turn off your microphone until after the presentation. There will be time for questions and discussion at the end.**

**After the presentation, you can use the Raise Hand feature to ask a question, or the chat box.**

## Teams Meeting Format

Questions may be submitted through the Chat feature.

Type Question in the Chat box and click enter to send chat comment. This will be seen by all attendees to the meeting. If you need to send a private question, send an email to [ann.schmid@iowaeda.com](mailto:ann.schmid@iowaeda.com) and I will respond after the event.



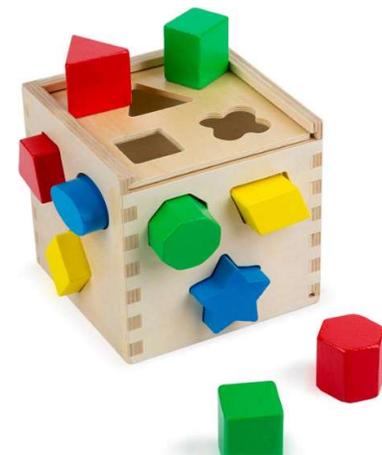
# 2019 CDBG-DR Funding

## How did we get here?

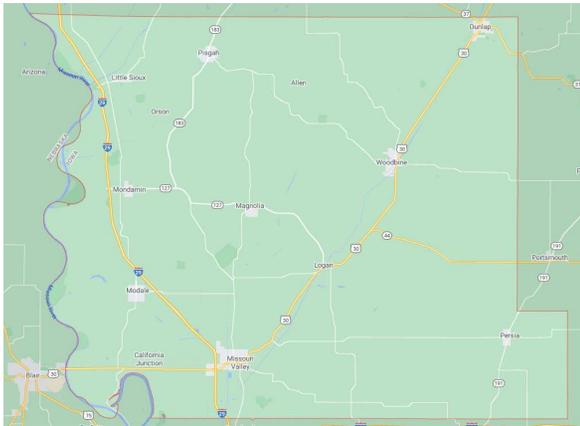
- **March – June 2019:** Disaster Event – Iowa Flooding (DR-4421)
- **June 6, 2019:** *Additional Supplemental Appropriations for Disaster Relief Act, 2019 Signed into law: Public Law 116-20, allocating CDBG-DR funding to HUD.*
- **December 4, 2019:** HUD allocated funds to eligible Cities and States
- **January 27, 2020:** HUD issues Federal Register Notice (Rules regarding funding).
- **February – July 2020:** IEDA Completed and Submitted Financial Management and Grant Compliance Certifications & Action Plan to HUD for review and approval.
- **July 2020:** HUD Approves Action Plan
- **November 2020:** HUD sends IEDA Grant Agreement for signature (still pending HUD execution – which is required for IEDA to make awards).

# 2019 CDBG-DR Funding

- HUD Allocation to Iowa \$96,741,000
- Goal: Turn funding quickly into high valued construction for recovery and rebuilding – fit the right funds with the right projects.
- 80% of funds must be spent in the Most Impacted and Distressed & Unmet Recovery Needs Areas (**Mills County, Fremont County & Harrison County**)
- The rules for this program are subject to the Housing and Community Development Act of 1974 and Federal Register Notices issued by HUD relevant to this Disaster Funding:
  - 83 FR 5844
  - 83 FR 40317
  - 84 FR 4836
  - 85 FR 4681
  - 85 FR 10182
- Timing – all funds must be expended within **6 years**.



# 2019 CDBG-DR Most Impacted & Distressed

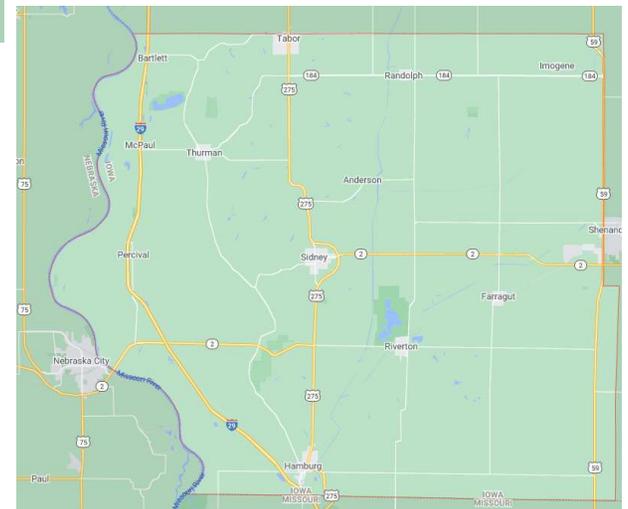


Harrison County, IA



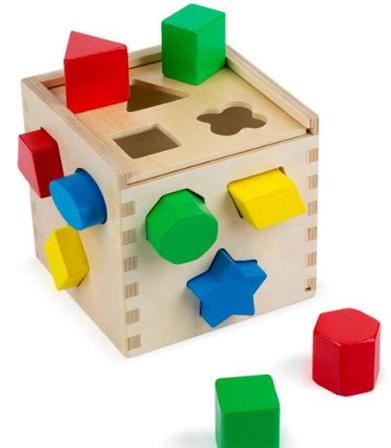
Mills County, IA

Fremont County, IA



**80% of funds (\$77,393,000)** must be spent in the Most Impacted and Distressed & Unmet Recovery Needs Areas (Mills County, Fremont County & Harrison County)

# 2019 CDBG-DR



**\$64,197,327.60** - 70% of funds must benefit persons of Low-Moderate Income (LMI).

LMI means households at or below 80% Area Median Income, for example to qualify as an LMI household the total household income would need to be at or below:

