

*The State of Iowa*

# **Action Plan for Disaster Recovery Spring 2019 Flooding (DR-4421)**

DRAFT - The public is encouraged to comment on this DRAFT ACTION PLAN through 4:30 p.m. on Monday, June 1, 2020. The report may be obtained and comments accepted via the Internet at <https://www.iowaeconomicdevelopment.com/our-agency-detail-resources/6501> or by contacting:

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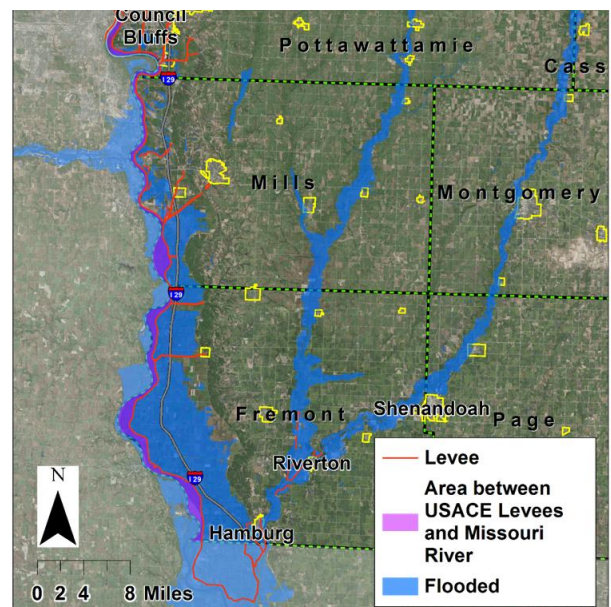
# Executive Summary

## Introduction

After an extremely cold and snowy winter of 2018-2019, a very strong storm system developed across Colorado on March 13, 2019; lifting northwest through the plains and Iowa the following two days. A period of warmer than normal temperatures, along with widespread rainfall, impacted much of Iowa as well as upstream basins of the Missouri River. Within two days, virtually all of the snowpack that existed across Iowa had melted and added to the widespread 1-3 inches of rain that fell across the entire state between March 12 and March 14. This series of weather patterns, and the still frozen soils, made condition in Iowa ripe for springtime flooding that began on March 13, 2019 and continued, primarily in southwest Iowa through the summer and into the fall.

The Missouri River U. S. Army Corps of Engineers levee system experienced at least nineteen levee breaches from Council Bluffs (Pottawattamie County) and south to the Missouri state line. The flood inundation levels were beyond any State or Federal capabilities to prepare for or prevent. Residents in the area east of the Missouri River to the Loess Hills were forced to evacuate due to rising and sustained floodwaters. Historic impacts to homes were witnessed in not only Fremont and Mills counties in the far southwest corner of the state, but all along the lengths of the Missouri River. It is estimated that many homes in the inundation area received as much as eight feet of water above the finished first floor, which did not recede for several weeks.

Due to the unprecedented nature of the levee system failure, along the Missouri River it is estimated that at least 400 homes in just two of the ten counties designated for individual assistance by the Federal Emergency Management Agency (FEMA) have received major damage or were completely destroyed. Damage to homes during this event reached catastrophic levels resulting in over 2,300 registrations and over \$13 million in grants approved under the FEMA Individual Assistance program. Of these registrations, 133 reached the FEMA Housing Assistance maximum grant cap, and as such could not fully recovered from the event with those resources.



Only a few weeks later, the Mississippi River on the state's eastern boarder was also swelling from increased snow melt, frozen soils unable to absorb recent rains, and increasing river flows. While the Mississippi River valley has a more robust flood protection mitigation system, and all temporary levee's were installed in a timely manner according to river levels, however, on April 30, 2019 a breach of the temporary levee system, resulted in significant flooding in Downtown Davenport, IA. The State's third most populated city saw flood waters inundate the commercial downtown along the Mississippi River, and on May 2, 2019 the Mississippi River crested at 22.7 feet, the highest level ever recorded in that location.

As with all disasters, the assessment of damage, and response is conducted multiple times by different organizations and for different purposes. This document tries to reflect those counts as time progressed to show the need and impact resulting from the flooding. Beginning with the Presidential Declaration of Disaster 4421, through the assessment and support provided by the Federal Emergency Management Agency (FEMA) and other Federal and State partners, through the assessment of unmet needs and the programming of funds.

As a result of the documented damage, and the remaining unmet need, the Federal Department of Housing and Urban Development allocated \$96,741,000 to the State of Iowa in Community Development Block Grant – Disaster Recovery (CDBG-DR) funds. The Iowa CDBG-DR Program used data from many partners as the basis of unmet need calculations while attempting to verify it with current survey information. In the months after the storm, and as a result of the allocation of Supplemental Disaster CDBG funding, the Iowa CDBG-DR Program, in conjunction with its partner agencies the Regional Planning Commissions and Community Action Agencies, assessed the remaining unmet need in the affected counties. Unmet need was discovered in the areas of housing, public infrastructure, and economic revitalization. The purpose of this Action Plan is to outline the use of these CDBG disaster funds in a manner that directly addresses the unmet needs. The focus initially is on housing, as required in the Federal Register. **This document will outline the impact of the disaster - focusing on the most impacted counties, document response efforts and remaining unmet needs, and will explain how CDBG-DR programs will be established and implemented to address those unmet needs.**

The CDBG Disaster Recovery Program will accept applications using an “open cycle” format allowing cities and counties to apply under any of the programs established. The expenditure of funds rate will be analyzed to ensure a timely use of funds. If the “open cycle” methodology is not producing applications and activities at a pace consistent with the planned expenditure rate, the State reserves the right to establish category deadlines with the intention of increasing the expenditure pace. Any change in access to applications for assistance will be announced publicly. Maximum application amounts, if applicable, and maximum beneficiary amounts, if applicable are spelled out in the Plan. At the point that the unmet housing need is exhausted, the CDBG-DR Program will formally amend the Plan to reflect the use of remaining funds in areas of unmet need in the categories of infrastructure and economic revitalization. This current Plan provides the unmet needs information for both of those categories and the amended Plan will provide an update as well as a method of distribution that reflects areas most impacted. The amendment will provide detail on categories of funding available, deadline dates, as applicable, and any maximums per applicant or beneficiary.

### **Key Numbers about this allocation**

**Total Allocation to the State of Iowa: \$96,741,000**

**80% of Allocation limited to MID Counties (Mills & Fremont): \$77,392,800**

**70% of Allocation must benefit Low-to-Moderate Persons: \$64,197,327**

***Programs must primarily consider and address unmet housing recovery needs first.***

## Proposed Program Budget Summary

| Program        | Funding by Program  | %           | Activity   | Funding by Activity |
|----------------|---------------------|-------------|--|---------------------|
| Housing        | \$72,555,750        | 75%         |  |                     |
|                |                     |             | Buyout – FEMA Match (35%)  | \$25,394,513        |
|                |                     |             | Buyout – All CDBG (15%)  | \$10,883,362        |
|                |                     |             | Developer Housing Incentive (50%)  | \$36,277,875        |
| Infrastructure | \$19,154,718        | 19.8%       | CDBG-DR Stormwater Infrastructure  | \$19,348,200        |
| Planning       | \$193,482           | 0.20%       | Land use planning  | \$193,482           |
| Admin          | \$4,837,050         | 5%          | IEDA Staff, Recipient Grant Administration, and Professional Services Contracts to assist with grant administration. | \$4,837,050         |
|                | <b>\$96,741,000</b> | <b>100%</b> | <b>Total Funds Allocated</b>   | <b>\$96,741,000</b> |



March 28, 2019 – I-29 & US 34 Interchange, Iowa DOT

# Section One – Disaster Introduction

## Appropriations Act

During the months that followed the spring 2019 flooding and disaster declaration, the U. S. Congress passed H. R. 2157, the *Additional Supplemental Appropriations for Disaster Relief Act, 2019*, and on June 6, 2019 President Donald J. Trump signed the act into law. (Public Law 116-20). Versions of the act had been drafted in congress in February of 2019, specifically to address 2018 Disaster events such as Hurricanes Michael and Florence, wildfires, typhoons and volcanic activity. When the mid-west floods and other spring 2019 disaster events occurred, those more recent events were added to the draft act, and ultimately incorporated into the law.

The Department of Housing and Urban Development (HUD) uses the “best available” data to identify and calculate unmet needs for disaster relief, long-term recovery, restoration of infrastructure, and housing and economic revitalization. Based on this assessment, HUD notified the State of Iowa that it will receive an allocation of \$96,741,000 in disaster recovery funds to assist in recovery from the floods of 2019, as detailed in Federal Register Notice 85 FR 4681, Dated January 27, 2020.

Due to the fact that the Act, included both new disaster appropriations, and supplement to existing CDBG-DR awards for earlier disasters, the Federal Register notice that included Iowa’s allocation of \$96,741,000, referenced prior Federal Register Notices for federal requirements and program compliance. The additional applicable Federal Register Notices with guidance and requirements for this program include:

83 FR 5844, February 9, 2018

83 FR 40314, August 14, 2018

84 FR 4836, February 19, 2019

84 FR 28848, June 20, 2019

The Additional Supplemental Appropriations for Disaster Relief Act requires that the state or local government must expend the funds within six years of the signed agreement between HUD and the State (grantee) unless an extension is granted by HUD. To ensure that the funds assist the most impacted areas, at least 80 percent of the combined total awarded to the state will go to the most impacted and distressed counties. All the allocated funds must be used for eligible disaster-related activities. Effective controls must be in place and monitored for compliance to ensure that fraud, waste, and misuse of funds does not occur.

The Iowa Economic Development Authority (IEDA) has been designated by Governor Kim Reynolds as the responsible entity for administering the CDBG-DR funds allocated to the state. Iowa submits this Action Plan to outline its unmet needs and establish how the state will allocate its funds through its programs. This includes the proposed use of funds, criteria for eligibility, and how funds will address long-term recovery in the most impacted and distressed areas. The Unmet Needs Assessment, which evaluates the three core aspects of recovery – housing, infrastructure, and economic development-- forms the basis for the decisions outlined in the Method of Distribution. This Action Plan was developed with the help of many state and local stakeholders as well as the public to target the unmet need that can be addressed by these limited federal funds.



## Summary of Impact and Presidentially Declared Counties

On March 21, 2019, Iowa Governor Kim Reynolds requested an expedited Presidential Major Disaster Declaration for 57 counties in Iowa impacted by flooding along the Missouri River and other parts of the State, which began on March 12, 2019 and was on-going at the time of the request. On March 23, 2019 President Donald J. Trump issued a Major Disaster Declaration (DR-4421). The flooding event continued, and the incident period remained open until June 15, 2019. By the end of the incident period, 80 of Iowa's 99 counties were included in the Presidential Disaster Declaration for some level of Public Assistance, and 10 counties: Fremont, Harrison, Louisa, Mills, Monona, Muscatine, Pottawattamie, Scott, Shelby and Woodbury were eligible for Individual Assistance.

While some impacted properties remained inaccessible for weeks after the start of the disaster event, joint federal, state, and local government Preliminary Damage Assessments (PDAs) were conducted in the requested counties and are summarized below.

