
NIACOG

NEWS

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Jumpstart Program Evolves In Assisting Flood Victims



The Jumpstart Assistance Program has progressed through an evolution of eligibility criteria and funding streams. As you may recall, the Jumpstart Iowa program was created last Fall to assist flood victims with recovery from the damages imposed upon their homes and businesses last June. The update, provided below, describes both the programs

as they exist today and the potential funding streams that appear likely in the near future.

State Business and Homeowner Program

Initially called the 'Jumpstart Iowa' program, businesses and homeowners were assisted with facility and home repairs, as well as, interim mortgage assistance and down payment assistance. Funding was initially reserved for each of these categories of funding. This program was coordinated by the Iowa Finance Authority solely using state funds. The repair and down payment funds were quickly exhausted leaving many unassisted applications. Fortunately, more funds have recently become available for repair assistance through the reallocation of some of the funds previously reserved for interim mortgage assistance and by funding turned back from other COG areas that had not used up their funding allocations. We are now processing some of the repair applications previously put on hold when state funds were exhausted. Unfortunately, the additional funds will not be nearly sufficient to cover the remaining applications yet to be addressed.

Additionally, the Governor just signed an economic stimulus package of \$56 million with \$10 million reserved for flood recovery projects. The program will fund assistance for families who do not qualify for federal assistance or whose project costs exceed \$24,999 to avoid the potentially expensive and time consuming lead abatement requirements that kick in when projects exceed \$24,999.

Federal Homeowner Program

Federal funding is now available; however, federal funds are limited to households making less than area median income, as well as, a few other eligibility criteria. In fact most of the funds will be limited to households that make less than 80% of

the area's median income. (A very limited amount of funds will be available to households at 100% of area median income.) For example, a family of three in Franklin County would typically have to have an income of \$49,500 (80% of median) or less to qualify for the program. The federal program requires that the home be inspected for lead (if built before 1978) and that lead issues are addressed.

For both the flood victim and NIACOG staff, the federal program is much more restrictive and much more labor intensive than the state program. To make state applicants eligible for the federal program and to assist federal applicants in completing their documentation phase we mailed notices requesting additional documentation primarily for income verification in December and January. Unfortunately, some of the applicants are not income qualified, or simply haven't sent their documentation to us.

The benefit areas offered by the federal program are fairly similar to those offered by the state for housing assistance, including: down payment assistance, interim mortgage assistance, and repair assistance. The federal program also offers the ability to provide 'homebuyer assistance', which includes assistance with their closing costs, down payment, and repairs to their replacement home.

Federal Rental Housing Assistance – Recently Released

IDED recently released funding for rental housing repairs. Assistance with the hard repair cost is generally limited to \$24,999 per unit; however, some other costs are allowed above that figure such as lead hazard reduction costs. *Applications for rental housing assistance are now available and due by February 20, 2009.* This program is limited to projects of seven or fewer rental housing units. Any units that are single-family homes must be rented to households of 80% of area median income for a period of 5 years. Apartment buildings, on the other hand, must have at least 51% of the units in the building rented to households of 80% of area median income for a period of 5 years. HUD's rent limits also apply for 5 years. For example, a 2 bedroom unit in Cerro Gordo County repaired with assistance from the program can rent for no more than \$582 (including utilities).

A Final Note

Please note that the programs, as described above, are accurate *today*, but the rules have been changing weekly so please let us know if you have any interest in further information as the program continues to evolve.

Hazard Mitigation Grant Program

The State is opening up HMGP funds availability beyond property acquisition/demolition and planning projects. Projects may be of any type that will reduce or eliminate losses from future natural disasters, including but not limited to:

Construction of tornado safe rooms (multi-functional community or school safe room projects are highly encouraged), acquisition, structural relocation or elevation of buildings located in a special flood hazard area. Structural and non-structural retrofitting of existing public buildings, facilities, or, utilities to protect against wind, ice or flood hazards; minor structural hazard control or protection projects such as storm water management (e.g., culverts, floodgates, retention basins); localized flood control projects, such as floodwall systems, that are designed specifically to protect critical facilities and do not constitute a section of a larger flood control system.

The State will consider all HMGP project types except back-up power generation and warning systems at this time. The State will publish a notice if funding for back-up power generation and warning systems becomes available in the future.

Eligible applicants: State agencies, local governments, Federally recognized Indian Tribal governments, including State-recognized Indian tribes, and authorized tribal organizations, private nonprofit (PNP) organizations or institutions that operate a PNP facility as defined in the 44 Code of Federal Regulations Section 206.221 (e).

The Disaster Mitigation Act of 2000 (DMA 2000) requires a FEMA approved local mitigation plan prior to FEMA awarding HMGP project funds. If a community does not have an approved plan or is engaged in the planning process, there may still be an opportunity for them to be awarded HMGP project funds once the plan is approved. These communities are encouraged to submit a Notice of Interest (NOI) and potentially develop a project application. Notice of Interest is due no later than March 15, 2009, and applications are due no later than May 1, 2009.