County	1 person 80% MFI	2 person 80% MFI	3 person 80% MFI	4 person 80% MFI	5 person 80% MFI	6 person 80% MFI	7 person 80% MFI	8 person 80% MFI
Fremont County, IA	\$38,850	\$44,400	\$49,950	\$55,500	\$59,950	\$64,400	\$68,850	\$73,300
Omaha-Council Bluffs, NE-IA HUD Metro FMR Ar	\$48,200	\$55,050	\$61,950	\$68,800	\$74,350	\$79,850	\$85,350	\$90,850
Louisa County, IA	\$38,850	\$44,400	\$49,950	\$55,500	\$59,950	\$64,400	\$68,850	\$73,300
Monona County, IA	\$38,850	\$44,400	\$49,950	\$55,500	\$59,950	\$64,400	\$68,850	\$73,300
Muscatine County, IA	\$39,700	\$45,350	\$51,000	\$56,650	\$61,200	\$65,750	\$70,250	\$74,800
Davenport-Moline-Rock Island, IA-IL MSA	\$40,750	\$46,550	\$52,350	\$58,150	\$62,850	\$67,500	\$72,150	\$76,800
Shelby County, IA	\$40,250	\$46,000	\$51,750	\$57,450	\$62,050	\$66,650	\$71,250	\$75,850
Sioux City, IA-NE-SD HUD Metro FMR Area	\$38,950	\$44,500	\$50,050	\$55,600	\$60,050	\$64,500	\$68,950	\$73,400

# 2019 CDBG-DR



Or, for community-wide benefits such as infrastructure/stormwater management, LMI can be assessed for a geographic area, to qualify for an Area Benefit the community must be at least 51% LMI:

	Percentage of Low & Moderate Income Persons	FPS City	Low Income Persons Count	Low & Moderate income Persons Count (Numerator)	Low, Moderate, & Medium income persons count	Low, Moderate, & Medium income persons universe (denominator)	Margin of Error
Hamburg city, Iowa	61.3%	33780	430	680	890	1,110	+/-10.00
Hornick city, Iowa	40.0%	37200	40	110	190	275	+/-16.30
Missouri Valley city, Iowa	58.5%	52860	830	1,535	2,040	2,625	+/-6.30
Pacific Junction city, Iowa	62.9%	60825	85	220	305	350	+/-12.80

The remaining 30% of CDBG-DR funds can be used for Urgent Need (UN) – for those areas/persons who are over the 80% AMI income levels. Meaning they don't have to income qualify to receive a benefit. And for our Slum and Blight (SB) demolition/clearance program.

# 2019 CDBG-DR

## Proposed Action Plan Activities

Program	Funding by Program	%	Activity	Funding by Activity	Activity Type DRGR	National Objective
Housing	\$72,555,750	75%				
			Buyout – FEMA Match (35%)	\$25,394,513	Buyout of Residential Properties	LMI & UN
			Buyout – All CDBG (14.862%)	\$10,783,236	Buyout of Residential Properties	LMI & UN
			Demolition / Clearance (.138%)	\$100,127	Clearance and Demolition?	SB
			Infrastructure in Support of Housing (14%)	\$10,157,805	Construction/reconstruction of streets	LMI
			Construction of New Housing and Down payment Assistance for Homeowners	\$15,000,000	Construction of new housing	LMI
			Construction of Rental Housing	\$11,120,070	Affordable Rental housing	LMI
Infrastructure	\$19,154,718	19.8%	CDBG-DR Stormwater Infrastructure	\$19,154,718	? rehabilitation/reconstruction of public improvements? ? Acquisition, construction, reconstruction of public facilities?	LMI
Planning	\$193,482	0.20%	Land use planning	\$193,482	Planning	
Admin	\$4,837,050	5%	IEDA Staff, Recipient Grant Administration, and Professional Services Contracts to assist with grant administration.	\$4,837,050	Administration	
	<b>\$96,741,000</b>	<b>100%</b>	<b>Total Funds Allocated</b>	<b>\$96,741,000</b>		

- It is up to the state to allocate the funds into programs for expenditure.

## Proposed Programs:

**Housing Buyout** – makes sure that all who want a buyout can receive one. Buyout is a significant step in fully recovering from a disaster event.

**Demolition/Clearance**– to allow communities to help property owners by demolishing their flood damaged structures without deed restricting their property.

**Housing Incentive** – makes the construction of new housing units feasible in a locations where the cost of new construction out paces the ability of residents to afford clean, quality housing. This will incentivize development that is affordable to flood impacted residents. This plan could generate as many as 350 new housing units. This incentive will be first offered in Mills, Fremont & Harrison Counties, and only expanded to other eligible areas based on demand and timing.

**Infrastructure** – helps municipalities ensure that they are better able to prevent future disasters and all utilities are scaled properly for future risks.

# 2019 CDBG-DR

## How to Apply:

**lowagrants.gov**– All applications are submitted through IEDA’s grant management website. Only qualified CDBG-DR program providers (COGs or IEDA approved Qualified Consultants) can apply.

**Unit of Local Government**– All awards are made to a unit of local government (City or County), therefore the local municipality is technically the applicant of CDBG-DR funding.

**Local Council of Governments**– Local COGs and IEDA approved Qualified consultants are regularly trained on CDBG rules and regulations, and the State’s applications system. Only these qualified entities can submit an application for a CDBG-DR project. Application team must coordinate with the COG/consultant in order to successfully develop and submit an application.

**Team Effort** – Most applications will require teamwork from all parties, including municipality, COG/consultant, owner/developer, designer, contractor, etc.

## How to Apply:

**Federal Compliance** – All projects are subject to federal rules and regulations. Most of these rules will be incorporated into Program Guidelines and the 2019 CDBG-DR Policies and Procedures Manual, which will be available on the IEDA Disaster Recovery website.

