

Iowa Northland Regional Council of Governments (INRCOG)
Funding Source Overview
2008 Natural Disasters
March 26, 2009

Community Development Block Grant (CDBG)-Supplemental-Jumpstart Infrastructure Program

1. Cities and counties are eligible applicants
2. Federal funds flowing through the state
3. Administered by the Iowa Department of Economic Development (IDED)
4. Infrastructure impacted by disasters
5. Less emphasis on low to moderate income status (LMI); more emphasis on “urgent need”
6. \$2.5M maximum per project in Round #1; \$5M maximum per project in Round #2
7. Abbreviated CDBG application
8. Round #1 applications were due February 18, 2009; Round #2 applications do not have a deadline at this time
9. <http://www.iowalifechanging.com/jumpstart/index.html>

Community Disaster Grants (cdg@iowa.gov)

1. Cities and counties are eligible applicants
2. State funds
3. House File 64, which has been signed by Governor
4. Administered by Iowa Homeland Security and Emergency Management Division (IHSEMD)
5. Unfunded Projects; Duplication of Benefits performed
6. Applications are due April 1, 2009
7. Three-page application; community allocations-no local match; examples of eligible projects and rules are found on the IHSEMD website
8. <http://www.iowahomelandsecurity.org/Home/2008Disaster/CommunityDisasterGrant/tabid/266/Default.aspx>

Community Disaster Loan Program

1. Dept. of Homeland Security/FEMA Loan Program for cities and counties
2. Federal low interest loan (2-3% over five years) for maintaining essential services
3. Must have financial information from years past, audits, etc.

Community Economic Betterment Account (CEBA)-Waiver for Certain Non-Retail Businesses

1. Must be in a Presidentially-declared disaster area
2. Must be a non-retail business that sustained substantial physical damage because of the disaster

3. Must be willing to commit to bringing its' employment level up to 90 percent of pre-disaster levels within six (6) months of receiving assistance from state
4. Must be willing to pay wages that are no less than wages paid prior to the disaster
5. Waivers may only be for non-statutory requirements or those established by administrative rule. Examples of non-statutory requirements include:
 - a. Qualifying wage requirement
 - b. Limitation on funding projects that have started (project initiation)
 - c. \$500,000 limit on the forgivable loan portion of an award
 - d. Requirement that the local government invest in the project

Economic Development Administration (EDA)-Disaster allocation

1. Eligible applicants include: cities, counties, institutions of higher education, public/private non-profits in cooperation with a local governmental unit
2. Federal funds-US Department of Commerce; two separate Notices (Federal Funding Opportunity)
3. Disaster assistance tied to job creation/retention
4. 75 percent federal; 25 percent local match (CDBG can be used as local match)
5. Open application deadline-for now
6. INRCOG Awarded Revolving Loan Fund for business assistance; all INRCOG Counties except Black Hawk County (BHC already has an EDA RLF); several months from being operational
7. INRCOG Awarded Disaster Coordinator positions (2)

Hazard Mitigation Grant Program (HMGP)

1. Federal funds (Department of Homeland Security/FEMA) flowing through the state (IHSEMD)
2. Structural Acquisitions (Buyout) Program-Applications were due January 30, 2009
 - a. Cities and counties are eligible applicants
 - b. 75 percent federal; 10 percent state; 15 percent CDBG
3. Hazard Mitigation Plans-Applications (multi-jurisdictional and single jurisdiction) are ongoing
 - a. Cities and counties are eligible applicants
 - b. 75 percent federal; 10 percent state; 15 percent local (in-kind is acceptable)
 - c. **Important: Plan is a prerequisite for other funding requests made under HMGP**
4. Hazard Mitigation Grant Program- Final day for Notice of Interest is ~~March~~ September 15, 2009; Final day for applications is ~~May~~ November 1, 2009;
 - a. Cities, counties and private non-profits are eligible applicants

Eligible projects include:

- a. Construction of tornado safe rooms (Multi-functional community or school safe room projects are highly encouraged)
- b. Acquisition, structural relocation or elevation of buildings located in a special flood hazard area
- c. Structural and non-structural retrofitting of existing public buildings, facilities, or utilities to protect against wind, ice, or flood hazards
- d. Minor structural hazard control or protection projects such as storm water management (e.g., culverts, floodgates, retention basins)
- e. 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
- f. 75 percent federal; 10 percent state; 15 percent CDBG or local

High Quality Job Creation (HQJC) Program: Waiver for Certain Businesses

1. Businesses may request a waiver of the average county wage calculation
2. If the waiver is approved, the business may receive one or more of the following based on the amount of qualifying investment in the project:
 - a. Investment tax credit equal to 1 percent of the qualifying investment (amortized over five years)
 - b. Refund of sales and use taxes paid to contractors or subcontractors during construction
 - c. Doubling of the state's refundable research activities credit

Jumpstart-Business Related (Excludes Waterloo and Cedar Falls-they are managing their own programs)