Applicants with proposed projects located in a FEMA-identified Special Flood Hazard Area must be a National Flood Insurance Program (NFIP) participating community. However, applicants who were NFIP participants in the past but currently are suspended or sanctioned are not eligible for HMGP funds, regardless where the proposed project is located.

There is an estimated amount of \$244 million being spread across the state not just in Cedar Rapids. Cost share for awarded HMGP project grants is: Federal 75%, State of Iowa 10%, Community Development Block Grant 15%. Please contact NIACOG for further questions or information.

OTHER TRANSPORTATION HAPPENINGS

The Regional Planning Affiliation 2, as part of the annual transportation project programming, will soon be taking applications for Surface Transportation Fund projects for development of the FY 2010 - FY 2013 Transportation Improvement Program. Although the deadlines have not yet been set, cities and counties in the NIACOG region are eligible to submit project applications for federal aid eligible roads and bridge projects. RPA 2 anticipates a federal allocation of \$2,742,100 in 2010 and just over \$2.8 million dollars for fiscal years 2011-2013. Keep in mind these funds are for an eight-county Region. If you have a federal-aid eligible road that you would like to be considered for funding, please contact your county engineer or Chris Diggins at the NIACOG office.

The Enhancement Committee has decided not to accept applications this year due to the limited amount of funds available.



DIRECTOR'S NOTES

As the lead agency for a 22-county flood recovery area, staff has been extremely busy responding to the needs of flood victims. Our eight-county region alone resulted in over 250 applications requesting in excess of \$3M in financial assistance. To date, staff has provided direct financial assistance to nearly half of these applicants, awarding nearly \$1.2M.

Staff continues to work down the list of applicants putting in extra time and effort to ensure all applications are reviewed, property inspections completed and disaster victim's needs addressed. Applications are still being accepted, so if you have homeowners that still have unmet needs, please encourage them to contact our office or go to <http://www.rio.iowa.gov/> and apply under the Jumpstart tab.

It is anticipated with the economic stimulus package, funding for infrastructure projects will soon be front and center. I would encourage you to get your preliminary engineering reports completed and anticipated construction schedules planned so you are positioned to respond to application deadlines. I'm convinced that those who plan, will be rightfully rewarded.

TRANSPORTATION STIMULUS

By the time you read this newsletter, there may have been passed by Congress and signed by the President, a Transportation Stimulus Bill that will bring millions of dollars to the NIACOG/RPA 2 Region.

At least that is what the RPA 2 Technical Committee and the Policy Board had in mind when they submitted over \$20,000,000 in applications for potential stimulus projects. Based on the information provided as of January 22, 2009, the RPA 2 Region had the potential to program just over \$5.5 million dollars on ready to go projects. The majority of applications submitted came from the county engineers and were for asphalt resurfacing projects. Region 2 Transit did submit an application for new transit busses that was approved by both committees.

Assuming the legislation passes and is signed by the President, the projects will go to bid letting in April of this year. That will mean many new projects around the area and hopefully, many jobs created with the construction firms.

COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATIONS

In November and December of 2008, NIACOG staff wrote and submitted eight (8) CDBG applications. Six (6) of the applications were submitted under the Water and Sewer (WS) fund and two (2) of the applications were under the Community Facilities and Services Fund

Summaries of the Water and Sewer project applications are as follows:

- The City of Fenton is an un-sewered community that is under DNR orders to correct illegal discharge of sewage. Fenton's project is estimated to cost \$2,205,500.
- The City of Goodell is an un-sewered community that is under DNR orders to correct illegal discharge of sewage. Goodell's project is estimated to cost \$1,627,000.
- The City of Lone Rock is an un-sewered community that is under DNR orders to correct illegal discharge of sewage. Lone Rock's project is estimated to cost \$1,914,000.
- The City of Joice is an un-sewered community that is under DNR orders to correct illegal discharge of sewage. Joice's project is estimated to cost \$1,952,000
- The City of LuVerne is an un-sewered community that is under DNR orders to correct illegal discharge of sewage. LuVerne's project is estimated to cost \$2,924,000.
- The City of Stacyville submitted an application to replace or rehabilitate sewer lines and manholes. The City is experiencing excessive Inflow and Infiltration which could cause them to exceed the National Pollutant Discharge Elimination System Permit. Stacyville's project is estimated to cost \$983,000.

Summaries of the Community Facilities and Services project applications are as follows:

- The City of Wesley submitted an application for storm sewer system improvements. The proposed project includes construction of a detention basin basin outlet and a storm sewer through the City of Wesley. The project is intended to eliminate flooding and sewage back-up in homes due to flooding and inflow and infiltration of the sanitary sewer system. Wesley's project is estimated to cost \$788,320.
- The City of St. Ansgar applied on behalf of the Wee Saints Daycare Center for an expansion project to serve an additional 20 children. St. Ansgar has seen recent growth in the number of jobs and the number of new families in the community. St. Ansgar's project is estimated to cost \$420,000.

