



The State of Iowa

Action Plan – Substantial Amendment 2

June 2024 Midwest Flooding

- **Addition of Dickenson and Osceola counties as Grantee-Identified Most Impacted and Distressed (MID) areas in each program as eligible geographic areas.**
- **Reallocation of \$10 million from the General Infrastructure program to the FEMA Non-Federal Match program.**

PUBLIC COMMENT PERIOD: March 6, 2026 – April 6, 2026
DATE SUBMITTED TO HUD: April 6, 2026
DATE APPROVED BY HUD: May 7, 2026

SECTION 1: OVERVIEW

The purpose of this **Action Plan Amendment (APA) Number 2** to the State's June 2024 Midwest Floods Action Plan (approved by HUD on July 11th, 2025) is to modify program eligible activities as detailed in this document. This amendment is considered substantial according to the definition stipulated in the HUD Universal Notice and in accordance with the State's CDBG-DR citizen participation plan because it changes program eligibility areas and reallocates funding above \$5 million of a program budget.

APA 2 is available in English and Spanish through IEDA's website, <https://opportunityiowa.gov/community/community-infrastructure/cdbg-resources/cdbg-plans-and-reports>, and can be requested by email at Disaster@IowaEDA.com (Subject: CDBG-DR June 2024 Midwest Floods Action Plan Amendment 2) and by mail to the Iowa Economic Development Authority at , 1963 Bell Avenue, Suite 200, Des Moines, IA 50315. For hearing-impaired users, text telephone service is available via Relay Iowa communication services at (TTY/TDD) 1-800-735-2942.

The public comment period for APA 2 will be open from 8 a.m. on March 6th, 2026, to 4:30 p.m. on April 6th, 2026.

Comments on the proposed amendment can be submitted to accepted via web email to Disaster@IowaEDA.com , mail to the Iowa Economic Development Authority, 1963 Bell Avenue, Suite 200, Des Moines, IA 50315.

All comments are given the same consideration regardless of the method of submission.

SECTION 2: ACTION PLAN MODIFICATIONS

Explanation of Modification:

The State is modifying the Action Plan to include Dickenson and Osceola counties as Grantee-Identified Most Impacted and Distressed (MID) areas. After research and collaboration with partners, IEDA has determined that these counties still have significant unmet needs. IEDA intends to add two additional counties as Grantee-Identified identified MID areas allowing IEDA to spend up to 20% of its allocation in all five counties for all programs identified in the Action Plan. In order to add these counties to the plan several sections must be modified including the Disaster Overview section, the unmet needs section, and the eligible geographic area description in each program.

The State is also modifying the Action Plan to reallocate \$10 million from the General Infrastructure program to the FEMA Non-Federal Match program. From initial review of potential buyout projects and FEMA PA projects, IEDA has determined that more funds are needed to fund the remaining need in the Non-Federal Match program. This program budget reallocation will keep the State in compliance with meeting the 70% low-moderate income requirement.

Disaster-Specific Overview Section 1 Modifications:

Edit in Section 1.2.2 Grantee-identified MID Areas as follows:



IEDA can choose to spend a portion (i.e., up to 20 percent or \$26,937,400) of its award outside of the HUD-identified MID area. The 20 percent may only be used to address areas that received a presidential major disaster declaration (see figure 2 above) and IEDA determines have the greatest amount of damage and unmet need outside of the HUD-identified MID areas. At this time, **{edit} five** grantee-identified MID areas have been selected; Pottawattamie, Buena Vista, Lyon, **Dickenson, and Osceola counties**.

Edit in Table 1: Disaster Overview as follows:

Disaster Summary	
Qualifying Disaster:	June 2024 Midwest Flooding (DR-4796-IA)
HUD-identified MID Areas:	Cherokee County (ZIP code 51012); Clay County; Sioux County; and Woodbury County (ZIP code 51109)
Grantee-Identified MID Areas	{insert}; Pottawattamie County, Buena Vista County, Lyon County, Dickenson County, and Osceola County

Allocation, Award Caps, and Program Description Section 5 Modification:

Edit New Housing Construction Single-Family Owner-Occupied Program in Section 5.4.1.6 Eligible Geographic Areas as follows:

CDBG-DR funding will be provided to HUD-identified MID areas: Cherokee County, Clay County, Sioux County and Woodbury County. At this time, **{edit} five** grantee-identified MID areas have been selected; Pottawattamie, Buena Vista, Lyon, **{insert} Dickenson, and Osceola counties**. Per the Grantee-Identified MID Areas section, as needs are identified, IEDA may provide funding to other state-identified MID areas that were also impacted.