**Required Uploads**– All applications will require some standard HUD/CDBG documents, along with program specific requirements. The general required documents include:

- Resolution of Support from the applicant municipality that identifies the project in detail and includes local approval.
- HUD Disclosure Form 2880 (linked in [iowagrants.gov](http://iowagrants.gov) application)
- Federal Assurances Signature Page (linked in [iowagrants.gov](http://iowagrants.gov) application)

# 2019 CDBG-DR

## Duplication of Benefits – All Programs

- Congress mandates that CDBG-DR funds can not be used to duplicate any other assistance provided for the same purpose and use.
- No Duplication of Benefits (DOB) will be allowed for any programs.
- The State is in the process of finalizing the DOB Policies and Procedures which will outline by program the requirements for documenting and calculating DOB.
- Recipient in coordination with the COG or qualified consultant will complete all necessary DOB documentation in accordance with the DOB Policy Requirements noted in the 2019 CDBG-DR Policies and Procedures Manual.
- Some DOB may be calculated at award, through an analysis of application information, while other DOB maybe documented later in the program, as beneficiaries are determined.

## Housing Buyouts –

### FEMA Match: \$25,394,513

- Provides the non-federal share of buyouts (acquisition) under FEMA's Hazard Mitigation Grant Program (HMGP) and demolition under FEMA's Public Assistance (PA) Program.
- Eligible entities are city and county governments
- Applicants can request at least the 25% match required for the FEMA buyout programs with CDBG-DR funds. Requests may be higher under special circumstances as determined by IEDA. This will be determined based upon:
  - Percentage of LMI persons participating in the buyout
  - Location within the MID Area (Mills, Fremont, and Harrison counties)
  - Available funding
  - Coordination with Iowa HSEMD
- Iowa HSEMD establishes eligibility for this program and handles initial buyout applications, property eligibility, and land use restrictions based upon the FEMA programs
- Council of Governments (COG) will verify incomes of buyout participants. This is used to determine whether each buyout meets the Low-Mod Buyout (LMB) or Urgent Need (UN) CDBG-DR national objective

## Housing Buyouts –

**FEMA Match: \$25,394,513**

- Applications will be accepted on an open cycle and will be reviewed and approved as submitted to IEDA. Applications must be coordinated with Iowa HSEMD.
- Applicants will work with Iowa HSEMD & their COG to submit a "Disaster Risk Reduction Area" with their application. This mapped area will clearly delineate properties that are at risk from the hazard that was caused or exacerbated by the presidentially-declared disaster (2019 floods).
- Recipients will be required to comply with all federal and state requirements. This includes turning all properties acquired into deed-restricted green space in perpetuity
- Davis-Bacon not required for demolition-only activities
- Funds will be available upon the execution of a contract with IEDA and the issuance of Release of Funds, which can be processed using documentation of FEMA environmental review and without additional publication periods.

# 2019 CDBG-DR

## Housing Buyouts – FEMA Match: \$25,394,513

Required Attachments		<a href="#">Create New Version</a>   <a href="#">Mark as Complete</a>   <a href="#">Go to Application Forms</a>					
Attachment	Description	File Name	Type	File Size	Date Uploaded	Delete?	
<a href="#">Resolution of Support from local City</a>							
<a href="#">Completed HUD Disclosure Form 2880 (Applicant/Recipient Disclosure/Update Form).</a> <a href="#">Download the form from portal.hud.gov</a>							
<a href="#">Federal Assurances Signature Page.</a> Click here for the form.							
<a href="#">Procurement completed for Project Delivery Services</a>							
<a href="#">Disaster Risk Reduction Area Map</a>							
<a href="#">Summary Table of Participating Properties with LMI/UN breakdown and budgets</a>							
<hr/>							
<b>Other Documents as applicable to this project</b>							
<a href="#">Financial commitments including terms for construction and permanent financing for all sources of funds other than CDBG.</a>							

## Housing Buyouts – CDBG-DR Only: \$10,783,236

- Buyout properties located in floodplain, floodway, and/or Disaster Risk Reduction Area that were ineligible for buyout under FEMA's HMGP program.
- Eligible entities are city and county governments located in the following counties:
  - **Fremont, Harrison, Louisa, Mills, Monona, Muscatine, Pottawattamie, Scott, Shelby, and Woodbury.**
- Applications will only be reviewed from the MID area for the first year (2021). This may be reassessed by IEDA after one year based on funding projections & expenditures from the MID.
- The following conditions must be met in an application:
  - At least 60% of participating property owners are LMI
  - The community or census tract for the buyout area must be at least 51% LMI
  - All buyouts will be voluntary
- Council of Governments (COG) will verify incomes of buyout participants. This is used to determine whether each buyout meets the Low-Mod Buyout (LMB) or Urgent Need (UN) CDBG-DR national objective

## Housing Buyouts –

### CDBG-DR Only: \$10,783,236

- Applications will be accepted on an open cycle and will be reviewed and approved as submitted to IEDA (limited to MID for all of 2021).
- Applicants will work with Iowa HSEMD & their COG to submit a "Disaster Risk Reduction Area" with their application. This mapped area will clearly delineate properties that are at risk from the hazard that was caused or exacerbated by the presidentially-declared disaster (2019 floods).
- Since these buyouts were either ineligible for, or unfunded by, HMGP, applicants will justify why these buyouts are needed and how stormwater management will be enhanced through the buyouts.
- Recipients will be required to comply with all federal and state requirements. This includes turning all properties acquired into deed-restricted green space in perpetuity
- All projects are subject to the applicable Environmental Review and Request for Release of Funds process, including publication and local and state public comment periods.
- Davis-Bacon not required for demolition-only activities

# 2019 CDBG-DR

## Housing Buyouts – CDBG-DR Only: \$10,783,236

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<hr/>							
<b>Other Documents as applicable to this project</b>							
<a href="#">Financial commitments including terms for construction and permanent financing for all sources of funds other than CDBG.</a>							

# 2019 CDBG-DR

## Demolition & Clearance - \$100,127

- This program provides for the demolition & clearance of flood-damaged properties without acquiring them and turning them into deed-restricted green space. Activities include:
  - Demolition of buildings & improvements
  - Removal of demolition products (rubble) and other debris
  - Physical removal of environmental contaminants or treatments of contaminants to render them harmless
- Eligible applicants are city and county governments in the MID area (Mills, Fremont, and Harrison counties)
- Applicants will use the elimination of slum & blight CDBG-DR national objective. This is done on an **area** or a **spot** basis. Definitions for slum & blighted areas are detailed in *Iowa Code* Ch. 403.17.
- **Area Basis:**
  - Applicant will officially designate a targeted area as meeting the conditions of slum & blight. At least 25% of buildings in this area must be deteriorating. This will be done in accordance with *Iowa Code* Ch. 403.
  - Slum & Blight Inventory Form is required for **each building proposed** for demolition & clearance with CDBG-DR
  - Slum & Blight Summary Form is required for the **ENTIRE** targeted area and includes the conditions of **ALL** buildings in the area—not just those proposed for demolition & clearance. This form will be completed as a section on the IowaGrants application.

