Council Communication

Department: Community Development	Resolution No. _____	Public Hearing: 12-16-2024

Subject/Title

Approval authorizing the Mayor to execute a Memorandum of Understanding with the Community Development Department's Housing Development Program and authorizing the use of American Rescue Plan Act (ARPA) funds.

Background/Discussion

The City currently has $3,852,947.76 of unobligated American Rescue Plan Act (ARPA) funds that must be obligated by December 31, 2024. All APRA funds must be spent by December 31, 2026. In order to meet the "obligation" definition, the City must complete one of the following:

1. Placing an order for property or services
2. Entering into contracts, subawards, or similar transactions that require payment
3. Meeting a requirement under federal law or regulation
4. Meeting a provision of the SLFRF award terms and conditions

In 2023, the City began its implementation of the Housing Development Program (HDP) in an effort to expand its housing initiatives. In 2024, the City matched a $4 million grant from the Iowa West Foundation with $2 million in ARPA funds with the goal to create 1,300 new housing units in the next 10 years. Eligible activities under the program are:

1. Acquisition
2. Architectural and engineering expenses
3. Public infrastructure costs
4. Multi-family developer incentives
5. Missing middle housing development developer incentives
6. Administration

The program is designed to be flexible allowing for direct private developer incentives or supplement city acquisition and infrastructure projects that support housing development.

The City wishes to obligate its remaining ARPA funds towards the HDP to support its housing efforts. ARPA allows cities to enter into intra-local agreements with departments through a Memorandum of Understanding. This process meets Option 2 of the obligation definition.

Recommendation

Approval authorizing the Mayor to execute an agreement a Memorandum of Understanding between the City of Council Bluffs and the Council Bluffs Community Development Department for the purpose of obligating the use of American Rescue Plan Act (ARPA) lost revenue funds for the implementation of the Council Bluffs Housing Development Program.

Attachments

1. Housing Development Program Guidelines
2. Memorandum of Understanding
3. Resolution