### ***Individual Impacts***

- Total Number of Residences Impacted – 1,569
  - Destroyed - 320
  - Major Damage - 354
  - Minor Damage - 895
- Total Individual Assistance Cost Estimate - \$23,140,238

### ***Public Infrastructure Impacts***

The Primary impact was damage to roads, bridges, and water systems

- Total Public Assistance cost estimate - \$275,316,594
- Total Local Share (Unmet Need) - \$68,829,148

### ***Business Impacts***

- Estimated Serious Unmet Business Needs - \$4,771,913

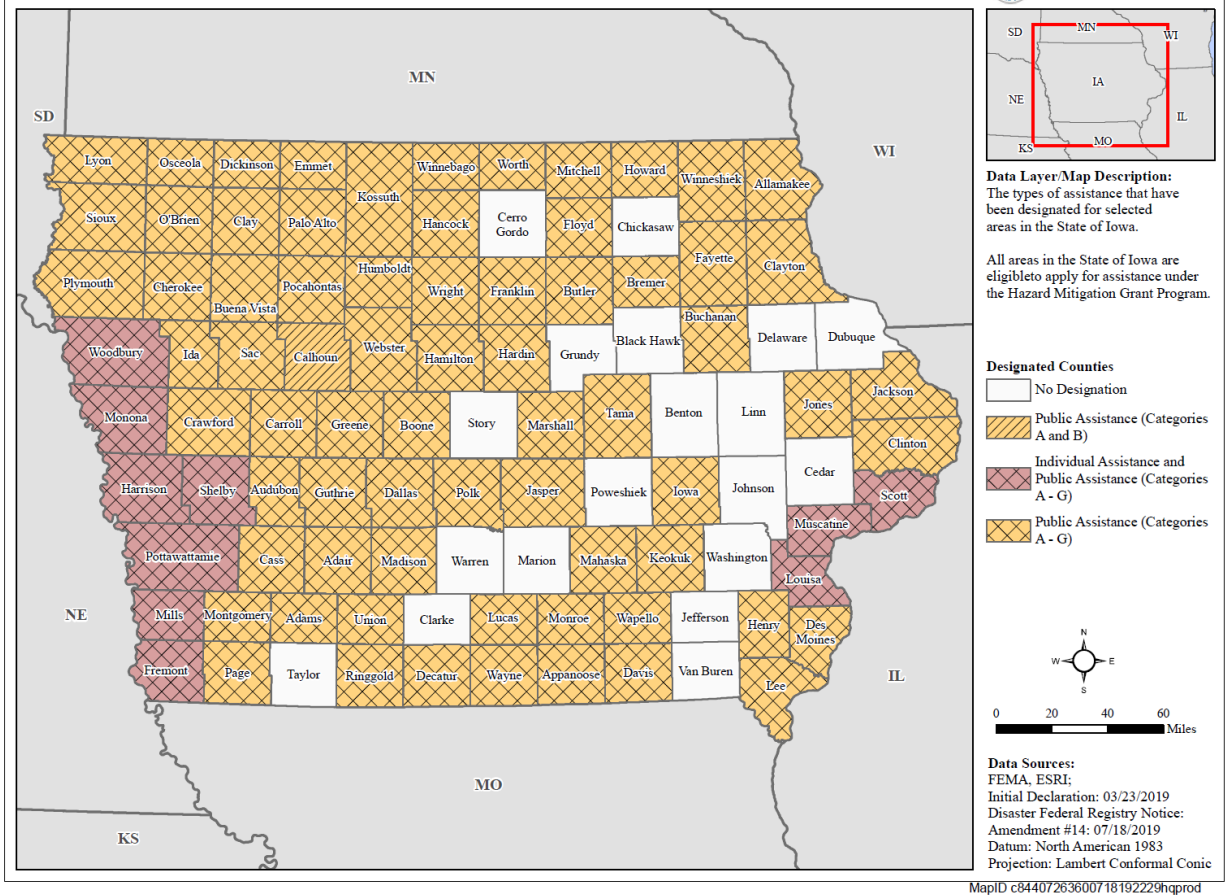


March 28, 2019 Iowa 2, Pilot Travel Center, Iowa DOT



# FEMA Eligibility Map

## FEMA-4421-DR, Iowa Disaster Declaration as of 07/18/2019



## Counties Eligible for FEMA Assistance

| County      | Public Assistance | Individual Assistance |
|-------------|-------------------|-----------------------|
| Adair       | X                 |                       |
| Adams       | X                 |                       |
| Allamakee   | X                 |                       |
| Appanoose   | X                 |                       |
| Audubon     | X                 |                       |
| Benton      |                   |                       |
| Black Hawk  |                   |                       |
| Boone       | X                 |                       |
| Bremer      | X                 |                       |
| Buchanan    | X                 |                       |
| Buena Vista | X                 |                       |
| Butler      | X                 |                       |
| Calhoun     | X                 |                       |
| Carroll     | X                 |                       |
| Cass        | X                 |                       |
| Cedar       |                   |                       |
| Cerro Gordo |                   |                       |
| Cherokee    | X                 |                       |
| Chickasaw   |                   |                       |
| Clarke      |                   |                       |
| Clay        | X                 |                       |
| Clayton     | X                 |                       |
| Clinton     | X                 |                       |
| Crawford    | X                 |                       |
| Dallas      | X                 |                       |
| Davis       | X                 |                       |
| Decatur     | X                 |                       |
| Delaware    |                   |                       |
| Des Moines  | X                 |                       |
| Dickinson   | X                 |                       |
| Dubuque     |                   |                       |
| Emmet       | X                 |                       |
| Fayette     | X                 |                       |
| Floyd       | X                 |                       |
| Franklin    | X                 |                       |
| Fremont     | X                 | X                     |
| Greene      | X                 |                       |
| Grundy      |                   |                       |
| Guthrie     | X                 |                       |
| Hamilton    | X                 |                       |
| Hancock     | X                 |                       |
| Hardin      | X                 |                       |
| Harrison    | X                 | X                     |
| Henry       | X                 |                       |
| Howard      | X                 |                       |
| Humboldt    | X                 |                       |
| Ida         | X                 |                       |
| Iowa        | X                 |                       |
| Jackson     | X                 |                       |

| County        | Public Assistance | Individual Assistance |
|---------------|-------------------|-----------------------|
| Jasper        | X                 |                       |
| Jefferson     |                   |                       |
| Johnson       |                   |                       |
| Jones         | X                 |                       |
| Keokuk        | X                 |                       |
| Kossuth       | X                 |                       |
| Lee           | X                 |                       |
| Linn          |                   |                       |
| Louisa        | X                 | X                     |
| Lucas         | X                 |                       |
| Lyon          | X                 |                       |
| Madison       | X                 |                       |
| Mahaska       | X                 |                       |
| Marion        |                   |                       |
| Marshall      | X                 |                       |
| Mills         | X                 | X                     |
| Mitchell      | X                 |                       |
| Monona        | X                 | X                     |
| Monroe        | X                 |                       |
| Montgomery    | X                 |                       |
| Muscatine     | X                 | X                     |
| O'Brien       | X                 |                       |
| Osceola       | X                 |                       |
| Page          | X                 |                       |
| Palo Alto     | X                 |                       |
| Plymouth      | X                 |                       |
| Pocahontas    | X                 |                       |
| Polk          | X                 |                       |
| Pottawattamie | X                 | X                     |
| Poweshiek     |                   |                       |
| Ringgold      | X                 |                       |
| Sac           | X                 |                       |
| Scott         | X                 | X                     |
| Shelby        | X                 | X                     |
| Sioux         | X                 |                       |
| Story         |                   |                       |
| Tama          | X                 |                       |
| Taylor        |                   |                       |
| Union         | X                 |                       |
| Van Buren     |                   |                       |
| Wapello       | X                 |                       |
| Warren        |                   |                       |
| Washington    |                   |                       |
| Wayne         | X                 |                       |
| Webster       | X                 |                       |
| Winnebago     | X                 |                       |
| Winneshiek    | X                 |                       |
| Woodbury      | X                 | X                     |
| Worth         | X                 |                       |
| Wright        | X                 |                       |

## **Section Two: Iowa Disaster Recovery**

### **Iowa Disaster Recovery Framework**

The State of Iowa exercises a robust Recovery Support Function (RSF) program, in accordance with Federal Department of Homeland Security, through Federal Emergency Management Agency (FEMA) models, engaging relevant state partners and resources in both exercising and responding to disaster events. Iowa has historically had a strong emergency response network with county emergency managers receiving training and technical support from the State.

Recovery is the process of returning a community to a normal state, albeit a “new normal”, after a disastrous incident. Recovery planning is paramount because no community is immune to disaster. A well-organized and collaborative approach will allow a faster recovery that leaves impacted communities more resilient. Emergency response is undoubtedly best achieved under a command and control structure, but recovery is best achieved through building consensus. It requires local dialogue, input, collaboration and participation from all sectors of the community. Iowa provides an organizational structure for addressing both the pre- and post-disaster recovery concerns for all hazard types. It is patterned after the National Disaster Recovery Framework (NDRF) that “establishes a common platform and forum for how the whole community builds, sustains, and coordinates delivery of recovery capabilities. Resilient and sustainable recovery encompasses more than the restoration of a community’s physical structures to pre-disaster conditions.

Through effective coordination of partners and resources, we can ensure the continuity of services and support to meet the needs of affected community members who have experienced the hardships of financial, emotional, and/or physical impacts of devastating disasters.” Pre-disaster planning greatly improves a community’s ability to successfully recover from a disaster. By identifying available resources, roles, and responsibilities, state and local officials will have the knowledge to better leverage assistance and coordinate with RSF partners to maximize availability and use of those resources. A whole community approach requires state and local governments; volunteer, faith- and community-based organizations; other non-governmental organizations; the private sector; and the public to work together. This teamwork enables communities to develop collective, mutually supporting local capabilities to withstand the potential initial impacts of these incidents, respond quickly, and recover in a way that sustains or improves the community’s overall well-being.

The long-term recovery effort considers community and regional recovery for public and private sector partners. It uses existing resources of the state; local, professional, technical, and financial programs to facilitate faster and more resilient recovery. The structure allows creative uses of existing programs. It also uses partnerships to form and solve problems. Stakeholder input is critical at every level. The State of Iowa specifies emergency operations necessary to coordinate disaster relief efforts for rapid return to pre-emergency conditions. It defines the state and local government roles and procedures for implementing supplemental federal

disaster assistance available under PL 93-288, the Robert T. Stafford Disaster Relief Act of 1988, as amended by PL 100-707. Providing services to people with disabilities and others with access and functional needs is implicit to the success of any recovery effort.

The Spring 2019 flooding event response was coordinated in accordance with such models. The State Emergency Operations Center (SEOC) was stood up, along with a web-based EOC to allow for a single point of data-sharing from remote disaster affected areas, and resources from around the state mobilized in response. As the local county emergency managers issued evacuation notices based on weather and flood gauge information, the State was also mobilizing resources. The Iowa Commission on Volunteer Services in coordination with local emergency managers established volunteer reception centers in Hamburg, IA (Fremont County) and Glenwood, IA (Mills County). These reception centers became one-stop-shops for flood impacted victims to access necessary supplies and make contact with disaster case managers for available resources.



Glenwood – Volunteer Reception Center

### **Governor's Flood Recovery Advisory Board**

One April 15, 2019 Governor Kim Reynold signed Executive Order #4 to establish the Flood Recovery Advisory Board to serve as a central point of coordination of state activities for the recovery and rebuilding efforts. The board was made up of both State Agency leaders and Community leaders from affected counties. The executive order further established six sub-committee working groups of the Flood Recovery Advisory Board:

- Finance

- Economic Development
- Agriculture
- Workforce and Housing
- Flood Management and Infrastructure
- Public Health

These working groups were staffed by State of Iowa employees and included members of the public and impacted citizens. The working groups met regularly and reported up to the Flood Recovery Advisory Board through their working group board representative.

Additionally, the State Legislature amended the existing Iowa Flood Mitigation Board to offer a disaster response, recovery, and mitigation grant program, dedicated to the ten FEMA declared Individual Assistance counties. Details on this program are included in Section Four.

## **Response Activities from Date of Incident**

### *Shelters*

Shelters were established in various communities throughout the state and were supported by the American Red Cross, the Salvation Army, and numerous local volunteers. During immediate response to the incident there were a total of 10 shelters open and active from Sioux County south to Fremont County, and also in Kossuth County. The majority of individuals being housed in shelters were forced from their homes within Fremont and Mills counties.