## Demolition & Clearance - \$100,127

- **Spot Basis:**
  - Used when a specific property, and not an entire area, is of concern.
  - Buildings proposed for demolition & clearance cannot be within a slum & blight targeted area.
  - Buildings proposed for demolition & clearance must be decaying/deteriorating and pose a health & safety risk to the general public
  - Slum & Blight Inventory Form is required for each building proposed for demolition with CDBG-DR
- Recipients will be required to comply with all federal and state requirements.
- All projects are subject to the applicable Environmental Review and Request for Release of Funds process, including publication and local and state public comment periods.
- No choice limiting action until the environmental review is complete. This includes bidding, entering a contract, demolition, and clearance.
- Davis-Bacon not required for demolition-only activities

## Demolition & Clearance

Slum and Blight Inventory Form: Complete **one per building** in the targeted area

**Building Address(es):**

Occupant Name (if applicable): <input type="text"/>	Main material of building (i.e. brick, stucco, wood, etc.): <input type="text"/>
Zoning or land use: <input type="text"/>	Vacant: <input type="text"/>
Number of stories: <input type="text"/>	Assessed value: <input type="text"/>
Uses on each floor: <input type="text"/>	Building age: <input type="text"/>
Is this property contributing to slum and blight, in fair or poor condition, as documented on this form? (Yes or No) <input type="text"/>	
Is this property being proposed for improvements with CDBG funds? (Yes or No) <input type="text"/>	

**Description of Building Conditions**

Component	Excellent, good, fair, poor (choose only one)	Existing conditions description <i>(Note: this is different from proposing a scope of work. Use more space to explain, if needed)</i>
Roofing	<input type="text"/>	<input type="text"/>
Windows	<input type="text"/>	<input type="text"/>
Doors	<input type="text"/>	<input type="text"/>
Exterior walls	<input type="text"/>	<input type="text"/>
Porch/stairs/deck/ramp	<input type="text"/>	<input type="text"/>
Foundation	<input type="text"/>	<input type="text"/>
Storefront & signage	<input type="text"/>	<input type="text"/>
Other	<input type="text"/>	<input type="text"/>
Overall property rating (Excellent, good, fair or poor)	<input type="text"/>	

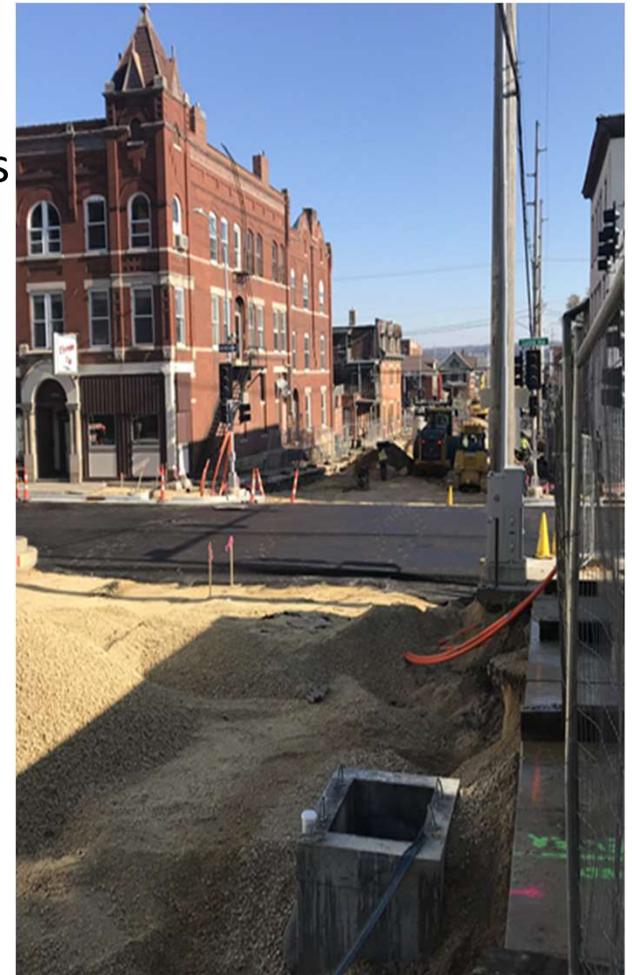
# 2019 CDBG-DR

## Demolition & Clearance - \$100,127

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<a href="#">Federal Assurances Signature Page.</a> Click here for the form.							
<a href="#">Procurement completed for Project Delivery Services</a>							
<a href="#">Resolution from City declaring a Slum &amp; Blight area in accordance with Chapter 403 of the Code of Iowa</a>							
<a href="#">Map of Target Area</a>							
<a href="#">Map showing the buildings proposed for demolition/clearance</a>							
<a href="#">Summary Table of Participating Properties with cost estimate per property</a>							
<a href="#">Slum and Blight Inventory Form</a>							
<a href="#">Slum and Blight Summary Form</a>							
<a href="#">Executed Easements and Access Agreements</a>							
<a href="#">Other Documents as applicable to this project</a>							
<a href="#">Project Cost Estimates</a>							

## Infrastructure – Stormwater Management \$19,348,200

- Provide funding for public infrastructure needs to accomplish the following goals to benefit selected cities and vulnerable populations :
  - Reduce Flood Risk
  - Increase Resilience
  - Improve Quality of Life and Health for Vulnerable Populations
- All activities limited to public infrastructure
- Provide improvement of disaster damaged infrastructure and increase stormwater management.
- New stormwater management examples including but not limited to:
  - Wetland creation or expansion
  - Bioretention cells
  - Ponds
  - On-road structures
  - Storm water practices on deed-restricted buy-out land



# 2019 CDBG-DR

## » Infrastructure – Stormwater Management Continued

- Eligible projects include improving existing stormwater utilities, expanding stormwater management, installing new stormwater systems, on-road structures for stormwater improvements, etc.
- Eligible entities are city and county governments located in the following counties for the first two years of funding (2021 & 2022):
  - Fremont, Mills and Harrison
- All applications for infrastructure must be based on engineered plans and cost estimates. Only complete applications will be reviewed.
- All associated engineering costs incurred after award are eligible.
- IEDA funded Design Consultation may be available to assist project design and development.

