Council Communication

Department: Community Development Case/Project No.: N/A	Ordinance No.: N/A Resolution No.: 25 - ___	City Council: 2-24-2025

Subject/Title

Resolution authorizing the Mayor to execute a contract with the Iowa Economic Development Authority's Community Development Block Grant Disaster Recovery Program (CDBG-DR) for the East Manawa Phase I Housing Development Project (19-DRH-020) in the amount of $6,873,501.

Location

Southerly connection from Mohawk Road to East Manawa Drive

Background/Discussion

Background

The Iowa Economic Development Authority (IEDA) is requested applications for the CDBG-DR Round 3 for the construction of new units of single-family for sale housing in response to the devastating impacts of the 2019 floods on Southwest Iowa. Homes constructed through this program will be built in a green, resilient manner and designed to better withstand the impacts of future natural disasters to affect the community. The State had approximately $8,140,000 available to fund the new construction of approximately 25-40 housing units, dependent on infrastructure in support of housing needs.

Community Development applied for its connection from Mohawk Road to East Manawa Drive to complete the needed infrastructure and the construction of 40 units in conjunction with Turn the Paige Investments to support the City's efforts to create new housing opportunities for Council Bluffs residents.

Discussion

The City was awarded $6,873,501 in funds from the CDBG-DR program. This will support the construction of the infrastructure and construction offset of the homes as well as provide down payment assistance to qualified homebuyers. All 40 units will be sold to households at or below 80% of the median family income for a sales price of $175,000.

City of Council Bluffs Updated CDBG-DR Budget

Grant Revenue	Per Unit Cost	Quantity	Unit of Measure	CDBG-DR Grant	Local Match	Total Cost
Infrastructure	$ 6,760	40	Units	$ 270,411	$ 1,911,452	$ 2,181,863
Housing Construction Offset $125k plus	$ 125,000	40	Units	$ 5,000,000	$ 7,000,000	$ 12,000,000
Mitigation	$ 5,077	40	Units	$ 203,090	$ -	$ 203,090
Down Payment Assistance	$ 35,000	40	Units	$ 1,400,000	$ -	$ 1,400,000
House Administrative Fee	$ -	40	Units	$ -	$ -	$ -
Subtotal	**$ 171,838**			**$ 6,873,501**	**$ 8,911,452**	**$ 15,784,953**
Infrastructure Admin Fee	$ -		Lump Sum	$ -	$ -	$ -
Subtotal	**$ -**			**$ -**	**$ -**	**$ -**
TOTAL	**$ 171,838**		**$ -**	**$ 6,873,501**	**$ 8,911,452**	**$ 15,784,953**

Local match will be provided through CDBG Entitlement funds, the City's EDI grant from 2022 and the City's Housing Development Program.

Staff Recommendation

The Community Development Department recommends City Council adopt a resolution authorizing the Mayor to execute a contract with the Iowa Economic Development Authority's Community Development Block Grant Disaster Recovery Program (CDBG-DR) for the East Manawa Phase I Housing Development Project (19-DRH-020) in the amount of $6,873,501.

Attachments

IEDA Contract