### *Schools*

This event severely impacted the educational systems in Fremont and Mills counties. Due to flood water inundation of water treatment and waste water treatment facilities the water systems in both Hamburg (Fremont) and Glenwood (Mills) were forced to end operations leaving not only the community but the schools without water. Hamburg Community School District and Glenwood Community School District worked diligently to provide some normalcy to students at a time when many were forced to also address flooding at home. Resources such as water buffalos and bottled water were stationed at various school buildings for sanitary and feeding purposes. Once school had dismissed for the summer, there remained a concern that displaced residents will require additional access and transportation to area schools.

### *Transportation*

Due to the magnitude of floodwaters the Iowa Department of Transportation was forced to close a number of major transportation routes across the state. The interchange of two major interstates, I-29 and I-680 were closed south of Council Bluffs (Pottawattamie) to the Missouri state line. This route created detour of approximately 134 miles for travelers between Kansas City, Missouri, and Council Bluffs, Iowa. Locally, these closures upwards of 20 to 30 miles on average to daily commutes for 76 days from March 12 through May 10, 2019. These same interchanges were subsequently closed beginning on May 29 and remained closed for the summer and into the fall. Road closures not only cause an increased cost of living but have impacted survivor's ability to maintain employment across state lines, specifically into Nebraska.

### *Healthcare*

Hospitals, clinics, and pharmacies throughout the declared area inundated and forced to activate emergency operations plans. The primary care provider for the southwestern region of Iowa, George C. Grape Community Hospital, and was provided water through the state emergency operation center and the Iowa National Guard until the city of Hamburg's public water supply DCM Justification Brief was back online on May 20, 2019. Other businesses, including pharmacies, continue efforts to reopen.

### *Housing*

Evacuations occurred through the impacted area.

- All citizens living west of I-29 and in the nearby unincorporated town of Bartlett (Fremont County)
- Southern half of the City of Hamburg (Fremont County)
- City of Thurman (Fremont County)
- City of Missouri Valley (Harrison County)
- All citizens in the immediate vicinity of the southern portion of Levee 601 within Mills County
- City of Pacific Junction (Mills County)
- All citizens west of the Loess Hills to the Missouri River in Mills County
- City of Kozsta (Iowa County)

Over 23,000 homes were assessed immediately following the event and nearly 1,200 were estimated to be majorly impacted. After the declaration was approved an additional four counties were assessed to have between twenty and thirty majorly impacted homes, but by June 2019 floodwaters have not fully receded leaving many homes inaccessible.

There is a severe lack of temporary and permanent housing options in the area along the Missouri River which impacted resident's abilities to fully recover. Due to the shortage of housing, the State of Iowa requested and received approval for FEMA's Direct Housing Assistance for eligible residents in Fremont and Mills counties. Forty residents were identified for potential direct housing assistance.

As of June 17, 2019, the FEMA IA Daily Summary indicated:

- 2,239 registrations have been approved for Housing Assistance for over \$11 million
- An additional \$1.6 million has been approved for eligible Other Needs Assistance
- 250 registrants sustained over \$17,000 in FEMA Verified Loss (FVL)
- 380 residences sustained major damage or were destroyed
- 133 registrants received the maximum award of \$34,930
- 39 households are eligible for Direct Housing Assistance

In addition to housing assistance and repair, 994 individuals are or have received rental assistance. The evacuations sited above resulted in numerous residents having to find shelter at

campgrounds, with friends or family, or in area hotels. The City of Pacific Junction (Mills) was inaccessible and underwater for approximately three weeks, resulting in the displacement of all 470 residents. Because of this critical need, the state activated Emergency Support Function 6 on April 10, 2019, and the governor activated a Flood Recovery Advisory Board on April 24, 2019, to identify strategies and recovery resources throughout the state.

Long-Term Recovery Committees (LTRCs) were established throughout the affected area. Woodbury and Scott counties have permanent Community Organizations Active in Disasters (COADs) groups and were active immediately at the beginning of the incident. Four other counties (Fremont, Harrison, Mills, and Pottawattamie) activated LTRCs between April 16 and May 2. These organizations activated city and county organizations, civic groups, service organizations, public health representatives, and emergency management to address the needs of their citizens

The Iowa Department of Homeland Security and Emergency Management activated Emergency Support Function #6 for Mass Care, Emergency Assistance, Temporary Housing and Human Services on April 10, 2019. The group includes federal, state, local, and voluntary agency representatives and was organized to identify potential temporary housing solutions within the declared area. The Iowa Finance Authority, as the state lead, provided information on the lack of housing stock in and around the counties along the Missouri River. This, in addition to the increased flood risk due to the lack of permanent flood protection, has increased the vulnerability of repeat and severe flooding along the river corridor.

Through FEMA's Individual Assistance, seven Disaster Recovery Centers (DRCs) were opened throughout the declared counties. The centers in Fremont and Mills County were scheduled to be open for an extended time in order to address the large population affected and will transition to Community Recovery Centers to continue to support residents. Across the DRCs over 1,400 contacts have been made with residents and assistance has been provided.

Since March 25th, 2019 Community Action Agencies have been implementing disaster case management services in Harrison, Mills, Monona, Pottawattamie, Sioux, and Woodbury counties, as well as on March 15th Shelby county, and April 11th Louisa and Scott counties.

The State of Iowa requested and received additional FEMA resources in the form of a Disaster Case Management award. These funds awarded through FEMA worked through the Iowa Department of Human Services to the FEMA declared individual assistance counties, through a network of Community Action Agencies. The Disaster Case Management funds are used to provide training, supplies and materials to the State to ensure sufficient case managers are able to meet with disaster victims and identify unmet needs, connect them with existing services and ensure that they are receiving all necessary and available benefits. In coordination with state partners including the Flood Recovery Advisory Board and the Long-term Housing Solutions Working Group, these Community Action Agencies have been able to provide assistance to flood impacted victims in the year since the disaster event.



### **Iowa Economic Development Authority's Role in Response**

The IEDA staff were actively engaged in the State's response efforts from the very beginning. Prior to the establishment of the Governor's Flood Recovery Advisory Board, IEDA's Director and staff met with the Governor regarding response efforts. After the Flood Recovery Advisory Board was established, several IEDA staff participated in the working groups, meeting frequently with flood impacted victims and touring the damaged areas to assess strategies for recovery.

IEDA staff participated in the Long-Term Housing Recovery Work Group Meeting, before any CDBG-DR funding was considered to meet the unmet need, IEDA staff provided guidance and assistance in housing disaster response. Once the *Additional Supplemental Appropriations for Disaster Relief Act, 2019* become law, IEDA Community Development Staff further engaged with local citizens and impacted municipalities to best inform this Action Plan. The following is a summary of some of the public engagement that occurred prior to drafting this document:



June 4, 2019 Workforce & Housing Working Group

**June 4, 2019:** IEDA Staff and the Workforce and Housing Working Group tour the damaged area and meet with impacted citizens.

**July 2, 2019:** Workforce and Housing Working Group host a public meeting regarding safety measures for rebuilding.

**September 25, 2019:** Workforce and Housing Working Group meet in Mills County discuss results of IEDA's Housing survey and talk about potential CDBG-DR funding programs.

**January 14, 2019:** IEDA and HSEMD Discuss Flood Mitigation Board Funding

**February 4, 2020:** IEDA Community Development presents DRAFT Action Plan to the public in Mills County including builders, developer and financiers interested in supporting the development of new housing.

**February 18, 2020:** IEDA and HSEMD met with the City of Hamburg and later with Fremont County Board of Supervisors regarding Flood Mitigation Funds and CDBG-DR eligible Projects.

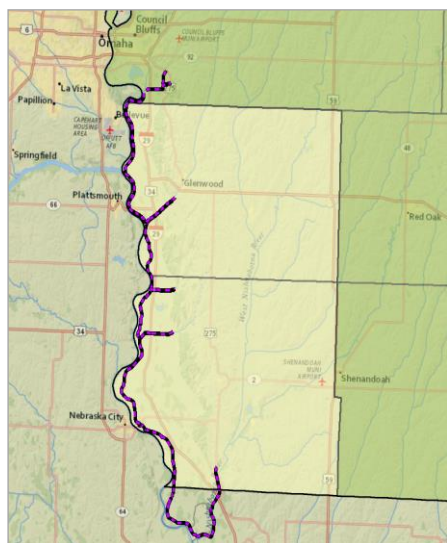
**March 9, 2020:** IEDA staff met with interested parties from Mills County to talk about Utility and Housing projects.

## Section Three: Overall Storm Impact

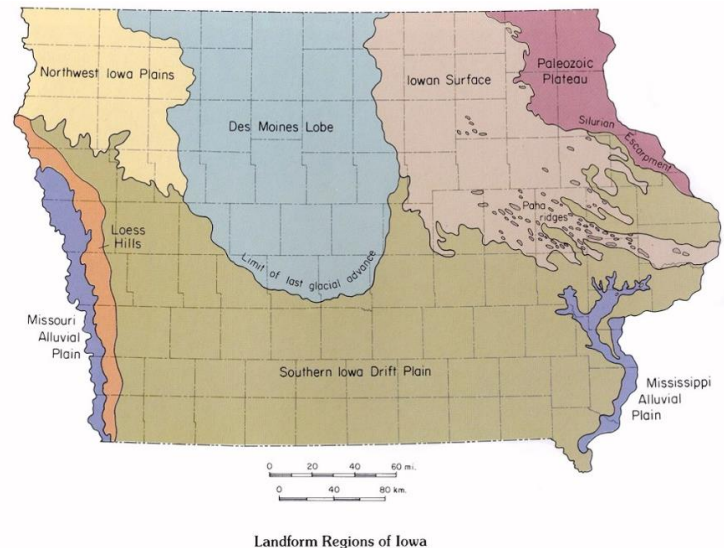
### Pre-Disaster Conditions

The 80 declared counties impacted by this disaster span the entire state of Iowa, with the initial and most severe impacts occurring primarily in the Southwest Iowa counties along the Missouri River.

The unique geography of western Iowa features the Loess Hills, situated between one and 15 miles east of the Missouri River, the large bluffs rise up to 200 feet above the flat plains of the Missouri River valley floodplain. During the last ice age, glaciers advanced to the middle of North America, grinding the underlying rock into dust like glacial flour. As temperatures warmed, the glaciers retreated, and vast amounts of meltwater and sediment flooded the Missouri River Valley. The sediment was deposited on the flood plain, creating huge mud flats. When meltwaters receded, these mud flats were exposed, and as prevailing winds impacted the mud flats, large dunes formed in the eastern extent of the river valley. Eventually these dunes stabilized by grass and prairie plants, forming the unique landform and drainage patterns of the Loess Hills. This Missouri Alluvial Plain spans along the western boarder of the State of Iowa from the Missouri River to the Loess Hills and can stretch up to fifteen miles wide (west-to-east). This flat river valley allows for agricultural production and ease of transportation along the river, and as such a complex series of levee structures have been built over the past two centuries to protect this Missouri Alluvial Plain. Rural communities continued to establish within the river valley, protected by man-made levees, however these communities, farms and developments remain subject to flooding events during years of heavy snow-melt, increased rain events, or high soil saturation, as was seen in the Spring 2019 events.



Existing Levee System



Iowa Geological Survey

The Spring 2019 flooding event continued over a four-month period, during which rivers, tributaries, and streams in Iowa swelled, resulting in flooding damage to 80 of Iowa's 99 counties, however, the counties with the most severe damage were those counties declared for Individual

and Public Assistance by FEMA: Fremont, Harrison, Louisa, Mills, Monona, Muscatine, Pottawattamie, Scott, Shelby and Woodbury. All of those counties, except for Shelby County, experienced flooding in the Iowa Geological Survey mapped Alluvial Plains. First along the Missouri River to the west, and later during the incident period along the Mississippi River on the eastern boarder of the state. Furthermore, the citizens most significantly impacted by the disaster event were residents of Mills and Fremont Counties.