# 2019 CDBG-DR

## » Infrastructure – Stormwater Management Continued

- All projects must serve areas of 51% LMI population. This can be documented through ACS data or supported by an LMI Survey conducted by the COG/Qualified Consultant.
- Projects can improve stormwater management but cannot inhibit the floodway. This may exclude ditch repairs/modifications. Projects affected by this limitation should consult IEDA prior to submitting an application.
- All projects must meet the Iowa Storm Water Management Manual: <https://www.iowadnr.gov/Environmental-Protection/Water-Quality/NPDES-Storm-Water/Storm-Water-Manual>
- Work will be subject to compliance with the Davis Bacon Act (this includes FEMA match projects that might not trigger Davis Bacon).
- All Projects are subject to the applicable Environmental Review and Request for Release of Funds process. Funds will be available upon the execution of a contract with IEDA and the issuance of Release of Funds.

# 2019 CDBG-DR

## » Required Documentation – Stormwater Management

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<a href="#">Federal Assurances Signature Page.</a> Click here for the form.							
<a href="#">Procurement completed for Project Delivery Services</a>							
<a href="#">Site control (not necessarily ownership) for each lot in the project. Include property addresses and legal descriptions (Purchase Agreement)</a>							
<a href="#">Documentation of Proper Zoning / Or steps required for proper zoning</a>							
<a href="#">Other Documents as applicable to this project</a>							
<a href="#">Project Cost Estimates</a>							
<a href="#">Project Design Documents (Site Plan, Rendering, Concept, etc.)</a>							



## Housing – Developer Incentive \$26,120,070

- **Multi-Family and Rental Housing**
  - **\$11,120,070 (First Round \$5,000,000)**
    - Awarded as a non-receding forgivable loan in the amount of the award for the affordability period
    - (5 or 20 years depending on size of development) with a non-receding lien for the duration of the term. (5 years = 4 units or less; 20 years = 5 units or more)
    - 10% retainage held until LMI qualified tenants occupy 51% of units
- **Single-Family and Down Payment Assistance**
  - **\$15,000,000 (First Round \$5,000,000)**
    - All sold units must utilize a CDBG-DR down-payment assistance, as a benefit to the buyer, providing 50% of the minimum required down-payment, recorded with 5-year receding lien.
    - All buyers must qualify as LMI



# 2019 CDBG-DR

## » Housing – Developer Incentive Programs

- Eligible entities are city and county governments located in the MID Counties:
- Competitive rounds for applications to IEDA through local municipality (City or County) with resolution of support. Applications are due **4:00pm, Tuesday, January 19, 2021**. This is an initial competitive round for \$5,000,000 in each housing program (rental & single family), for a total of \$10,000,000 for new housing. This first round will allow the state to establish a competitive review process, gauge the capacity of the region for housing and support local housing markets. Additional funds may be awarded through this round if the demand of quality applications exceeds this amount. Otherwise future rounds will be established, at no less than one round per year until the funds in this program are fully expended.
- Incentive is \$75,000 per housing unit proposed in any given development project, located in eligible areas (offered first to Mills, Fremont, and Harrison counties).
- All new units must be constructed outside of the 100-year regulatory floodplain. Priority will be given to projects located outside of the 500-year floodplain. Future mapping should be taken into consideration when possible to best forecast future homeowner expenses.
- All units must have access and connection to municipal utilities including water and sewer, no projects dependent on wells and/or septic systems will be eligible.
- Design consultation will be available to all developers to ensure proper integration of high-performance home design. Consultation will include Green Streets Criteria.

# 2019 CDBG-DR

## Housing - Criteria

- 40-unit maximum number of units per application.
- \$3,000,000 max housing award per application.
- Developers will be allowed to request an increased award for voluntarily complying with Green Streets Plus criteria.
- Davis Bacon Act compliance is required for the Housing Program
  - Applications with 7 units or fewer of residential construction are exempt from this compliance requirement.
  - All infrastructure will be subject to federal labor standards and Davis Bacon Prevailing wage compliance; and construction contracts must be separated from housing contracts.
- Priority in this first round will be given to projects with existing infrastructure (water/sewer connection) for construction timeliness.

## Housing – Developer Incentive, continued:

- Incentive can be drawn down during construction, but contract with IEDA is not closed until housing units are occupied.
- Examples of Calculating Incentive:
  - Developer proposes to build 5 twin-homes to sell:
    - incentive =  $\$75,000 \times 10 \text{ units} = \$750,000$
  - Developer proposed to build a 20 units Multi-Family Rental:
    - incentive =  $\$75,000 \times 20 \text{ units} = \$1,500,000$
  - Developer proposed to build 4 single family homes:
    - incentive =  $\$75,000 \times 4 \text{ units} = \$300,000$

