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CITY ADMINISTRATOR'S OFFICE MEMO
cityadmin@hiawatha-iowa.com
319-393-1515 ext.523

To: Mayor and City Council

From: City Administrator, Kim Downs

Date: September 15, 2017

RE: Housing Rehabilitation 2018 CDBG Grant and Administrator Services

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In a quick review of housing rehabilitation surveys, it looks like our targeted area is above the 51% LMI (low to moderate income) which makes us eligible to submit for a Home Owner Occupied Community Development Block Grant (CDBG) application with a deadline of January 2018.

When we first discussed this opportunity last September I had asked for council to allow staff to do the following:

1. Determine target area of LMI with the highest concentration of owner occupied housing,
2. test citizens interest by sending out informational letters,
3. Allow staff and volunteers to knock on doors to gather the required income survey's,
4. Determine which agency will administrator the program if the income surveys demonstrate 50+ meet the LMI requirements. The agencies fees for admin and technical services are part of our local match,
5. Submit CDBG Owner Occupied Housing Rehabilitation Grant Application,
6. Provide the needed local match through LOSST funds totaling $12,000-$15,000.

We have completed items 1, 2, 3, and 6. Wednesday night I will ask for council to move forward with item number 4 and 5 approving and directing Mayor Bennett to sign a service agreement with ECIcog to assist with the grant application and if our application is successful to administer the CDBG. You will note in the agreement the fees for their services will be a part of the application which will either be used as our match and/or reimbursed to the city through the grant. This grant is administrated and funded as draw down similar to how we have administrated our RISE grants.
If the application is not successful ECIcog will not charge the city a fee for their assistance in preparing the grant application. ECIcog's experience with CDBG's have been very successful in the past.

The Community Development Block Grant, we will be applying for is an owner-occupied housing rehabilitation grant. This grant is a competitive grant that provides assists for low to moderate income homeowners with repairs on their property to meet minimum housing standards and address lead hazard concerns. The grant would assist six (6) single family homes with a maximum of $24,999 in general repairs and an additional $7,500 for lead reduction work if necessary.
For the residents in our targeted area that meet the requirements the grant acts as a forgivable loan with a 5-year sliding scale.

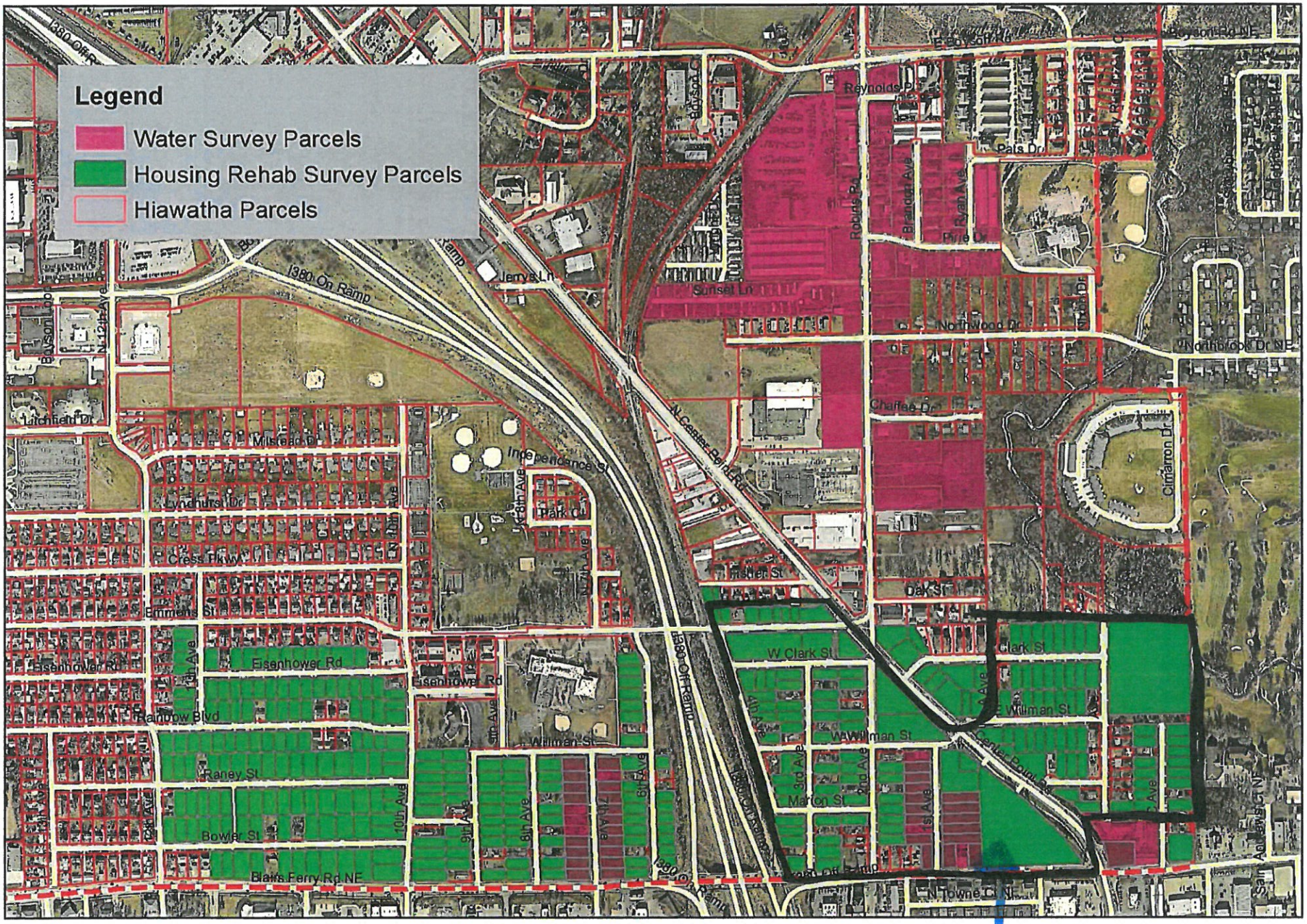
The CDBG is a great opportunity for communities in Iowa. This funding is made annually available through the Department of Economic Development to help cities meet the needs of their aging communities and is a necessary component of our 2036 Comprehensive Plan.