## People

The two southwestern most counties of Iowa, Mills and Fremont Counties were the most impacted counties during the 2019 event, and as such, determined by the Federal Department of Housing and Urban Development (HUD) to be the Most Impacted and Distressed an Urgent Need (MID URN) areas.

Prior to this flooding event, these areas experienced some prior flooding, and population loss associated with past events, including events in 1993 and 2011. The State of Iowa is the 31<sup>st</sup> most populated State with an estimated 2018 population of 3,156,145. Out of Iowa's 99 counties, Mills County ranks 53<sup>rd</sup> with a population of 15,063, while Fremont County, Iowa's southwestern most county ranks 91<sup>st</sup> with a population of 6,993. Both counties are predominantly white, with minimal change in demographic population over the past decade.

| Table II.65.8<br>Population by Race and Ethnicity<br>Mills County<br>2010 Census & 2017 Five-Year ACS |               |               |                    |               |
|---|---------------|---------------|--------------------|---------------|
| Race  | 2010 Census   |               | 2017 Five-Year ACS |               |
|   | Population    | % of Total    | Population         | % of Total    |
| White   | 14,639        | 97.2%         | 14,433             | 96.7%         |
| Black   | 57            | 0.4%          | 118                | 0.8%          |
| American Indian   | 49            | 0.3%          | 107                | 0.7%          |
| Asian   | 55            | 0.4%          | 32                 | 0.2%          |
| Native Hawaiian/ Pacific Islander   | 10            | 0.1%          | 0                  | 0%            |
| Other   | 84            | 0.6%          | 83                 | 0.6%          |
| Two or More Races   | 165           | 1.1%          | 160                | 1.1%          |
| <b>Total</b>  | <b>15,059</b> | <b>100.0%</b> | <b>14,933</b>      | <b>100.0%</b> |
| <b>Non-Hispanic</b>   | <b>14,700</b> | <b>97.6%</b>  | <b>14,510</b>      | <b>97.2%</b>  |
| <b>Hispanic</b>   | <b>359</b>    | <b>2.4%</b>   | <b>423</b>         | <b>2.8%</b>   |

| Table II.36.8<br>Population by Race and Ethnicity<br>Fremont County<br>2010 Census & 2017 Five-Year ACS |              |               |                    |               |
|---|--------------|---------------|--------------------|---------------|
| Race  | 2010 Census  |               | 2017 Five-Year ACS |               |
|   | Population   | % of Total    | Population         | % of Total    |
| White   | 7,212        | 96.9%         | 6,716              | 96.1%         |
| Black   | 39           | 0.5%          | 50                 | 0.7%          |
| American Indian   | 23           | 0.3%          | 35                 | 0.5%          |
| Asian   | 20           | 0.3%          | 0                  | 0%            |
| Native Hawaiian/ Pacific Islander   | 1            | 0%            | 0                  | 0%            |
| Other   | 79           | 1.1%          | 101                | 1.4%          |
| Two or More Races   | 67           | 0.9%          | 83                 | 1.2%          |
| <b>Total</b>  | <b>7,441</b> | <b>100.0%</b> | <b>6,985</b>       | <b>100.0%</b> |
| <b>Non-Hispanic</b>   | <b>7,254</b> | <b>97.5%</b>  | <b>6,808</b>       | <b>97.5%</b>  |
| <b>Hispanic</b>   | <b>187</b>   | <b>2.5%</b>   | <b>177</b>         | <b>2.5%</b>   |

## Economic Conditions

Prior to the disaster event, Mills and Fremont counties had similarly positive economic conditions, with unemployment levels around 2.1% and 1.9% respectively, slightly lower than the State's 2.5% unemployment rates in the year prior to the disaster event.

Located close to the Omaha-Council Bluffs metropolitan area, with transportation and access to jobs in both Iowa and Nebraska the economic conditions in these two counties were stable. Prior to the disaster Mills County had 30% of the households with income above \$100,000 and a poverty rate of 9.2% and Fremont County had 20% of households earning above \$100,000 a poverty rate of 11%.

## Vulnerable Communities

As described above, the most impacted populations from the flooding were those areas of the counties that fall within the Alluvial Plain, or the flood plain of the Missouri River. One municipality in each county, along with some unincorporated areas of the counties were most significantly impacted during the disaster event, Pacific Junction in Mills County and Hamburg in Fremont County.

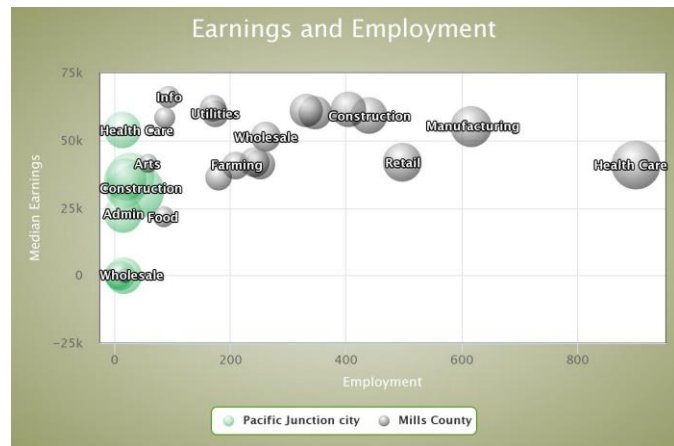
In Pacific Junction, a town with a population of 470 people, the pre-disaster unemployment rate was 6%, much higher than the County or the State. The average earnings in Pacific Junction were \$32,438 with primary employment in manufacturing, construction, retail, and healthcare. The most recent American Community Survey indicated a Low- and Moderate-Income population of 62.9%, and a poverty rate of 14%.

Hamburg, a town in Fremont County with a population of 1,089 had a pre-disaster unemployment rate of 8.9% and average earnings of \$37,662 with jobs primarily in farming, manufacturing, construction, retail, and transportation. The most recent American Community Survey indicated a Low- and Moderate-Income population of 61.3% and a poverty rate of 13%.

With economic conditions such as these pre-disaster, the flooding event of 2019 caused even greater hardship on these vulnerable populations.

## Storm Inundation

In mid-march 2019 heavy rain and above-freezing temperatures on top of deep snowpack in much of South Dakota, Nebraska and Iowa combined to create prime flooding conditions and ice jams along the Missouri river and tributaries. The National weather services indicated that much of the Midwest soil was saturated even before the snowier-than-average winter after mild flooding in the fall of 2018. By March 17<sup>th</sup> the power at Hamburg's water treatment plant was shut off just hours before floodwaters inundated the building. Residence of Mills and Fremont counties along the Missouri River are evacuated as necessary, including Pacific Junction, which after multiple levee breaches became inundated with up to 8 feet of water within hours.

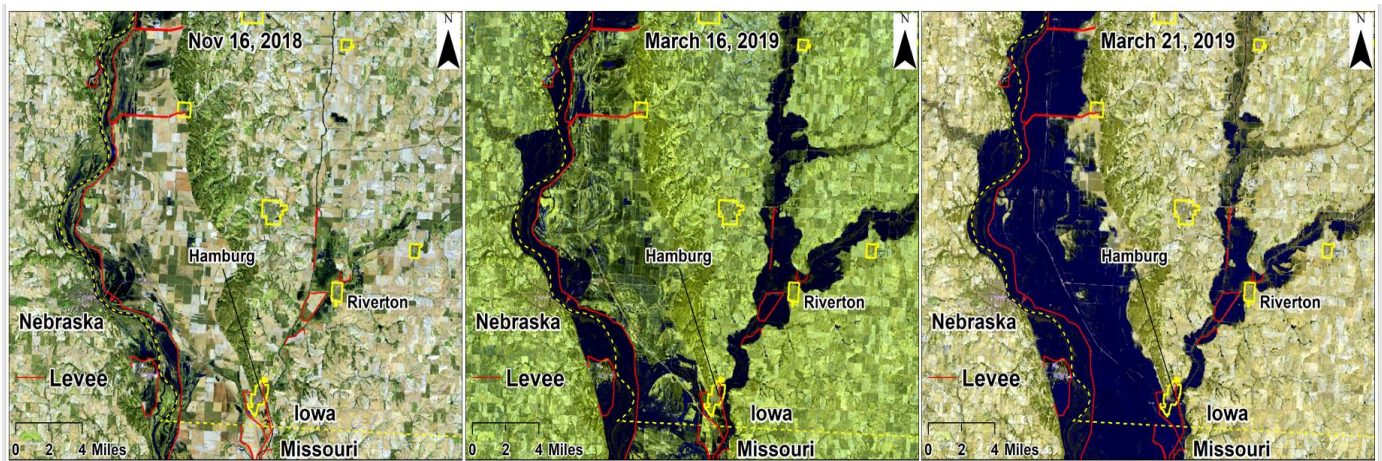




On March 19<sup>th</sup>, Vice President Mike Pence and Governor Kim Reynolds surveyed damage in western Iowa and eastern Nebraska, and just a few days later on March 21<sup>st</sup> floodwaters inundated the water treatment facility servicing Pacific Junction and Glenwood, the county seat of Mills County. As early as March 30<sup>th</sup>, some Hamburg residents were able to access homes and assess damage, however several properties remained inaccessible due to standing flood waters.

While flood waters were some-what receding along the Missouri River, on April 30<sup>th</sup> a temporary flood wall failed along the Mississippi River on the eastern board of Iowa in the City of Davenport, sending a rush of flood waters into Davenport's commercial downtown, creating widespread flooding in Iowa's third most populated city.

Flood assessment and clean-up efforts continued throughout the spring, however heavy rains in June, re-flooded the Missouri River valley, leaving many houses submerged for a second or even third time that spring.



2019 Spring Flood Inundation, Iowa Flood Center

## Section Four: Impact and Unmet Needs Assessment

### General Impact

The spring 2019 floods caused significant damage to housing, agricultural production, private and publicly held infrastructure, public utilities, and businesses. While the western flooding spanned somewhat low-density population areas, the significant impact to the agricultural lands and storage facilities in the area was notable. Due to the close proximity to the river and transportation, many agricultural storage silos were located in the inundation area.

Flooding caused silo collapse and the complete loss of stored product. Some silos were upended and carried significantly downstream. Homes were inundated for weeks, causing hundreds to be documented as destroyed, major roads closed for extended periods, agriculture missing the entire growing season and businesses closed indefinitely.



April 4, 2019, I-29 Between US 34 and Hamburg, Iowa DOT



April 20, 2019, Davenport Breach, National Weather Service

Eastern Iowa flooding saw inundation of a downtown commercial corridor, impacting restaurants, retail, recreation, infrastructure and multi-family housing. The failure of a temporary flood protection HESCO barrier, caused flood waters to expand into downtown Davenport, IA. Several other breaches in storm protection cause isolated damages to homes, infrastructure and business along the Mississippi River.

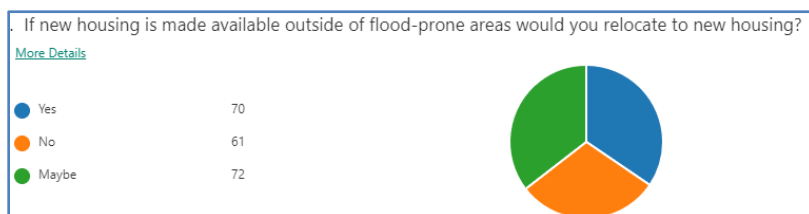
The Governor's Flood Recovery Advisory Board assessed the impact through sub-committee working groups. The two groups that most relate to the identification of unmet needs for the CDBG-DR program were the Workforce & Housing and the Economic Development working groups. Both groups met regularly and established methods of reaching out to flood impacted persons and organizations to gather data regarding unmet recovery needs. Infrastructure needs were considered by the Flood Management and Infrastructure working group. While FEMA identified a significant infrastructure need (over \$275million), much of the infrastructure work is contingent upon flood control systems, such as Levees and Floodwalls, typically items not funded with CDBG-DR.