HOUSING ASSISTANCE

2008 was another busy year for the NIACOG staff regarding housing assistance programs funded through the Iowa Department of Economic Development (IDED) Housing Fund. The end of each year usually is a time which marks the completion of several housing fund projects administered by the NIACOG staff. This year was no exception as NIACOG is currently assisting five housing fund recipients in closing out their grant programs. These include the Cities of Algona, Burt, and Titonka which successfully completed their owner-occupied housing rehabilitation programs. These three programs were awarded Housing Fund grants in 2006 by IDED. The City of Algona assisted 11 homeowners under their rehabilitation program, the City of Burt assisted 9 homeowners, and the City of Titonka assisted 10 homeowners. Also in 2008, the City of Lake Mills successfully completed its Homebuyer Assistance Program through the Housing Fund. Five first time homebuyers were given assistance in the Lake Mills Program (rehabilitation in support of home ownership and for downpayment, closing costs, and acquisition cost/gap assistance). A fifth successful program closing out in 2008, was the Common Ground Duplexes project in St Ansgar in which Common Ground Duplexes, LLC., constructed 10 new rental units, consisting of 5 twin homes. Full rent-up is now complete on these 10 units. Both the City of Lake Mills and Common Ground Duplexes LLC., were awarded Housing Fund assistance in 2007. NIACOG congratulates all five of these Housing Fund recipients in bringing their respective Housing Fund Programs to a successful conclusion. As a result, 42 more decent and affordable housing units are now available to low-to-moderate income householders in the NIACOG region.

NIACOG staff also stayed busy in 2008 by assisting with the submittal of new Housing Fund applications in the NIACOG region. Five such applications were submitted to IDED in November of 2008. The City of Britt submitted a Housing Fund application to rehabilitate 10 owner-occupied housing units, and the Cities of Fertile and Kensett each submitted applications to rehabilitate 6 owner-occupied housing units in their communities. Also, the City of St Ansgar submitted an application to assist eight first-time homebuyers in purchasing and rehabilitating their homes, and Common Ground Duplexes, LLC submitted an application to assist in the creation of 10 new rental units in the community of Osage.

For other communities or entities in the NIACOG region that are interested in applying for Housing Fund assistance in 2009, or who would like to learn more about IDED's Housing Fund in general, please contact the NIACOG staff anytime.

What is IDED's Housing Fund? The IDED Housing Fund provides funding from the U.S. Department of HUD (either CDBG or Home Investment Partnership Funds) in order to expand and preserve the supply of decent and affordable housing for low and very low-income Iowans. Only local governments (cities, counties) are eligible to receive CDBG funds. However, eligible Home Investment Partnership (HOME) recipients include for-profit entities and nonprofit organizations in addition to local governments.

Eligible activities under the Iowa Housing Fund include owner-occupied housing rehabilitation; multi-family rehabilitation &, multi-family new construction (including transitional housing); homeownership assistance (including rehabilitation in support of homeownership for single family existing homes and acquisition assistance for single family new construction); and tenant based rental assistance.



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NIACOG Calendar of Events

FEBRUARY

- 17- Technical Committee Mtg. @ NIACOG 10:30 a.m.
- 17- Policy Board Mtg. @ NIACOG 1:30 p.m.
- 25- FEMA Safe Room Wkshp. @ NIACOG 12:00 noon

MARCH

- 9- NIACOG Board of Directors @ Bennigan's Clear Lake dinner at 6:00 p.m., meeting at 7:00 p.m.
- 20- North Iowa City Clerks Association @ NIACOG 9:30 a.m.

Tornado Safe Rooms That Work. Considerations for Applicants

Iowa Homeland Security and Emergency Management Division (HSEMD) will facilitate a FEMA-sponsored Safe Room workshop. The workshops will be held in four locations throughout the state of Iowa during the week of February 23 – 26, 2009 from 12:00 – 4:00 p.m. There is no cost to attend but travel, food and lodging will be the responsibility of the participant.

Bob Franke, Senior Civil Engineer with FEMA Region VII will conduct all of the workshops. FEMA has recently published the second edition, "Design and Construction Guidance for Community Safe Rooms". This half-day workshop will cover important topics such as costs, considerations, structural issues, operations management, etc.

The target audience for this workshop is Local governments, Council of Governments, Emergency Management Coordinator's, Architects and Engineers, School Districts and other interested eligible applicants. We ask that the County Emergency Management Coordinators, Councils of Government, and Planning Commissions forward this information to the communities in their service area to achieve the widest distribution possible.

Safe Room Workshop Location:
Wednesday, February 25, 2009 North Iowa Area Council of Governments, Mason City, Iowa (525 6th St., SW)

To register for the Safe Room workshop please email Lisa Behrends at lisa.behrends@iowa.gov (515-251-3511) no later than Monday, February 16. Space is limited in some of the locations, therefore, register early for logistical purposes. Thank you. The agenda will be sent out prior to the workshop dates.

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