



**Roll Call Number**

21-0621

**Agenda Item Number**

22

**Date** April 19, 2021

**APPROVAL OF SUPPLEMENTAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG-CV), THIRD ROUND, FUNDING AGREEMENT WITH THE US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) TO PREPARE FOR, PREVENT, AND RESPOND TO CORONAVIRUS**

**WHEREAS**, on March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into Public Law 116-136, which provides additional Community Development Block Grant (CDBG-CV) and Emergency Solutions Grant (CDBG-CV) funding to prepare for, prevent, and respond to coronavirus; and

**WHEREAS**, on April 2, 2020, the U.S. Department of Housing and Urban Development (HUD) allocated the City of Des Moines \$2,231,212 in CDBG-CV round one funds for activities to respond to the public health crisis; and

**WHEREAS**, on May 11, 2020, HUD announced the availability of a second round of \$1 billion in CDBG-CV funds for states which allows them to fund activities in entitlement areas; and

**WHEREAS**, IEDA allocated \$2,067,124 CDBG-CV 2 funds to the City of Des Moines, and on September 14, 2020 by Roll Call No. 20-1511, Council approved said activities to be submitted as an application to IEDA to be included in the State of Iowa's Annual Action Plan; and

**WHEREAS**, on June 9, 2020, HUD awarded a second ESG-CV allocation to the City of Des Moines in the amount of \$2,081,414 for activities to respond to the public health crisis, and on November 23, 2020 by Roll Call No. 20-1977, Council approved said activities to be submitted as the second amendment to the City's 2019 Action Plan; and

**WHEREAS**, on September 11, 2020, HUD awarded a third round of CDBG-CV funds to the City of Des Moines in the amount of \$1,241,887 for activities to respond to the public health crisis, which will be submitted as the third amendment to the City's 2019 Action Plan after a public comment period and public hearing; and

**WHEREAS**, the cumulative amount of funding allocated under the CARES Act is \$3,473,099 in CDBG-CV funds directly from HUD; \$2,067,124 in CDBG-CV funds from Iowa Economic Development Authority, and \$3,189,748 in ESG-CV funds, or \$7,736,461 total; and

**WHEREAS**, HUD has now forwarded a Grant Agreement for \$1,951,677 of CDBG-CV, third round, as on file with the City Clerk and by this reference made a part hereof.

**NOW, THEREFORE BE IT RESOLVED** by the City Council of the City of Des Moines, Iowa, as follows:

1. That the above referenced Grant Agreement by and between HUD and the City of Des Moines, whereby the City will receive a third round of CDBG-CV funds totaling \$1,241,887 is hereby approved.
2. That the Mayor is hereby authorized and directed to execute the above referenced Grant Agreement and the City Clerk to attest to his signature.

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- 3. That the Neighborhood Services Director and designees are authorized and directed to administer the Grant Agreement in accordance with the funding and programs described in Council Communication No. 21-173.

(Council Comm. No. 21-173)

MOVED BY Gatto TO ADOPT

FORM APPROVED:

Judy K. Parks-Kruse
Judy K. Parks-Kruse
Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
BOESEN	✓			
GATTO	✓			
GRAY	✓			
MANDELBAUM	✓			
VOSS	✓			
WESTERGAARD	✓			
TOTAL	7			

CERTIFICATE

I, P. Kay Cmelik, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED

APPROVED

J. M. Franklin Cownie
Mayor

P. Kay Cmelik

City Clerk

22

# Funding Approval/Agreement

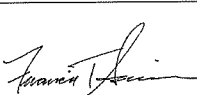
Title I of the Housing and Community Development Act (Public Law 930383)  
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development  
 Office of Community Planning and Development  
 Community Development Block Grant Program

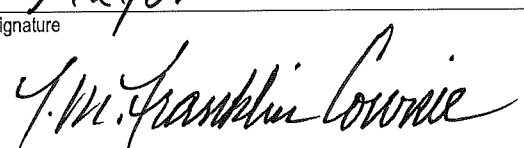
OMB Approval No. 2506-0193  
 exp 5/31/2018

1. Name of Grantee (as shown in item 5 of Standard Form 424) Des Moines	3a. Grantee's 9-digit Tax ID Number 426004514	3b. Grantee's 9-digit DUNS Number 073498909
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 602 East 1St Street Des Moines, IA 50309-1881	4. Date use of funds may begin (mm/dd/yyyy) 05/26/2020	
	5a. Project/Grant No. 1 B-20-MW-19-0003	6a. Amount Approved \$3,473,099
	5b. Project/Grant No. 2	6b. Amount Approved

**Grant Agreement:** This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) Francis T. Severin		Grantee Name (Contractual Organization) Des Moines	
Title Director, Community Planning and Development Division		Title	
Signature 	Digitally signed by: Francis Tim Severin Date: 2021.03.26 11:48:32 -05'00'	Date (mm/dd/yyyy) 03/26/2021	Signature Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action:  Entitlement, Sec 106(b)	8. Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 03/25/2021	10. check one <input type="checkbox"/> a. Orig. Funding Approval <input checked="" type="checkbox"/> b. Amendment Amendment Number 1
		9b. Date Grantee Notified (mm/dd/yyyy) 03/26/2021	
		9c. Date of Start of Program Year (mm/dd/yyyy) 01/01/2020	
11. Amount of Community Development Block Grant			
		FY (2020)	
a. Funds Reserved for this Grantee		\$3,473,099	
b. Funds now being Approved			
c. Reservation to be Cancelled (11a minus 11b)			