# 2019 CDBG-DR

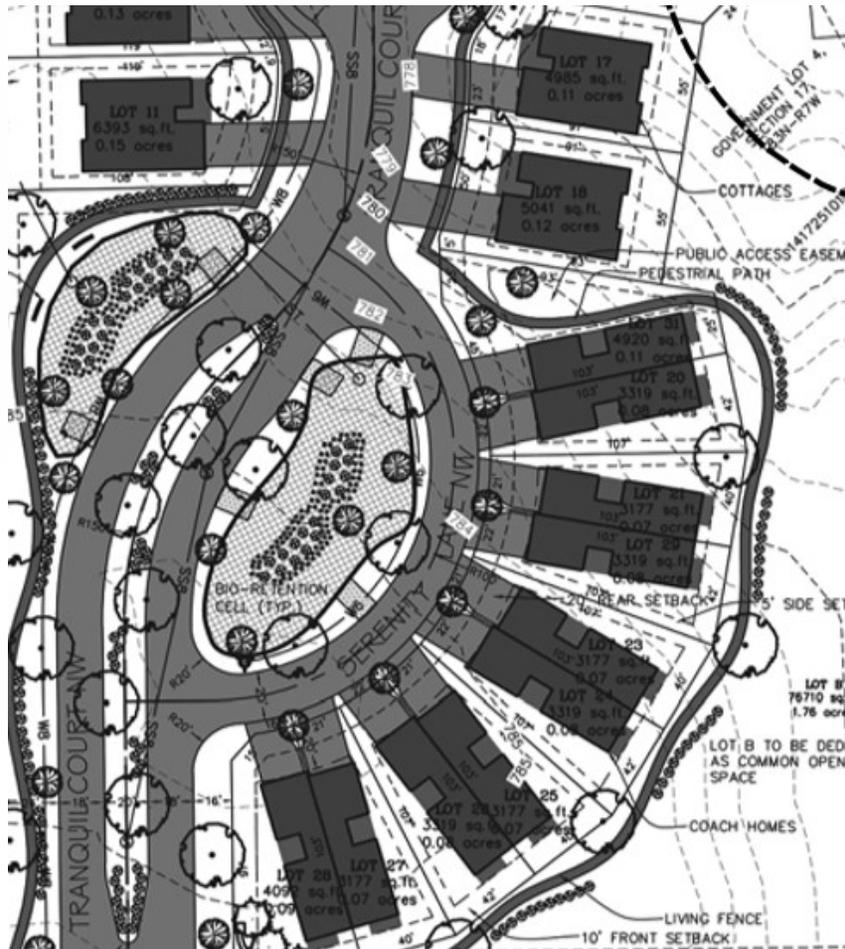
## Housing – Developer Incentive, continued

- The sale of housing units must be capped at no more than \$175,000 per housing unit. For example:

Number of Housing Units	Cost to Build	Subtract Developer Incentive as already paid to Developer during construction	Total Development Sales Price	Sale Price per unit
1	\$250,000	-\$75,000	\$175,000	\$175,000
2	\$500,000	-\$150,000	\$350,000	\$175,000
4	\$1,000,000	-\$300,000	\$700,000	\$175,000

- All sales must be LMI qualified buyers.
- All rental units are subject to HUD 65% HOME rent limits for the LMI tenants for the term of affordability.
- All units (rental and sales) must be offered to flood impacted victims for **4 months** prior to being opened to the general public.

# 2019 CDBG-DR



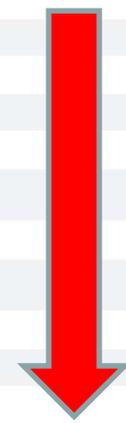
## » Environmental Review

- Required consultation and publication for this process to ensure compliance with all federal and state laws.
- Required completion before the release of funds
- No choice limiting action – until review is complete and applicant has received an approved Request for Release of Funds from the State. Neither applicant nor partners are allowed to commit or spend HUD or non-HUD funds on physical or choice-limiting activities: Including activities such as:
  - Purchase of property
  - Bidding
  - Entering a contract
  - Construction

# 2019 CDBG-DR

## » Required Documentation – Housing Programs

Required Attachments		<a href="#">Create New Version</a>	<a href="#">Mark as Complete</a>	<a href="#">Go to Application Forms</a>		
Attachment	Description	File Name	Type	File Size	Date Uploaded	Delete?
<a href="#">Resolution of Support from local City</a>						
<a href="#">Completed HUD Disclosure Form 2880 (Applicant/Recipient Disclosure/Update Form). Download the form from portal.hud.gov</a>						
<a href="#">Federal Assurances Signature Page. Click here for the form.</a>						
<a href="#">Procurement completed for Project Delivery Services</a>						
<a href="#">Site control (not necessarily ownership) for each lot in the project. Include property addresses and legal descriptions (Purchase Agreement)</a>						
<a href="#">List of known development team members showing roles and responsibilities and contact information</a>						
<a href="#">Green Streets Green Development Plan &amp; Checklist (Appendix A)</a>						
<a href="#">Green Streets Criteria Cert. of Intent to Comply (Appendix B)</a>						
<a href="#">Documentation of Proper Zoning / Or steps required for proper zoning</a>						
<hr/>						
<a href="#">Other Documents as applicable to this project</a>						
<a href="#">Project Design Documents (site plan, building plan, unit layout, renderings, etc.)</a>						
<a href="#">Financial commitments including terms for construction and permanent financing for all sources of funds other than CDBG.</a>						
<a href="#">Draft Development Agreement with the City</a>						
<a href="#">Project Cost Estimates</a>						
<a href="#">Proforma – including minimum 10-year operating projections. For Scattered Site Projects, provide a single proforma that includes all rental units, income and expenses for the project.</a>						



Last Edited By:

## » Required Documentation – Sources and Uses of Funds

Sources of Funding								
Sources	\$ Amount	Type	Rate	Term (Yrs)	Amort. (Yrs)	Debt Service	Security	Comments
<b>Conventional Debt</b>								
Add Provider in Comments	\$0.00		0%	0	0			
Iowa Economic Dev. Authority (IEDA)	\$0.00		0%	0	0			
<b>Federal Home Loan Bank of DSM</b>								
Affordable Housing Program (AHP)	\$0.00		0%	0	0			
<b>Owner/Developer Contribution</b>								
Cash	\$0.00		0%	0	0			
Land Value	\$0.00		0%	0	0			
Other Value	\$0.00		0%	0	0			
City Contribution	\$0.00		0%	0	0			
Other (Specify in comments)	\$0.00		0%	0	0			
<b>Totals</b>	<b>\$0.00</b>							

Within the Budget section of the Application, all housing projects will identify their total project costs, and detailed sources and uses of funds for the whole project.

