

**CITY COUNCIL  
COMMUNICATION:**

**ITEM \_\_\_\_\_**

**02-096**

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**AGENDA:**

FEBRUARY 18, 2002

**SUBJECT:**

PY 2002 FUNDING  
ALLOCATIONS

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**SUBMITTED BY:**

JAMES GRANT  
COMMUNITY  
DEVELOPMENT  
DIRECTOR

**SYNOPSIS -**

The Department of Housing and Urban Development (HUD) has recently notified the City of our funding allocations for PY 2002. The following shows the amounts we estimated for the 2002 Action Plan compared to the actual amounts the City will receive for the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Shelter Grant (ESG) programs.

**FISCAL IMPACT -**

An additional \$35,000 will be available for allocation.

**RECOMMENDATION -**

**Approval.**

**BACKGROUND -**

**PROGRAM ESTIMATED AMOUNT ACTUAL AMOUNT DIFFERENCE**

CDBG \$5,200,000 \$5,207,000 +\$ 7,000

HOME \$1,400,000 \$1,427,000 +\$27,000

ESG \$ 180,000 \$ 181,000 +\$ 1,000

TOTAL \$6,780,000 \$6,815,000 +\$35,000

Over the past several years, HUD has been pushing slow-spending entitlement cities to make timely expenditure of their allocations. It is quite likely that some cities will lose a portion of their entitlement grants this year because of slow spending and these amounts will be reallocated to communities that are spending their money in a timely

manner. Des Moines does not have a problem with timely expenditure and could receive additional funding.

It will be early April before the exact amount of any unspent CDBG funds from previous years is known. It does not appear at this time that there will be a significant amount of CDBG funds to reprogram. The Neighborhood Revitalization Board (NRB) recommends that the \$7,000 in additional CDBG funds be held until the reprogramming amount is known, and we know if there is going to be any reallocation of funds nationally.

The NRB also recommends that the additional HOME money be allocated to the Neighborhood Conservation Services Division (NCS) and be added to the amount available for new construction. Projects could be undertaken by NCS, Community Housing Development Organizations (CHDO), and/or private nonprofits.

The NRB will forward a recommendation on the allocation of the additional \$1,000 of 2002 ESG funds at a later date.

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