## Housing

In July 2019, the IEDA, in coordination with the Governor's Flood Recovery Advisory Board Workforce and Housing working group, published an on-line survey of flood impacted citizens to gauge their most significant remaining needs. While FEMA programs were continuing to deploy, and not all benefits had been expended to flood victims the State was able to get a good sense of the current unmet needs. A need that resonated throughout the survey was housing; 68% of all respondents indicated that they could not reside in their own home after the disaster event. While 73% indicated that they had received or qualified for some form of assistance including assistance from FEMA, SBA, and Flood Insurance, only 8% indicated that the assistance met their needs.

With the unique circumstance of this disaster and inundation area limited to the geography of the Alluvial Plains, with continued flood risk, the state asked about impacted victims' interest in

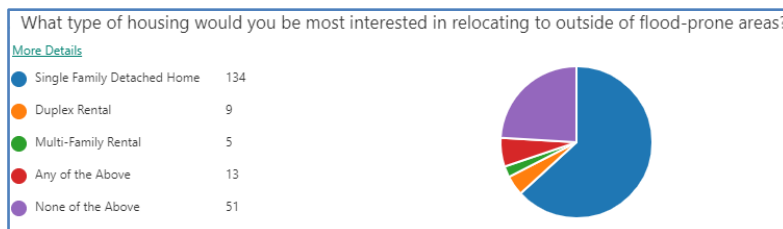
relocating outside of flood-prone areas. The responses were split in almost exact thirds, with 34% willing to relocate, 30% unwilling and the balance undecided.



When asked about the type of housing that most appealed to flood impacted victims, an overwhelming majority, 63% indicated a desire to relocate to a single family detached home outside of the flood prone areas,

followed by, "any," duplex and rental in that order. While 24% of the respondents indicated that would not relocate to new housing outside of the flood prone area. This leaves 76% of all respondents interested in new

housing units, however a lack of available housing makes meeting these needs impossible with the current housing stock.



During the spring 2019 flooding event 100% of the residential structures in Pacific Junction, portions of Hamburg and surrounding unincorporated Mills and Fremont Counties, were inundated with water, some as high as eight-to-nine feet above first floor level and some for as long as eight weeks. This massive inundation resulted in the eligibility for FEMA's Hazard Mitigation Grant Program (HMGP) for buy-outs and preservation of cleared land in perpetuity as open green space to reduce future flood loss and improve stormwater management. At the time of this report, 128 out of approximately 198 residential housing units in Pacific Junction are pending an HMGP buy-out. Similar conditions exist in Hamburg, where 74 properties are pending a buy-out. Between Mills and Fremont Counties alone, close to 300 properties are proposed for buy-out. The occupants of these houses pending buy-out have been displaced from their homes for over a year and will never move back to their flood affected properties.



Many of these residents are in temporary housing, unable to afford a permanent solution until they are compensated for the sale of their home. As such, the state has prioritized the voluntary buy-out of impacted residences as the greatest unmet housing need. The monetary proceeds of a buy-out will be the first step forward for most of the flood impacted residence.

The State of Iowa's HMGP program currently has requests from municipalities seeking voluntary buy-out totaling \$74,083,159; however, the State only has \$35 million available for this program. So even though the program can award as much as 75% per buy-out application, there are not enough funds to fully fund all HMGP applications to the 75% federal share. Leaving an unmet need for both the State and Local share and the Federal Share for remaining unfunded applicants.

The second highest unmet need from the spring 2019 flooding is the production of new housing units. The pre-disaster vacancy rate for housing was only 2.6% for all of Mills County, and only two new building permits were issued for the entire county in 2018. Fremont County had slightly higher vacancy at 16.5% and only 8 new building permits in 2018. This lack of available housing, the inundation of close to 300 households seeking new housing, has further increased the costs of existing housing, leaving little to no affordable housing available. Creating new housing with CDBG-DR funding is necessary to not only replace housing lost as a result of the disaster, but to increase the availability of affordable housing throughout the impacted counties.

Although a significant number of houses were inundated during the disaster, a majority of the most damaged properties will be participating in a buy-out program, and the remaining significantly damaged properties continue to be at risk of future flooding. The IEDA has determined that while a need for housing rehabilitation or reconstruction may exist, the ability to elevate properties nine feet high (in freezing climates and utility challenges), enforce flood

### Post-Disaster Survey Comments:

*Housing. I don't have an income that allows for me to replace everything and start over.*

*Waiting for a place to live.*

*Rent has gone up by 500 a month since being displaced. We had to furnish an entire house along with all the other items that belong in a house. We needed to purchase clothing for four people, so now money is extremely tight!! So in a nut shell money for day to day living.*

*The money I received from FEMA was one third or less of what it would cost to rebuild. I appealed it but lost the appeal . It's a fight to get rental assistance all the paperwork and documentation they keep adding.*

*Need more rental assistance no one can afford to pay the mortgage on the home that was in the disaster and rent another place also some fema money was used to rebuild and then second flood came and ruined al that was fixed*

*Need more money to pay rent and mortgage and rebuild*

*Not direct impact from Mississippi River flooding. Tremendous street flooding due to inadequate storm sewers*

insurance requirements, and additional costs for compliance, rehab is likely unfeasible. The private market has resulted in some repair and rehabilitation of flood affected properties without federal regulations.

## Infrastructure

In HUD's assessment of FEMA eligible Public Assistance Categories C-G for permanent repairs to public infrastructure such as roads, bridges, water systems, municipal buildings and content, public utilities and recreation areas, the spring 2019 floods resulted in projects estimated at \$275,316,594. As the FEMA Public Assistance program provides funding for 75% of estimated costs, there is a remaining unmet need of \$68,829,148 representing the 25% required to be funded by State and Local resources. Many of the public infrastructure projects are contingent upon the expansion and hardening of flood control systems such as levees and flood walls. With the historic number of levee breaches in the spring of 2019, much of the public infrastructure damaged and estimated for repair will remain at risk until further investment is made in hardening flood management. Some public infrastructure may be abandoned as a result of the high number of residential properties seeking buy-out. As such, it is very difficult to assume the public infrastructure need based solely on FEMA's damage assessments. Comprehensive land use planning will be required to determine if infrastructure repair projects will be eligible for CDBG-DR funding.

In addition to the local match needs for FEMA Public Assistance infrastructure, the State has determined through the assessment of housing needs above, that in order to re-house flood impacted victims outside of flood risk or flood prone areas, significant investment in infrastructure in support of new housing, including new streets, stormwater management, utilities, sidewalks, etc. required for the establishment of new housing communities is necessary.



April 4, 2019, Off Ramp from I-29 south of US 34

Lastly, the state has determined a need to harden or expand flood control systems in order to further protect those citizens who choose to remain in the current flood risk areas. This could include the installation of public infrastructure for enhanced stormwater management such as creating or expanding wetlands, elevating, and improving pump stations or public utilities to be more resilient to flooding events.

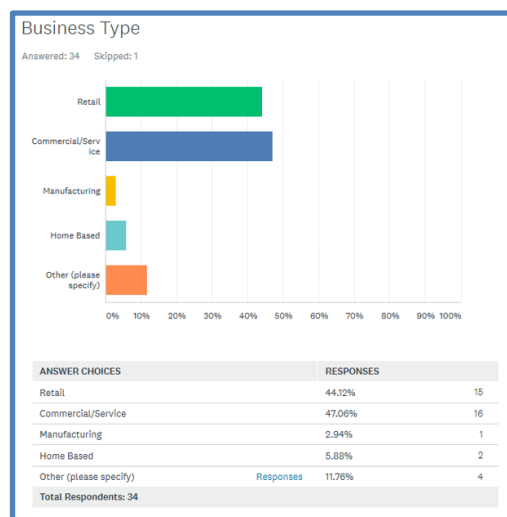
## Economic Revitalization

The spring 2019 flooding caused the prolonged closure of Interstate-29, which runs north-to-south along the western edge of the State of Iowa. I-29 is the main route from Sioux City, IA to Kansas City, MO, with significant commerce and trucking transit. These interstate closures required transportation to be diverted through Des Moines, IA, adding one hundred miles to

the route. Furthermore, the impacted areas of Mills and Fremont Counties along I-29 feature several transportation and commerce stops, such as gas stations, convenient stores, truck and trailer sales, repair shops, etc. all of which were inundated by flooding for extended periods.

In a joint report between FEMA and Iowa Homeland Security and Emergency Management dated July 16, 2019, The Small Business Administration had been referred by FEMA 463 Businesses impacted by the disaster. Only 109 had applied to SBA, and of that only 26 loan awards had been made, for a total of \$2,847,200. HUD further analyzed FEMA's data regarding business and economic needs and assumed that at least 40 businesses qualified for a serious unmet economic need, for an estimated financial need of \$4,771,913.

The Governor's Flood Recovery Advisory Board, working group on Economic Development surveyed impacted businesses in August 2019 to help determine a state level unmet need. The survey received 35 responses. Of which, 93% of the respondents owned their property, 63% of the businesses are located in the 100 year flood plain; however, only 27% carried flood insurance. 75% of the surveyed business have not relocated and are not planning to relocate as a result of the disaster. The total estimated damage calculated from the survey, including payroll, personal property, clean-up and repair costs, and damage/loss equals \$29,170,036.



## State Flood Mitigation Board

In 2012, the State of Iowa Legislature established the Iowa Flood Mitigation Board (Iowa Code, Chapter 418). The purpose of this board is to create and oversee a flood mitigation program for the state of Iowa. The board is made up of four members of the public, six subject matter experts from state agencies, as well as four ex-officio members from the General Assembly. Prior to the 2019 floods, the Iowa Flood Mitigation Board received, approved, and oversaw applications from local governments for mitigation projects funded through a Sales Tax Increment program.

On May 8, 2015 Governor Reynolds signed an amendment to the code creating a grant program for flood response, recovery, and mitigation, and appropriated an initial \$15 million of State funds. These funds are limited to the ten FEMA declared Individual Assistance Counties in response to the 2019 flooding event. The Board met in September of 2019 and reviewed the initial applications for these funds. The initial request of funds was \$23,620,375.80, and the Board was only able to award the appropriated \$15 million.

Even after the initial award of funds, the State continued to receive applications for funding. On February 13, 2020, the State Legislature passed SF 2144 which appropriated an additional \$21,003,186 to further meet the remaining unmet need. The Iowa Flood Mitigation Board was

able to fund a total of \$36,003,186 primarily on projects where no other funding program was currently available, however in the Flood Mitigation Board applications alone, over \$56 million in requests remained unfilled. These funds primarily assisted infrastructure, levee repairs, and land acquisition for redevelopment. And over \$30 million was requested for new housing needs, however the Iowa Flood Mitigation Board did not award those projects due to insufficient funding to meet the need.