12a. Amount of Loan Guarantee Commitment now being Approved N/A	12b. Name and complete Address of Public Agency Des Moines 602 East 1St Street Des Moines, IA 50309-1881
<b>Loan Guarantee Acceptance Provisions for Designated Agencies:</b> The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency T.M. Franklin Cownie
	Title Mayor
	Signature 

**HUD Accounting use Only** Region 7, Field Office 26, Appropriation 860/20162, PAS Code E9C, Source Year 2020 (3)

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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### Additional CDBG-CV Requirements

In addition to the terms and conditions in the Funding Approval/Agreement, the following requirements apply to Grantees receiving CDBG-CV funds in accordance with the Coronavirus Aid, Relief and Economic Security Act (CARES Act) (Pub. L. 116-136).

- 1) The Grantee agrees to comply with the requirements in the CARES Act that apply to CDBG-CV grants and must use the CDBG-CV grant funds to prevent, prepare for and respond to coronavirus.
- 2) The grantee agrees to comply with the requirements of the Housing and Community Development Act of 1974 (42 USC 5301 et seq.) and implementing regulations at 24 CFR part 570, as now in effect and as may be amended from time to time, and as modified by the rules, waivers and alternative requirements published by HUD from time to time. Rules, waivers and alternative requirements of Federal Register notices applicable to CDBG-CV grants are hereby incorporated into and made a part of the grant agreement.
- 3) The Grantee may use CDBG-CV funds as reimbursement for previously incurred costs, provided that those costs are allowable and consistent with the CARES Act's purpose to prevent, prepare for and respond to coronavirus.
- 4) The grantee agrees to establish and maintain adequate procedures to prevent any duplication of benefits as required by section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155), as amended by section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115-254; 132 Stat. 3442).
- 5) The period of performance for the funding assistance specified in the Funding Approval/Agreement ("Funding Assistance") shall be six years. It shall begin on the date specified in item 4 in the Funding Approval/Agreement and shall end six years later, on the month and day specified in item 4. The Grantee shall not incur any obligations to be paid with the Funding Assistance after this period of performance.
- 6) The Recipient shall attach a schedule of its indirect cost rate(s) in the format set forth below to the executed Funding Approval/Agreement that is returned to HUD. The Recipient shall provide HUD with a revised schedule when any change is made to the rate(s) described in the schedule. The schedule and any revisions HUD receives from the Recipient shall be incorporated herein and made a part of this Funding Approval/Agreement, provided that the rate(s) described comply with 2 CFR part 200, subpart E.

Administering		Direct
<u>Department/Agency</u>	<u>Indirect cost rate</u>	<u>Cost Base</u>
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____

Instructions: The Recipient must identify each agency or department of the Recipient that will carry out activities under the grant, the indirect cost rate applicable to each department/agency (including if the de minimis rate is used per 2 CFR §200.414(f)), and the type of direct cost base to which the rate will be applied (for example, Modified Total Direct Costs (MTDC)). Do not include indirect cost rates for subrecipients.

- 7) In addition to the conditions contained in the Funding Approval/Agreement (form HUD 7082), the grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Dun and Bradstreet Data Universal Numbering System (DUNS); the System for Award Management (SAM.gov.); the Federal Funding Accountability and Transparency Act as provided in 2 CFR part 25, Universal Identifier and General Contractor Registration; and 2 CFR part 170, Reporting Subaward and Executive Compensation Information.
  
- 8) The grantee shall ensure that no CDBG-CV funds are used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use. For the purposes of this requirement, public use shall not be construed to include economic development that primarily benefits private entities. Any use of funds for mass transit, railroad, airport, seaport or highway projects as well as utility projects which benefit or serve the general public (including energy-related, communication-related, water-related and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfield as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Public Law 107–118) shall be considered a public use for purposes of eminent domain.

- 9) The Grantee or unit of general local government that directly or indirectly receives CDBG-CV funds may not sell, trade, or otherwise transfer all or any such portion of such funds to another such entity in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under title I of the Act.
  
- 10) E.O. 12372-Special Contract Condition - Notwithstanding any other provision of this agreement, no funds provided under this agreement may be obligated or expended for the planning or construction of water or sewer facilities until receipt of written notification from HUD of the release of funds on completion of the review procedures required under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs, and HUD's implementing regulations at 24 CFR Part 52. The recipient shall also complete the review procedures required under E.O. 12372 and 24 CFR Part 52 and receive written notification from HUD of the release of funds before obligating or expending any funds provided under this agreement for any new or revised activity for the planning or construction of water or sewer facilities not previously reviewed under E.O. 12372 and implementing regulations.
  
- 11) CDBG-CV funds may not be provided to a for-profit entity pursuant to section 105(a)(17) of the Act unless such activity or project has been evaluated and selected in accordance with Appendix A to 24 CFR 570 - "Guidelines and Objectives for Evaluating Project Costs and Financial Requirements." (Source – This condition is included as requirement on the use of fiscal year 2020 CDBG funds by the Community Development Fund heading, Department of Housing and Urban Development Appropriations Act, 2020, Public Law 116-94, and is made applicable to this grant by the CARES Act).