Uses of Funds		
Use Description	Amount	Sources of Funds (Mandatory)
Administration	\$0.00	
Land Acquisition	\$0.00	
Building Acquisition	\$0.00	
Demolition	\$0.00	
On-Site Improvements	\$0.00	
Construction	\$0.00	
Contingency (MUST be <10%)	\$0.00	
Not Eligible CDBG		
Architect & Engineering	\$0.00	
Lead Hazard Abatement	\$0.00	
Financing Costs	\$0.00	
Financing Costs	\$0.00	
Fees and Charges	\$0.00	
Legal & Accounting	\$0.00	
Owner/Developer Fee (12% or less)	\$0.00	
Other (Specify)	\$0.00	
<b>Totals</b>	<b>\$0.00</b>	

Be sure that the Total Sources matches the Total Uses!

## » Required Documentation – Rent Calculation Worksheet

Maximum Rents					
Using the most recent HOME Program Rents ( <a href="https://www.hudexchange.info/programs/home/home-rent-limits/">https://www.hudexchange.info/programs/home/home-rent-limits/</a> ) record in the table below the 65% Rent for the county or metropolitan statistical area (MSA) for each of the unit sizes (efficiency, 1-bedroom, 2-bedroom, 3-bedroom, 4-bedroom) proposed.					
MAXIMUM RENTS for LMI assisted units	Efficiency	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom
65% Rent	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Project Rents										
Record in the table below the Gross Rent (Rent + Utility Allowances for tenant-paid utilities) to be charged for the proposed project for each of the unit sizes. Gross Rents cannot exceed the rents recorded as 65% Rents listed above. If the proposed project has different rents for the same size of unit (Market Rate), use both boxes for the unit size. Record the Utility Allowance for each unit size (Utility Allowances are available from the local Housing Authority) and subtract the Utility Allowance from the Gross Rent to determine the Net Rent.										
Project Rents	Efficiency Market Rate	Efficiency LMI Assisted Rate	1-Bedroom Market Rate	1-Bedroom LMI Assisted Rate	2-Bedroom Market Rate	2-Bedroom LMI Assisted Rate	3-Bedroom Market Rate	3-Bedroom LMI Assisted Rate	4-Bedroom Market Rate	4-Bedroom LMI Assisted Rate
Gross Rents	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
- Utility Allowance (electric, gas, sewer)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Market Rate	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Rental Projects will need to calculate their proposed rental income in order to determine if the project will be viable for the term of affordability. This is done by using the current HOME 65% rent limits by unit size, subtracting any essential utilities to determine the maximum rent that can be charged to LMI tenants. Use this information along with anticipated Market unit rents to complete the Proforma.

## » Required Documentation – Proforma

15-YEAR CASH FLOW PROFORMA																
Project Name:																
Escalating Factors:	Vacancy	Expenses	Income													
	Reserve Replacement Fund		PMI %													
Income:	(Explain, if necessary)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Rental Income			0	0	0	0	0	0	0	0	0	0	0	0	0	0
Laundry Income			0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income (Specify)			0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income (Specify)			0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Vacancy		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Rental Income</b>		<b>0</b>														
<b>Operating Expenses:</b>																
Accounting and Auditing																
Office Expenses/																
On-site Manager Salaries																
Property Mgmt fee*																
Electric and Gas																
Water and Sewer																
Waste Removal																
Advertising																
Maintenance payroll																
Repairs and Maintenance																
Decorating																
Elevator Maintenance																
Grounds Maintenance																
Snow Removal																
Real Estate Taxes*																
Insurance																
Supportive Services																
Other (Specify)																
Other (Specify)																
Adjustments**																
(ie tax abatements):																
Total Operating Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net Operating Income</b>		<b>0</b>														
<b>Operating Expense Ratio</b>		<b>#DIV/0!</b>														
Reserve replacement funds*																
Mortgage Ins. Prem. (MIP)*																
<b>Adjusted N.O.I.</b>		<b>0</b>	<b>#VALUE!</b>													
1st Mortgage Debt Service																
HOME Debt Service																
Other Subordinate Loans																
Deferred Developer Fee																
Other Subordinate Loans																
Total Debt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

The Proforma will provide information on the fiscal vitality of a housing rental project. Complete this document to show all anticipated rental income and building expenses (along with debt) to determine the Debt Service Ratio of the project.

# Model Disaster Recovery

## » The High Bar for Model Disaster Recovery

1. Iowa Green Streets Criteria – all houses must meet the minimum mandatory checklist for green building standards.
2. To Assist in Green Street compliance, IEDA has contracted with a 3<sup>rd</sup> party HERS rater to assist, inspect and certify all projects funded under this program.
3. All housing projects achieve the following performance goals
  - Healthy indoor quality
  - Safe and secure (saferooms or basements)
  - Water conservation
  - Stormwater mitigation

# 2019 CDBG-DR

## Housing –Supplements

Applications will allow projects to request additional funding for the following:

- Funding for **Infrastructure** improvements required for housing units such as road and roadway improvements, access to utilities, etc. are eligible for an additional funding request. Associated infrastructure requests will be submitted based on actual cost/need and reviewed by IEDA prior to award. This will be asked as a separate line item of the application with support documentation.
- Funding for **High Performance** home design to provide energy efficient and resilient homes (IEDA checklist for criteria). Supplement based on increased cost difference.
- Funding for **Universal Design** for ADA and beyond housing (IEDA checklist for criteria). Supplement based on increased cost difference.
- Funding for increased costs of **Compliance** – if federal compliance issues such as environmental mitigation or labor standards compliance significantly increases the cost of a project, supplemental funds may be requested.