Here is a summary of all awards made by the State of Iowa Flood Mitigation Board. These State dollars are being deployed as quickly as possible to harden infrastructure and prevent future flooding events.

| Reference Number* | Recipient                                  | Project Title  | Funding Agreement Executed | Awarded              |
|-------------------|--|--|----------------------------|----------------------|
| 2                 | City of Hamburg                            | Hamburg 2019 Demolition, Land Acquisition, Housing Incentive | 10/21/2019                 | \$ 940,857           |
| 3                 | City of Fredonia                           | Fredonia 2019 Flood Mitigation Project                       | 10/21/2019                 | \$ 135,550           |
| 4                 | City of Hornick                            | Hornick 2019 Flood Mitigation Project                        | 11/4/2019                  | \$ 2,071,708         |
| 5                 | City of Hamburg                            | Hamburg Ditch 6 Levee Elevation                              | 10/21/2019                 | \$ 6,356,324         |
| 6                 | Mills (County)                             | Mills Co 2019 Acquisition/Demolition Local Match             | 11/4/2019                  | \$ 2,341,923         |
| 7                 | City of Pacific Junction                   | Pacific Junction 2019 Acquisition/Demolition Local Match     | 11/4/2019                  | \$ 3,153,638         |
| 8                 | City of Buffalo                            | Buffalo Elm Street Basin                                     | 3/2/2020                   | \$ 211,021           |
| 9                 | City of Council Bluffs                     | Property Acquisition   | Pending Signature          | \$ 342,540           |
| 10                | Fensler Drainage District                  | Levee Improvements   | 3/2/2020                   | \$ 76,849            |
| 11                | Fremont (County)                           | Fremont County Property Acquisition                          | 3/2/2020                   | \$ 15,954            |
| 12                | Fremont (County)                           | Recovery Match - Debris and Asphalt                          | 3/2/2020                   | \$ 38,025            |
| 13                | Scott County EMA                           | Medical Center Utility Water Well                            | 3/2/2020                   | \$ 417,375           |
| 14                | City of Hamburg                            | Hamburg Levee Drainage Pumps and Demo                        | Pending Signature          | \$ 1,100,000         |
| 15                | Couthard Levee District                    | Levee Improvements   | 3/2/2020                   | \$ 4,427,965         |
| 16                | L-594 - Pleasant Valley Levee District     | Levee Improvements   | 3/2/2020                   | \$ 862,000           |
| 17                | Wabonsie Levee                             | Levee Improvements   | 3/2/2020                   | \$ 809,915           |
| 18                | L-601 Missouri River LB - Bartlett Segment | Levee Improvements   | 3/2/2020                   | \$ 804,350           |
| 19                | L-601 Missouri River LB - Miller Sturgeon  | Levee Improvements   | 3/2/2020                   | \$ 652,650           |
| 20                | M & P Missouri River Levee District        | Levee Improvements - Planning                                | 3/2/2020                   | \$ 279,149           |
| 21                | M & P Missouri River Levee District        | Levee Improvements   | 3/2/2020                   | \$ 1,709,474         |
| 22                | Mills-Fremont Drainage District            | Levee Improvements   | 3/2/2020                   | \$ 1,465,000         |
| 23                | Lorimor Drainage District                  | Levee Improvements   | 3/2/2020                   | \$ 733,300           |
| 24                | Pony Creek Drainage District               | Levee Improvements   | 3/2/2020                   | \$ 1,152,300         |
| 25                | New St. Mary's Drainage District           | Levee Improvements   | 3/2/2020                   | \$ 685,500           |
| 26                | Plattville Drainage District               | Levee Improvements   | 3/2/2020                   | \$ 425,700           |
| 27                | Honey Creek Drainage District #6           | Levee Improvements   | 3/2/2020                   | \$ 651,519           |
| 28                | Nobles Lake Drainage District              | Levee Improvements   | 3/2/2020                   | \$ 51,090            |
| 29                | Pigeon Creek Drainage District #2          | Levee Improvements   | 3/2/2020                   | \$ 206,100           |
| 30                | Pigeon Creek Drainage District #8          | Levee Improvements   | 3/2/2020                   | \$ 8,400             |
| 31                | Sac Drainage District                      | Levee Improvements   | 3/2/2020                   | \$ 42,404            |
| 32                | Vanman Levee District                      | Levee Improvements   | 3/2/2020                   | \$ 3,369,107         |
| 33                | Watkins Drainage District                  | Levee Improvements   | 3/2/2020                   | \$ 465,500           |
|                   |  |  |                            | <b>\$ 36,003,186</b> |

\* Awards numbered 2 - 7 are supported by the appropriation authorized on May 8, 2019 by Senate File 638.

Awards numbered 8 - 33 are supported by the supplemental appropriation authorized on February 13, 2020 by Senate File 2144.

## Section Five: Method of Distribution & Connection to Unmet Need

### Method of Distribution

Accessing Disaster Funds Iowa will use a Method of Distribution that allows Eligible Cities and Counties to apply for funds from the CDBG-DR Program under a series of Program Categories which are laid out over a application rounds with deadline dates, per Category, or an open-cycle (first-come/highest) process (see Program Summaries below).

*Federal Priority Funding* – HUD has provided, by rule, that all funds shall first serve unmet needs in housing with 80% of the funds prioritized in two counties, Mills and Fremont, and the remaining 20% of the funds to the Counties with a presidential declaration under DR-4421 (see map, page 10) Federal Priority Funding - Housing HUD has also provided, by rule, that the unmet needs in the housing sector be addressed prior to entertaining any application for funds under the categories of Economic Revitalization or Infrastructure, unless it is infrastructure specifically tied to addressing an unmet housing need.

*State CDBG-DR Priority Funding* - The State CDBG-DR Program will prioritize funding based upon an equitable evaluation within each program. In addition to the Federal Priorities noted above, the State will prioritize most impacted communities outside of the MID counties above, along with projects focused on green building standards, green infrastructure and flood resiliency.

*Program Categories* - Categories indicate the use of funds for a specific purpose. This Action Plan defines the categories of funds under Housing (see Program Summary Budget and Housing Program Detail), Infrastructure and Planning. The categories define the specific purpose, the total funds allocated to the category, the application method for accessing funds, deadline dates for applications within the Category, the maximum amounts available per applicant and the maximums per beneficiary.

*Program Year* - The year beginning at the point in which the agreements are executed between HUD and the State of Iowa. The program regulations provided that CDBG-DR funds are to be expended in six years.

*Application and Guidelines* - Each program Category will have an accompanying application form and guidelines Cities and Counties may use to submit their requests to the State CDBG-DR Program. All applications will be processed through the State's inline grants management tool [iowagrants.gov](http://iowagrants.gov). Details are included in the Policies and Procedures Document.

*Disaster Website* – CDBG-DR will maintain a 2019 Disaster page within the agencies website at [www.iowaeconomicdevelopment.com](http://www.iowaeconomicdevelopment.com) which will contain a copy of the Action Plan, Action Plan amendments, application status reporting for grantee and beneficiaries, procurement information including contracts for outside services, a contractor complaint hotline and general

contact information, and more. A complete list of website content is available in APPENDIX A in this action plan document.

## **Policies and Procedures**

A manual outlining the Policies and Procedures associated with the use of 2019 CDBG-DR Funding will be available to all interested parties, and included in the dedicated website. In addition to the federal compliance areas of procurement, citizen participation, financial management, labor standards, equal opportunity and fair housing, environmental review and contract management, the manual will include housing quality standards and construction standards related to housing new construction, duplication of benefits requirements and processes, deed restrictions and applicable Uniform Relocation Act requirements, Optional Relocation Plans, resolutions related to flood insurance requirements, Program agreements and contract documents, beneficiary intake forms, etc.

## **Training and Technical Assistance**

The complexity associated with using CDBG-DR funds requires training and technical assistance to ensure that project goals are achieved while remaining compliant with program rules and regulations. The CDBG-DR Program will offer training opportunities to interested parties at the application stage and the new grantee training stage. Training to build capacity will be implemented throughout the year by focusing on specific program compliance areas. Technical assistance is available to every potential application, subapplicant, and professional service provider throughout each stage of the process. The Iowa CDBG-DR and CDBG Program trains regional Councils of Government (COG)s assigned to specific areas of the state, as well as specialists and consultants, who maintain expertise in certain fields such as housing, economic development, and infrastructure and compliance areas such as procurement, equal opportunity and fair housing, Uniform Relocation Act, labor standards, financial management, and environmental review. These experts act as Grant Administrators for all CDBG and CDBG-DR projects. All municipalities will work with a qualified Grant Administrator who has participated in IEDA sponsored trainings.

## **Cross-Cutting Regulations**

The IEDA will ensure the compliance with all cross-cutting regulations for projects funded under this CDBG-DR Program. All contracts with recipients will reiterate the compliance requirements as applicable for the program type. Below is a summary of cross-cutting regulations and IEDA's efforts to document compliance. Further details will be provided in the CDBG-DR 2019 Policies and Procedures document.

### **Section 3**

Section 3 of the Housing and Urban Development Act of 1968 (24 CFR Part 135) requires that recipients of CDBG-DR funds, to the greatest extent feasible, provide job training, employment, and contract opportunities for low- or very-low income residents in connection with projects and activities in their neighborhoods. Section 3 applies to activities involving housing

(construction, demolition, rehabilitation) or other public construction — i.e. roads, sewers, community centers, etc. The regulations seek to ensure that low- and very low-income persons, and the businesses that employ these individuals, are notified about the expenditure of HUD funds in their community and encourages them to seek opportunities (if they are created). Furthermore, Section 3 applicability depends on the size of the contract. As per 24 CFR Part 135, Section 3 requirements apply to program assistance for a Section 3 covered project(s) for which the amount of the assistance exceeds \$200,000. Section 3 requirements also apply to contractors and subcontractors performing work on Section 3 covered project(s) for which the amount of the assistance exceeds \$200,000; and the contract or subcontract exceeds \$100,000.

There is an extensive section starting on page 43 of the CDBG-DR Policy and Procedure Manual regarding IEDA's implementation of Section 3 into the Disaster Recovery program. Compliance with Section 3 is verified annually with recipient upload reports in our grant's management software IowaGrants. Compliance with the requirements are verified up front as well as during monitoring of projects. Annually IEDA holds a Section 3 training for recipients and grant administrators.

#### **Davis-Bacon and Related Acts:**

The Davis-Bacon and Related Acts, as amended, require that each CDBG-DR funded contract over \$2,000 for the construction, alteration, or repair of public buildings or public works shall contain a clause setting forth the minimum wages to be paid to various classes of laborers and mechanics employed under the contract. Davis-Bacon is applicable to demolition work only when the demolition activity is part of a construction project that requires Davis-Bacon. Demolition for purposes of blight removal only and that is not part of "...construction, alteration or repairs..." does not trigger Davis-Bacon Act requirements. The term "construction work" applies to both labor and/or materials. If CDBG-DR funds are only used to pay for the cost of materials for a Davis-Bacon covered project, Davis-Bacon requirements would still apply. Under the provisions of the Act, contractors or their subcontractors are to pay workers employed directly upon the site of the work no less than the locally prevailing wages and fringe benefits paid on projects of a similar character. The Davis-Bacon Act directs the Secretary of Labor to determine such local prevailing wage rates. In addition to the Davis-Bacon Act itself, Congress has added prevailing wage provisions to approximately 60 statutes, which assist construction projects through grants, loans, loan guarantees, and insurance. These "Related Acts" involve construction in such areas as transportation, housing, air and water pollution reduction, and health. If a construction project is funded or assisted under more than one Federal statute, the Davis-Bacon prevailing wage provisions may apply to the project if any of the applicable statutes require payment of Davis-Bacon wage rates.

IEDA has a designated staff person that assists recipients in understanding the Davis-Bacon Act requirements. We also have a detailed process for the retrieval of wage determinations as well as additional classifications with complete instructions. These are uploaded to our grant's management software IowaGrants. Compliance with the requirements are verified up front as



well as during monitoring of projects. Annually IEDA holds a Davis Bacon training for recipients and grant administrators.

**Environmental Review:**

The environmental review is the process of reviewing a project and its potential environmental impacts to determine whether it meets federal, state, and local environmental standards. The environmental review process is required for all HUD-assisted projects, including CDBG-DR funded projects, to ensure that the proposed project does not negatively impact the surrounding environment and that the property site itself will not have an adverse environmental or health effect on end users. Recipients follow 24 CFR 58. IEDA acts as HUD and releases funds on projects that are completed by a unit of general local government.