1. Business-Disaster Loans
 - a. State funds-Administered by IDEED
 - b. Businesses, including non-profits, that were physically or economically impacted by the disasters are eligible applicants
 - c. Business must have a disaster loan (from SBA or a financial institution)
 - d. Award limitations: 25 percent of loan; maximum of \$50,000; plus up to \$5,000 for energy efficiency
 - e. Application filing deadline is April 15, 2009
 - f. Reallocation of unobligated funds will occur on April 30, 2009
 - g. <http://www.iowalifechanging.com/jumpstart/index.html>
2. Commercial Rental Assistance Program
 - a. Federal funds flowing through the state-Administered by IDEED
 - b. Open to businesses that choose to reopen in a disaster-impacted area; relocate to a disaster-impacted commercial rental space; or a new business locating in a disaster-impacted commercial rental space
 - c. Rental assistance for up to six (6) months
 - d. Applicants must have a written 12-month rental agreement or lease
 - e. Award limitation: Maximum of \$50,000
 - f. Program will begin accepting applications on April 16, 2009

Jumpstart-Housing (Excludes Waterloo and Cedar Falls-they are managing their own programs)

1. State Jumpstart Housing - Program 1:
 - a. State funded program
 - b. Allowed funding for three distinct housing activities (Repair/Home-buyer Assistance/Interim Mortgage) for single family home owners, regardless of income, who had received FEMA Housing assistance due to last summer's storms
 - c. ~~40-year~~ 5-year zero interest forgivable loan that decreases at the rate of ~~40%~~ 20% per year as long as the homeowner continues to maintain the property as their principal residence
 - d. Loan is secured by a promissory note and deed restriction recorded against the property
 - e. All of these funds have been obligated and INRCOG is no longer accepting applications
2. Federal Jumpstart Housing Program:
 - a. Federally-funded program using Community Development Block Grant (CDBG) funds
 - b. Allows funding for the same single-family three housing activities as the State Jumpstart programs (Repair/Home-buyer Assistance/Interim Mortgage)
 - c. Homeowner must have received FEMA Housing Assistance and must be at or below 100% of County Median Income by family size
 - d. Amount of assistance available per home is dependent on several variables
 - e. Program has stipulations on reimbursing for repairs that have already been completed and for homes located in the 100-year floodplain
 - f. INRCOG has to inspect all homes and follow lead base paint guidelines
 - g. ~~40-year~~ 5-year zero interest forgivable loan that decreases at the rate of ~~40%~~ 20% per year as long as the homeowner continues to maintain the property as their principal residence
 - h. Loan is secured by a promissory note and deed restriction recorded against the property
 - i. INRCOG is continuing to accept applications

3. State Jumpstart Housing – Program 2:
 - a. State funded program
 - b. Allows funding for same three housing activities (Repair/Home-buyer Assistance/Interim Mortgage) as the first state program
 - c. Single-family homeowners who received FEMA Housing Assistance at or below 150% of County Median Income by family size are eligible
 - d. Can reimburse the homeowner for repairs already completed
 - e. Maximum of \$24,999 per home
 - f. Must attempt to program homeowners through the Federal Jumpstart program before using the second Jumpstart State program
 - g. ~~40-year~~ 5-year zero interest forgivable loan that decreases at the rate of ~~10%~~ 20% per year as long as the homeowner continues to maintain the property as their principal residence
 - h. Loan is secured by a promissory note and deed restriction recorded against the property
 - i. INRCOG is continuing to accept applications

4. Federal Jumpstart Rental Program:
 - a. Federally funded program using Community Development Block Grant (CDBG) funds
 - b. Allows residential landlords to seek funding for repairs to rental units that were damaged by last summer's storms
 - c. Projects have to be 7 units or less and can grant up to \$24,999 per unit for repair of storm damage
 - d. INRCOG must inspect each unit and also bring the unit up to Iowa's Minimum Housing Standard
 - e. Property owner must agree to maintain assisted rental property as affordable units by agreeing to rent ceiling and renting a portion of the units to low to moderate income tenants
 - f. 5-year zero interest forgivable loan that is secured by a promissory note and deed restriction recorded against the property
 - g. INRCOG is accepting applications until February 20, 2009?

5. Federal Jumpstart New Home Construction Production Program:
 - a. Federally funded program using Community Development Block Grant (CDBG) funds
 - b. Activity targeted at communities that lost single-family housing as a result of the 2008 disasters and limited to newly constructed single-family single unit residential dwelling units; manufactured single-family units are permissible if affixed to a permanent foundation and if they will be taxed as real property. Condominium-style single-family projects for individual homeownership are also permissible
 - c. IDED assistance under this program will be administered through the 11 Grant recipients who are administering the other Jumpstart programs and will primarily be down-payment assistance to individual homebuyers who are at or below 100% of County Median Income based on family size. The assistance will be given as a 10-year receding forgivable loan that will be junior to the principal mortgage loan. There will be a maximum per-unit development cost cap of \$180,000 and a maximum per unit subsidy cap of 30% of the per-unit development cost cap. There may also be money available for acquisition and construction financing
 - d. There will be building requirements including green and sustainability criteria; lender criteria; builder or developer fee limitations and ownership type requirements
 - e. INRCOG will be taking applications at a later date.

6. <http://www.iowalifechanging.com/jumpstart/index.html>

Small Business Disaster Recovery Grant Program (all INRCOG Counties except Chickasaw)

1. Contact: Hawkeye Community College; Deb White 291-2705, Ext. 283
2. Awards for small businesses (25 or fewer employees)
3. Up to \$5,000 for repair or replacement of equipment, infrastructure, and insurance co-pays and deductibles
4. Business must have been in existence prior to the disasters
5. Must have experienced a dislocation of at least one worker as a result of the disasters