# Model Disaster Recovery

## » Examples of High-Performance homes



Parkside – Charles City



Rose Court - Woodbine



Equinox Homes – Clear Lake

U.S. DEPARTMENT OF **ENERGY** | Energy Efficiency & Renewable Energy

DOE ZERO ENERGY READY HOME™

**BrightLeaf Homes**

McCormick Avenue  
Brookfield, IL

U.S. DOE  
**ZERO**  
ENERGY READY HOME  
**2015 WINNER**  
Housing  
Innovation  
Awards

Zero Energy Home from DOE Zero Energy Ready Home Program – Thousands of homes in database

## » More information will be shared tomorrow at the design workshop





# Housing –Supplements

# 2019 CDBG-DR

Applications will allow projects to request additional funding for Infrastructure in Support of Housing:

Housing Infrastructure Request		
Disaster Housing Program Funds		Applicant:
Community Development Block Grant - Disaster Recovery		Project Name:
		City:
		County:
		COG:
<b>Project Description</b>		
<p><b>List Below All Additional Costs Associated with Housing Infrastructure Request</b></p> <p>Some housing projects may need supplemental infrastructure funding to make the housing units possible. Please provide line item detailed costs associated with this infrastructure request. Infrastructure in support of housing may include roads, curbs, sidewalks, stormwater management, water, sewer, broadband utilities, etc. All requests must provide supporting documentation for cost estimates. Only costs deemed reasonable and necessary by IEDA will be awarded.</p>		<b>CDBG Housing Infrastructure Request</b>
<p><i>example: cost of full subdivision infrastructure for 10 single family homes and connection to existing water &amp; sewer systems</i></p>		<i>\$2,350,000</i>
<b>Total CDBG Request</b>		<b>\$2,350,000</b>

# 2019 CDBG-DR

## Housing –Supplements

Applications will allow projects to request additional funding and auto calculate award:

Example: a Single-Family Project for 4 Homes with Down Payment Assistance, Green Plus, Infrastructure and Increased Cost of Compliance for labor standards tied to infrastructure:

**Project Type / Location**

Disaster Recovery Project Type\*:  The answer to this question populates the questions below for your project type.

Project City/County/Zip\*:    City County Zip +4

Population of the community:  Please use the Census Race & Ethnicity Information on our web site to determine population. [Click here](#) for population data.

Has the City Procured for Project Delivery/Admin services or using the COG?

Name of Project Delivery/Admin Organization:

Not to exceed Project Delivery/Admin Amount:

Type of Housing Project:

Number of New Housing Units Proposed:  

Total Housing Incentive Request Per unit:  Maximum \$75,000

Will this project require NEW infrastructure (roads, curbs, sewer, water, etc.)?  

Total Request Amount for New Infrastructure:

Project Delivery for Infrastructure fees for Admin (should be included in services contract):

Is the development designed to meet the minimum Green Streets Criteria?

Is the development designed for Green Streets PLUS Criteria?

Requested Funds for Green Plus cost increase:

Please upload Green Plus worksheet:   

Are their anticipated increased costs for Federal Compliance (environmental mitigation, labor standards, etc.) needed to make this project feasible?

Anticipated increased costs for Federal Compliance:

Please upload anticipated increased cost worksheet:

# 2019 CDBG-DR

## Housing –Supplements

Applications will allow projects to request additional funding and auto calculate award:

Based on a Single-Family Project for 4 Homes with Down Payment Assistance, Green Plus, Infrastructure and Increased Cost of Compliance for labor standards tied to infrastructure:

### Breakdown of Cost Estimates

*The Breakdown of Cost Estimate amounts will be auto filled based on your answers in the Project Location component of the application. If the Total Estimated CDBG-DR award needs adjustment, you MUST change the answers on the Project Information form in the Project Location section for changes to reflect in this section.*

*When completing the budget above, the Total CDBG Award **MUST** be the same as the Estimated CDBG award here.*

Activity	Amount
Housing Activity Amount	\$300,000.00
Green Plus extra amount	\$90,000.00
Increased cost of compliance amount	\$100,000.00
Housing Project Delivery	\$20,000.00
Down Payment	\$80,000.00
Housing Infrastructure	\$1,000,000.00
Infrastructure Project Delivery	\$20,000.00
<b>Total Estimated CDBG Award</b>	<b>\$1,610,000.00</b>

# 2019 CDBG-DR

## ❖ Application Next Steps:

- ❖ Coordinate with City/County for Resolution of Support
- ❖ Coordinate with COG/Consultant to prepare application documents.
- ❖ Download required forms/worksheets in the application
- ❖ Housing Applications due – submitted in iowagrants.gov by **4:00pm, Tuesday, January 19, 2021**

❖ Website – IEDA is currently building our 2019 CDBG-DR dedicated website. As soon as it is up, the recording of this workshop will be posted for public viewing and reference.

❖ Guidance – IEDA is finalizing all program specific guidelines and will incorporate them into the 2019 CDBG-DR Policies and Procedures Manual, which will also be posted to the website.

❖ Thursday – be sure to join the workshop tomorrow – this is required for all housing project applicants. IEDA also encourages one-on-one project consultations (paid by IEDA) to ensure the best designed projects.

### RESILIENT AND HIGH-PERFORMANCE DESIGN AND CONSTRUCTION WORKSHOP

Thursday, December 10, 2020

8:00am – 12:00pm

This workshop will highlight the CDBG-DR housing project required [Iowa Green Streets](#)

[Criteria](#) along with strategies to cost-effectively build resilient, healthy, and high-performing homes. In addition to our highly qualified design consulting team, we are pleased to announce Sam Rashkin will be the keynote speaker for this event.

Join on your computer or mobile app

[Click here to join the meeting](#) (select "continue on browser" if you don't have TEAMS)

Or call in (audio only)

[+1 515-348-6300, 423494019#](#) Phone Conference ID: 423 494 019#

2019 CDBG-DR

# Questions/ Comments.

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