Thank you for your consideration!

Kim

2016 HUD Income Limits - ECICOG Counties

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
Benton County	$40,050	$45,800	$51,500	$57,200	$61,800	$66,400	$70,950	$75,550
Iowa County	$42,250	$48,250	$54,300	$60,300	$65,150	$69,950	$74,800	$79,600
Johnson County	$46,000	$52,600	$59,150	$65,700	$71,000	$76,250	$81,500	$86,750
Jones County	$37,350	$42,700	$48,050	$53,350	$57,650	$61,900	$66,200	$70,450
Linn County	$42,700	$48,800	$54,900	$60,950	$65,850	$70,750	$75,600	$80,500
Washington County	$38,500	$44,000	$49,500	$54,950	$59,350	$63,750	$68,150	$72,550



Hiawatha!™

1 inch = 700 feet

TARGET AREA

ECICOG

EAST CENTRAL IOWA
COUNCIL OF GOVERNMENTS
YOUR REGIONAL PLANNING AGENCY

MEMORANDUM

DATE: August 31st, 2017

TO: Kim Downs, City of Hiawatha

FROM: Melanie Riley, Housing Planner

RE: CDBG Application – Required Documents

Enclosed, please find two ECICOG Service Agreements which require signatures as part of the CDBG Housing Rehabilitation Program Application.

Please have the Mayor sign both of the enclosed documents. Once signed, please return both signed originals to the address at the bottom of this page, attention: Melanie Riley. Once signed by our Executive Director, I will return one original to you for your files.

Please feel free to contact me should you have any questions. Thanks!

700 Sixteenth Street NE, Suite 301 Cedar Rapids, Iowa 52402 319-365-9941 FAX 319-365-9981 www.ecicog.org

30% POST CONSUMER CONTENT

EAST CENTRAL IOWA
COUNCIL OF GOVERNMENTS
YOUR REGIONAL PLANNING AGENCY

SERVICE AGREEMENT

Purpose. This SERVICE AGREEMENT is hereby entered into by the **CITY OF HIAWATHA, IOWA** (hereinafter referred to as "the CITY") and the **EAST CENTRAL IOWA COUNCIL OF GOVERNMENTS** (hereinafter referred to as the "SERVICE PROVIDER") for the purpose of contracting with the SERVICE PROVIDER for the preparation of a **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) APPLICATION** (hereinafter referred to as "APPLICATION").

Terms & Fee. The SERVICE PROVIDER will provide staff services at **no charge**. The CITY agrees, by signing this SERVICE AGREEMENT, to have the SERVICE PROVIDER administer the project if the APPLICATION is successful, the fee for such service to be stipulated in the APPLICATION.

If at such time the CITY chooses not to enter into an agreement for CDBG administrative services with the SERVICE PROVIDER, the CITY shall be billed for the cost of preparing the APPLICATION at the SERVICE PROVIDER'S hourly rate of $74.00; not to exceed $5,000.

Effective Dates. The effective starting date of this SERVICE AGREEMENT shall be September 20th, 2017, and the SERVICE AGREEMENT shall remain in effect until the Notice of Award. Upon award of a grant, the CITY and the SERVICE PROVIDER shall enter into a separate SERVICE AGREEMENT for grant administration.

Termination. This SERVICE AGREEMENT may be terminated by either the CITY or the SERVICE PROVIDER by submitting written notice of termination to the other party no less than seven (7) days before the end date of this SERVICE AGREEMENT.

This SERVICE AGREEMENT represents the entire and integrated agreement between the CITY and the SERVICE PROVIDER and supersedes all prior negotiations, representations, or agreements, either written or oral. This SERVICE AGREEMENT may be amended only by written instrument signed by both the CITY and the SERVICE PROVIDER.

CITY:

_____ _____
Mayor, City of Hiawatha Date

SERVICE PROVIDER:

_____ _____
Executive Director, ECICOG Date

DRAFT

RESOLUTION NO. 17-
City Council

RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A SERVICE AGREEMENT BETWEEN THE CITY OF HIAWATHA AND EAST CENTRAL IOWA COUNCIL OF GOVERNMENTS (ECICOG)

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIAWATHA, IOWA, that the Mayor is hereby authorized to sign the Service Agreement between the City of Hiawatha and East Central Iowa Council of Governments (ECICOG) for the purpose of preparing a Community Development Block Grant (CDBG) Application (see attached agreement Exhibit A).

AYES:
NAYS:
ABSENT:

PASSED AND APPROVED this 20th day of September, 2017.

_____
Bill Bennett, Mayor

ATTEST:

_____
Kelly Kornegor, City Clerk