IEDA does intend to accept other federal agency (FEMA) ERR documentation for our matching buyout program. IEDA is authorized to do this by the following language in P.L. 166-20: *That, notwithstanding the preceding proviso, recipients of funds provided under this heading that use such funds to supplement Federal assistance provided under section 402, 403, 404, 406, 407, 408(c)(4), or 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, and such adoption shall satisfy the responsibilities of the recipient with respect to such environmental review, approval or permit: Provided further, That, notwithstanding section 104(g)(2) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(g)(2)), the Secretary may, upon receipt of a request for release of funds and certification, immediately approve the release of funds for an activity or project assisted under this heading if the recipient has adopted an environmental review, approval or permit under the preceding proviso or the activity or project is categorically excluded from review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.):*

Therefore, after consultation with our HUD CPD specialist, it is allowable for our recipients to adopt another agency ERR without reproducing it on HUD forms or publishing a new notice and conducting their own public comment period. IEDA as the agency that acts as HUD and releases funds would also not need to allow for a comment period and can immediately release funds upon receipt of the Request for Release of Funds Form.

In the 2019 CDBG-DR policy and procedure manual, there is a section that pertains to environmental review process as well as the process for accepting other federal agency reviews. IEDA also has a dedicated staff member that review recipient ERR's and releases funds on HUD projects. Compliance with the environmental review process is verified with recipient uploaded ERR's in our grant's management software IowaGrants. Compliance with the requirements are verified up front as well as during monitoring of projects. Annually IEDA holds an Environmental Review training for recipients and grant administrators.

**Acquisition and Relocation:**

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act). The Uniform Act provides important protections and assistance for people affected by the acquisition, rehabilitation, or demolition of real property for Federal or federally funded projects. This law was enacted by Congress to ensure that people whose real property is acquired, or who move as a direct result of projects receiving Federal funds, are treated fairly and equitably and receive assistance in moving from the property they occupy. On October 1, 2014, Section 1521 of the Moving Ahead for Progress in the 21st Century (MAP-21) provisions changed payment limits and replacement housing payment eligibility criteria in the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). IEDA will use CPD-14-09 for more guidance on this issue.

HUD has issued various guidance and forms to assist in the compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, including Handbook 1378.0, Tenant Assistance, Relocation and Real Property Acquisition Handbook.

Acquisition and relocation is a process IEDA's recipients will need to review prior to acquiring property as part of their CDBG-DR project. In summary, before beginning a project, the recipient will determine if real property acquisitions are subject to URA voluntary acquisition requirements, or if they are subject to the full acquisition requirements of 49 CFR 24 Subpart B. 4. Real property may need to be appraised in accordance with URA appraisal requirements and an offer of just compensation will need to be given to the seller.

Depending on the type of acquisition, the recipient will need to understand if the occupant is entitled to relocation assistance.

Per 83 FR 5858 the one-for-one replacement requirements at section 104(d)(2)(A)(i) and (ii) and (d)(3) of the HCD Act and 24 CFR 42.375 are waived in connection with funds allocated under this notice for lower-income dwelling units that are damaged by the disaster and not suitable for rehabilitation. The section 104(d) one-for-one replacement requirements generally apply to demolished or converted occupied and vacant occupiable lower-income dwelling units. This waiver exempts disaster-damaged units that meet the grantee's definition of "not suitable for rehabilitation" from the one-for-one replacement requirements.

The definition of "not suitable for rehabilitation" will be any units within the inundated area of the March 2019 flood event that if acquired and demolished would create a benefit to floodplain management of the area.

**Fair Housing:**

Section 109 of Title I of the Housing and Community Development Act of 1974 prohibits discrimination on the basis of race, color, national origin, sex or religion in programs and activities receiving financial assistance from HUD's Community Development Block Grant Program. CDBG grantees are responsible for ensuring that all housing assisted with CDBG funds

is made available on a non-discriminatory basis: that is, without regard to race, color, religion, sex, disability, familial status, age, or national origin. Discriminatory housing practices might include any action in which an individual or class of individuals in a specific protected class is treated differently than others who are not in that protected class, when the result of that action denies that individual or class of individuals equal access to or benefit of a housing opportunity.

There are also other Acts that are considered: Title VI of the Civil Rights Act of 1964 as amended in 1988, Title VIII of the Civil Rights Act of 1968 (Fair Housing Act, 42 U.S.C. 3601-3619) as amended, Architectural Barriers Act of 1968, Section 504 of the Rehabilitation Act of 1973, Section 508 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990 as well as other Acts and various executive orders.

The Fair Housing Act (and subsequent laws reaffirming its principles) not only prohibited discrimination in housing related activities and transactions but also imposed a duty to affirmatively further fair housing (AFFH). As part of meaningfully implementing the fair housing regulations state and each local government to certify that it will affirmatively further fair housing. AFFH is defined in the regulations as: having an Analysis of Impediments (AI) to fair housing choice; taking appropriate actions to overcome the effects of identified impediments; and keeping records reflecting the analysis and showing the actions taken. The state is required to assume responsibility by: conducting an analysis to identify impediments to housing choice; taking appropriate actions to overcome the effects of the impediments; maintaining records of analysis and actions; and ensuring that units of local government funded by the state comply with the certification requirements.

The state's latest AI can be found on the website:

<https://www.iowaeconomicdevelopment.com/our-agency-detail-resources/6501>.

#### **Limited Language English Proficiency (LEP):**

EO 13166, signed on August 11, 2000, directs all federal agencies, including the Department of Housing and Urban Development (HUD), to work to ensure that programs receiving federal financial assistance provide meaningful access to LEP persons. Pursuant to EO 13166, the meaningful access requirement of the Title VI regulations and the four-factor analysis set forth in the Department of Justice (DOJ) LEP Guidance apply to the programs and activities of federal agencies, including HUD. In addition, EO 13166 requires federal agencies to issue LEP Guidance to assist their federally assisted recipients in providing such meaningful access to their programs. This Guidance must be consistent with the DOJ Guidance. Each federal agency is required to specifically tailor the general standards established in DOJ's Guidance to its federally assisted recipients. On December 19, 2003, HUD published such proposed Guidance and finalized the guidance on February 21, 2007. It is entitled: "Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient (LEP) Persons". IEDA has LEP Guidance in the CDBG-DR policy and procedure manual, and in Appendix B of this document.

## Application Evaluation

Application Evaluation will vary by program. All applications within a program type will be treated fairly and equitably. Some programs may have no competition, based on agency policy, while others must meet eligibility thresholds, and still other programs will be competitive with application rounds and uniform scoring. A summary of the application evaluation is as follows:

| Program                          | Application Evaluation Process   |
|----------------------------------|--|
| <b>Buy-out FEMA Match</b>        | No competition, contracts will be made directly with the communities eligible for FEMA HMGP buy-outs. Award amounts will be determined through consultation with HSEMD and the local community.  |
| <b>Buy-out CDBG Only</b>         | Applications will be submitted to IEDA on an open-cycle. A minimum threshold will be applied to ensure applications are eligible for funding and meet the program requirements. Once IEDA determines a project eligible for funding, IEDA will contract with the municipality based on the application submitted.  |
| <b>New Construction Housing</b>  | IEDA will publish competitive application rounds. All applications within a round will be reviewed, scored, ranked, and awarded based on score. A minimum threshold score will be established to ensure high quality projects are selected.  |
| <b>Stormwater Infrastructure</b> | <p>Applications will be submitted to IEDA on an open-cycle. IEDA will limit applications to the MID for the first two years of the program. After the first two years, the applications will be open to municipalities in any of the presidentially declared counties.</p> <p>A minimum threshold will be applied to ensure applications are eligible for funding and meet the program requirements. Once IEDA determines a project eligible for funding, IEDA will contract with the municipality based on the application submitted.</p> |
| <b>Planning</b>                  | IEDA will issue Requests for Proposals (RFP)s as needed for Planning Awards.   |

## CDBG-DR Program National Objectives

### 1. OVERALL REQUIREMENTS:

- a. 80% of the total grant amount (\$77,392,800) must benefit the Most Impacted and Distressed (MID) areas determined by HUD to be Mills and Fremont Counties. The remaining 20% of funds (\$19,348,200) will be available to benefit other counties Presidentially Declared and FEMA designated for Public Assistance and/or Individual Assistance under Disaster Declaration DR-4421.

- b. 70% of the total funds must benefit low- to moderate-income (LMI) persons (approximately \$64 million)
- c. All funded activities must meet 1 of 3 national objectives:
  - i. Benefit persons of low- and moderate-income, or
  - ii. Aid in the prevention or elimination of slums or blight, or
  - iii. Meet other urgent community development needs
- d. Programs must stem from an unmet recovery need not already addressed by other federal, state/local, nonprofit funds, or private insurance. Grantees will be required to document a connection to the disaster.

2. THE PRIORITIES OF THE STATE SHALL BE TO:

- a. Address needs of the most vulnerable populations.
- b. Address the needs of low- to moderate income persons and families.
- c. Mitigate risk and hazards due potentially related to future natural disasters.

| <u>Action Plan Need</u> | <u>Activity</u>   | <u>HUD National Objective</u> | <u>HUD Eligible Activity</u> | <u>Funding Amount</u> | <u>Action Plan Amount</u> |
|-------------------------|---|-------------------------------|------------------------------|-----------------------|---------------------------|
| <b>Housing</b>          | Buy-out FEMA Match  | LMB                           | Acquisition & demolition     | \$15,236,707.50       | <b>\$75,555,750</b>       |
| <b>Housing</b>          | Buy-out FEMA Match  | UN                            | Acquisition & demolition     | \$10,157,805.00       |                           |
| <b>Housing</b>          | Buy-out CDBG  | LMB                           | Acquisition & demolition     | \$6,530,017.50        |                           |
| <b>Housing</b>          | Buy-out CDBG  | UN                            | Acquisition & demolition     | \$4,353,345.00        |                           |
| <b>Housing</b>          | New Production of Housing                                     | LMH                           | Housing                      | \$23,943,397.50       |                           |
| <b>Housing</b>          | Down-payment Assistance                                       | LMH                           | Housing                      | \$2,176,672.50        |                           |
| <b>Housing</b>          | Infrastructure in support of Housing (roads, utilities, etc.) | LMA                           | Housing                      | \$10,157,805          |                           |
| <b>Infrastructure</b>   | Stormwater Management   | LMA                           | Public Facilities            | \$14,366,038.50       | <b>\$19,154,718</b>       |
| <b>Infrastructure</b>   | Stormwater Management   | UN                            | Public Facilities            | \$4,788,679.50        |                           |
| <b>Planning</b>         | Planning  | N/A                           | Planning                     | \$193,482             | <b>\$193,482</b>          |
| <b>Administration</b>   | Admin   | N/A                           | Admin                        | \$4,837,050           | <b>\$4,837,050</b>        |

## Housing Program Summaries

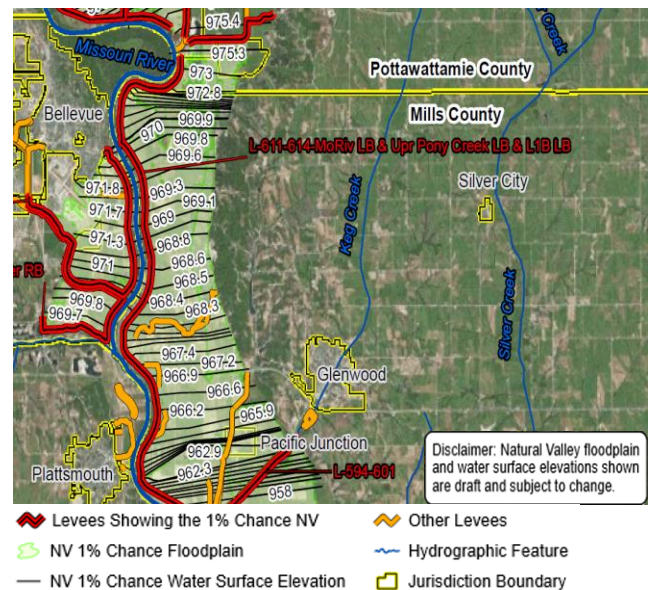
### Buy-outs FEMA Match

Program eligible activities include acquisition buyout of residential real property, clearance and demolition. The term “buyout” as referenced in this plan refers to acquisition of properties located in a floodway and floodplain that is intended to reduce risk from future flooding and the acquisition of properties in Disaster Risk Reduction Areas as designated by the grantee. The key factor in determining whether the acquisition is a buyout is whether the intent of the purchase is to reduce risk of property damage in a floodplain or a Disaster Risk Reduction Area. All properties acquired under this program will be Buy-outs.

