


# COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	<b>23-314</b>	Meeting:	<b>June 26, 2023</b>
	Agenda Item:	<b>34</b>	Roll Call:	<b>23-0913</b>
	Submitted by:	<b>Chris Johansen, Neighborhood Services Department Director</b>		

## AGENDA HEADING:

Reallocation of Community Development Block Grant funding to prepare for, prevent, and respond to Coronavirus (CDBG-CV) to Des Moines Area Religious Council (DMARC).

## SYNOPSIS:

In 2020, the City received three (3) rounds of CDBG funding as part of the federal government's response to the COVID pandemic. Approximately \$100,000 between those three (3) rounds is expected to remain after June 30, 2023, and it is recommended that funding be reallocated to DMARC.

## FISCAL IMPACT:

Amount: Estimated \$100,000 in CDBG-CV funds

Funding Source: Fiscal Year (FY) 2023 Operating Budget, Neighborhood Services, Special Revenue and Other Funds, CDBG, COVID Relief Funds, Page 141

## ADDITIONAL INFORMATION:

- In partnership with its subrecipients, the City has expended more than \$4 million in CDBG-CV funds in response to the Coronavirus pandemic.
- CDBG-CV funds were used for small business relief; to address food insecurity; prevent eviction or foreclosure for the households most at-risk of homelessness; mental health care services for refugees, immigrants, and children; job training and assistance for childcare providers; childcare scholarships and programming; and hot spot internet access for students of Des Moines Public Schools.
- In addition to the public health crisis, the Coronavirus pandemic also created an unstable job market, which created some difficulties for the City and its subrecipients when trying to utilize CDBG-CV funds. As a result, some programs were unable to fully expend their allocations.
- Food insecurity and associated expenses continue to increase. As a result, City staff in consultation with the City Manager recommend directing any unspent CDBG-CV funds to DMARC.

- Below are the projected unspent amounts by subrecipient and proposed reallocation to DMARC. These are estimates. The DMARC contract will be a minimum of \$100,000, but it may be increased depending on actual subrecipient expenditures and unused funds as of June 30, 2023. If unspent subrecipient funds do not reach \$100,000 as of June 30, 2023 expenditures, the City may use some of its CDBG-CV administration funding to supplement the DMARC allocation.

Org Code	IDIS #	Project Description	Contract Amount	Projected Reallocation
CDB00820	1907	IMPACT (CV1)-Hsg Subsistence	\$ 684,970.00	\$ (9,793.99)
CDB02320	N/A	IMPACT (CV2)	\$ 926,677.00	\$ (2,302.32)
CDB03620	N/A	Orchard Place (CV2)	\$ 133,451.00	\$ (37,900.92)
--	N/A	Personal Protective Equip. (CV2)	\$ 25,000.00	\$ (25,000.00)
CDB04621	1975	Oakridge Academy (CV3)	\$ 288,000.00	\$ (25,000.00)
		DMARC		\$ 99,997.23

- On June 14, 2023, Iowa Economic Development Authority (IEDA) approved the City's CDBG-CV 2 agreement extension request, making the agreement end date June 30, 2024, and request to reallocate unspent funds to DMARC.

#### PREVIOUS COUNCIL ACTION(S):

Date: May 22, 2023

Roll Call Number: [23-0728](#)

Action: [Community](#) Development Block Grant (CDBG) funding to prepare for, prevent, and respond to Coronavirus, second round (CDBG-CV 2), first extension request to IEDA for grant agreement number 20-CVE-001. ([Council Communication No. 23-257](#)) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

#### BOARD/COMMISSION ACTION(S): NONE

#### ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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