Edit New Housing Construction Rental Program in 5.4.2.6 Eligible Geographic Areas as follows:

CDBG-DR funding will be provided to HUD-identified MID areas: Cherokee County, Clay County, Sioux County and Woodbury County. At this time, **{edit} five** grantee-identified MID areas have been selected; Pottawattamie, Buena Vista, Lyon, **{insert} Dickenson, and Osceola counties**. Per the Grantee-Identified MID Areas section, as needs are identified, IEDA may provide funding to other state-identified MID areas that were also impacted.

Edit in Table 32: Grantee Infrastructure Programs Overview as follows:

Eligible Cost Category	CDBG-DR Allocation Amount	% of CDBG-DR Allocation for LMI Benefit
Infrastructure in Support of Housing	\$10,000,000.00	80.00%
General Infrastructure	\$39,483,950.00	100.00%
FEMA Non-Federal Match	\$25,000,000.00	25.00%
Infrastructure Program Total:	\$74,483,950.00	72.00%



Program budget changes are reflected below.

Program	APA 1 Budget (“Before”)	APA 2 Budget Changes	APA 2 Budget (“After”)
Infrastructure in Support of Housing	10,000,000.00	\$0	10,000,000.00
General Infrastructure	49,483,950.00	(10,000,000.00)	39,483,950.00
FEMA Non-Federal Match	15,000,000.00	10,000,000.00	25,000,000.00

Edit Infrastructure in Support of Housing in 5.5.1.6 Eligible Geographic Areas as follows:

CDBG-DR funding will be provided to HUD-identified MID areas: Cherokee County, Clay County, Sioux County and Woodbury County. At this time, **{edit} five** grantee-identified MID areas have been selected; Pottawattamie, Buena Vista, Lyon, **{insert} Dickenson, and Osceola counties**. Per the Grantee-Identified MID Areas section, as needs are identified, IEDA may provide funding to other state-identified MID areas that were also impacted.

Edit General Infrastructure in 5.5.2 as follows:

General Infrastructure	\$39,483,950.00	100.00%
-------------------------------	------------------------	----------------

Edit General Infrastructure in 5.5.2.6 Eligible Geographic Areas as follows:

CDBG-DR funding will be provided to HUD-identified MID areas: Cherokee County, Clay County, Sioux County and Woodbury County. At this time, **{edit} five** grantee-identified MID areas have been selected; Pottawattamie, Buena Vista, Lyon, **{insert} Dickenson, and Osceola counties**. Per the Grantee-Identified MID Areas section, as needs are identified, IEDA may provide funding to other state-identified MID areas that were also impacted.

Edit FEMA Non-Federal Match in 5.5.3 as follows:

General Infrastructure	\$25,000,000.00	25.00%
-------------------------------	------------------------	---------------

Edit FEMA Non-Federal Match in 5.5.3.6 Eligible Geographic Areas as follows:

CDBG-DR funding will be provided to HUD-identified MID areas: Cherokee County, Clay County, Sioux County and Woodbury County. At this time, **{edit} five** grantee-identified MID areas have been selected; Pottawattamie, Buena Vista, Lyon, **{insert} Dickenson, and Osceola counties**. Per the Grantee-Identified MID Areas section, as needs are identified, IEDA may provide funding to other state-identified MID areas that were also impacted.

Edit FEMA Non-Federal Match in 5.5.3.7 Maximum Amount of Assistance Per Beneficiary as follows:

The maximum award for the **{delete} Infrastructure Match Program {insert} FEMA Non-Federal Match Program** will be determined by the project cost. IEDA can support each project up to the non-federal match requirement of 25% of project cost. Cost overruns can also be

covered by CDBG-DR match funding. **{insert} For projects that have gone through FEMA review and have been deemed ineligible, and if HUD eligible, those costs can also be covered by CDBG-DR match funding.**

Edit FEMA Non-Federal Match in 5.5.3.11 Reducing Impediments for Assistance as follows:

HSEM will work with communities that have received FEMA funding and evaluate if a match has already been achieved or is needed. **{insert} If communities are not able to receive FEMA funding and are eligible for HUD funding, costs can be covered by CDBG-DR match funding.**