The IEDA is working closely with Iowa Homeland Security and Emergency Management (IHSEM), the lead state agency for the FEMA funded Hazard Mitigation Grant Program (HMGP) buy-outs. Typically FEMA HMGP buy-outs are limited to properties located within the floodway or 100 year floodplain; however, due to the unique geography of this flood impacted area, and the failure of the levees protecting the Missouri River Valley as 500-year floodplain, IHSEM and FEMA are using best available data to determine eligible buy-out areas. All eligibility for this program will be established by IHSEM, in coordination with FEMA. CDBG-DR funding will be used to cover the State and Local match, for a minimum grant match of 25%. As the HMGP need is higher than available HMGP funding, CDBG-DR may provide more than the 25% minimum match, in order for HMGP to provide buy-outs to more eligible municipalities. The Match will be determined based on:

- Percentage of LMI persons participating in the Buy-out,
- The location of Buy-outs within the HUD MID Counties,
- Available funding.

As the HMGP program is income blind, IEDA will coordinate the income verification of all participants to determine if the acquisition will qualify as meeting the LMB National Objective. Any over-income (80% AMI) will be funded under the Urgent Need National objective. IEDA will work with the local communities, and HSEMD to calculate the award amount for FEMA Match buy-outs to ensure that all flood impacted victims are treated equitably and receive equal compensation for their buy-out. Contracts between IEDA and the participating municipalities will outline the total amount of CDBG-DR awarded to the buy-out and the number of properties participating in the program.



FEMA Best available data map, showing the Missouri River Valley as presumed 100-year floodplain, even though much of the area is in the regulatory 500-year floodplain.

This will be a program that provides pre-disaster fair market value (FMV) to buyout applicants, as such, it provides compensation at an amount greater than the post-disaster FMV. When the purchase price exceeds the current FMV, any CDBG-DR funds in excess of the FMV are considered assistance to the seller, thus making the seller a beneficiary of CDBG-DR assistance. If the seller receives assistance as part of the purchase price, this may have implications for duplication of benefits calculations or for demonstrating national objective criteria, as discussed below.

Low/Mod Buyout (LMB) Low/Mod Buyout (LMB). When CDBG-DR funds are used for a buyout award to acquire housing owned by a qualifying LMI household, where the award amount is greater than the post-disaster fair-market value of that property; urgent need will be used for any household that does not qualify as LMI.

As FEMA will be the Lead Agency for these HMGP buy-outs, the CDBG-DR program will assume their compliance with federal laws and executive orders, including environmental review. The CDBG-DR program will concur with the FEMA approved appraisals and offers of buy-out as long as all offers exceed the post-disaster fair market value, as required to qualify under the LMB National Objective.

In accordance with HMGP requirements, all properties acquired, accepted, or from which a structure will be removed pursuant to the project will be dedicated and maintained in perpetuity, with a deed restriction or covenant running with the property, for a use that is compatible with open space, recreational, or floodplain and wetlands management practices.

### **Buy-outs CDBG-DR Only**

In very few circumstances, HMGP funds may not be available to municipalities because properties impacted by the disaster event are outside of the 100-year floodplain and/or FEMA's best available data, and any levee or existing mitigation remained undamaged and/or certified for protection from flooding events. In some cases, ground water back-up caused wide-spread damage to LMI residential areas and continues to pose risk to these neighborhoods.

Municipalities may apply to CDBG-DR funding for buy-out of these properties in order to improve stormwater management for the overall community. Unlike FEMA Match Buy-outs where IEDA, HSEMD and the local communities will coordinate the CDBG-DR award, for these CDBG-DR fully funded buy-outs, communities must apply to IEDA on a "open cycle" format. IEDA will establish a minimum threshold for application award. All buy-outs will be voluntary.

If a community is interested in a CDBG-DR only funded buy-out, the area must be determined to be a Disaster Risk Reduction Area. Applicants will need to establish criteria to designate a Disaster Risk Reduction Area, subject to the following requirements: the hazard must have been caused or exacerbated by the Presidentially declared disaster for which the grantee received its CDBG-DR allocation; the hazard must be a predictable environmental threat to the safety and wellbeing of program beneficiaries, as evidenced by the best available data and science; and



the Disaster Risk Reduction Area must be clearly delineated so that HUD and the public may easily determine which properties are located within the Disaster Risk Reduction Area. All property acquired, accepted, or from which a structure will be removed pursuant to the project will be dedicated and maintained in perpetuity, with a deed restriction or covenant running with the property, for a use that is compatible with open space, recreational, or floodplain and wetlands management practices.

Eligible communities will have to document the following items in their request for CDBG-DR Buy-out:

- Documentation of the Disaster Risk Reduction Area
- Demonstrated Damage during the 2019 Disaster Event to properties proposed for buy-out
- Justification for buy-out (because these buy-outs are not HMGP eligible, communities must provide justification as to why these buy-outs are needed and how stormwater management will be enhanced as a result of this buy-out program.
- Percentage of LMI households participating in the buy-out
- Number of houses to be bought out
- Estimated amount for all buy-out

IEDA will consider each application on a first-come first-serve basis and any eligible application will be funded as long as sufficient funds remain in the program.

The following minimum threshold must be met for an application to be funded in open-cycle:

- Located in one of the ten counties declared for Individual Assistance
- At least 60% of the participating property owners are LMI
- The community or census tract for the buy-out area is at least 51% LMI

The local municipality will coordinate the income verification of all participants to determine if the acquisition will qualify as meeting the LMB National Objective. Any over-income (80% AMI) will be funded under the Urgent Need National objective.

All properties will be deed restricted in perpetuity as open-green space and be treated consistently as the HMGP Match buy-outs. See HMGP program guidelines for details.

## **New Housing Production**

Communities will face significant needs for restoring and improving the housing stock. This is necessary to both replace the large number of houses participating in the buy-out as well as increasing affordable housing. New construction of housing units is the construction of single-family houses and multi-family structures on vacant lots within existing neighborhoods, or the development of new neighborhoods for residential purposes. This approach is used to create more affordable housing, while promoting community revitalization. CDBG-DR funds are eligible to assist new construction activities as stated by the waiver providing alternative requirements (83 FR 5844 Section VI, B. 32). Alternative requirements are adopted to the

extent necessary to permit new housing construction, and to require construction standards on structures constructed with CDBG-DR funds as part of activities eligible under 42 U.S.C. 5305(a.)

The State of Iowa's New Housing Production program will involve a financial investment in the construction of new housing units. The New Construction Program will at first be limited to the MID Counties for the first two years of the HUD CDBG-DR grant. Municipalities must coordinate with developers to submit an application to IEDA for the financial investment in the construction of new housing units.

Program Guidelines will be fully developed for this New Housing Program, but will include:

- \$75,000 per housing unit financial investment of CDBG-DR awards.
- Developer chooses to construct housing units for Sale or for Rent.
- Developer must own the building lots
- 40-unit maximum number of units per application.
- All units must have access and connection to municipal utilities including water and sewer, no project dependent on wells and/or septic will be eligible.
- All properties must be located outside of the 100-year floodplain and priority will be given to projects located outside of the 500-year floodplain.
- CDBG-DR Financial investment award can be drawn down mid-construction with supporting documentation of costs incurred.
- All units must be marketed to citizens directly impacted by the 2019 Disaster Event for 4 months, before being offered to an eligible member of the general public.
- Sale of all housing units is capped at \$175,000 and all sales must be to LMI qualified buyers.
- All Units must comply with HUD stipulated Affordability Period for New Construction, where all buyers and 51% of tenants will be income verified at or below 80% AMI, and all rents will be capped at the applicable 65% HOME Rates:
  - 5-years for Single Family Homes or Multi-family of 4 units or less
  - 20-years for Multi-Family developments of 5 units or more
  - Affordability Period does not apply to housing units newly constructed for an owner-occupant to replace an owner-occupied home that was destroyed by the disaster.

Cost Reasonableness: The State of Iowa will prepare a memo documenting how average home construction costs were generated and how the developer cash, sale cap, and buyer's capacity were determined. In brief, IEDA has utilized data from other state new construction programs to determine that a reasonable cost for new construction in Mills and Fremont Counties is \$225,000 - \$250,000. The average home value of a pre-flood disaster property is around \$70,000. With a sale cap of \$175,000, the average buyer could apply their buy-out benefits to the purchase, potentially a CDBG down payment assistance if still needed, and be able to afford a much lower mortgage, while the developer would not receive much more than the cost to construct the home. This assumes the developer owns the land. If land acquisition is added, the developer's profit margin further decreases.

All homes constructed under this program will be required to comply with a Green Building Standard or equivalent as stipulated in the Iowa Green Streets program. In addition, HUD has strongly encouraged for CDBG-DR recipients to incorporate a Resilient Home Construction Standard. The New Housing Production policies and procedures will include further details for these standards along with Quality Construction Standards. The cost of Green Streets compliance is assumed in the initial cost reasonableness assessment above, however, builders who choose to construct high-performance, resilient buildings may submit a request for additional funding for the increased costs of high-performance or resilient construction. Each request must include a cost comparison analysis to justify the request for increased funds beyond the established \$75,000 per unit max.

Infrastructure in support of housing will also be included in this financial investment in the construction of new housing units. For all housing applications that require the construction of roads, utility access including broadband where practicable, stormwater management, etc. the developer will provide a line item request for such funding. This request will be outside of the per-unit housing maximum and must be based on actual construction estimates. Additionally, if other funding sources are available to cover such costs such as Tax Increment Financing or Department of Transportation funds, those sources must be sought, and CDBG-DR funding will only be awarded when no other funding sources is available for the creation of roads necessary for the production of new housing units. Each request must include a cost analysis and justification for the additional line item request for infrastructure funding.

Housing newly constructed with CDBG–DR funds and made available for affordable homeownership or tenant occupancy to low- and moderate-income persons, and to enforce those restrictions through recorded deed restrictions, covenants, or other similar mechanisms, for a period not less than five years, and up to twenty years for developments of five units or more. Grantees shall establish resale or recapture requirements for housing funded pursuant to this paragraph and shall outline those requirements. The resale and recapture provisions must clearly describe the terms of the resale and recapture provisions, the specific circumstances under which these provisions will be used, and how the provisions will be enforced.

### **Down-payment Assistance**

The CDBG-DR funds may be used for down payment assistance upon completion of the construction housing units. The maximum allowed is 50 percent of the required down payment, based on lender requirements and credit assessment of the buyer, plus closing costs. Qualified LMI households, under 80% AMI, are eligible to participate and must be able to secure a mortgage. Each potential buyer should be advised on the credit requirements needed to buy a home.

The State will coordinate with HUD-certified housing counseling organizations, by sharing this action plan and requesting their comments. Such organizations may identify a role in the above program activities as applicable.

## Infrastructure

In addition to the Infrastructure in support of housing mentioned above (specifically for new subdivisions or developments), the IEDA will create a storm water management infrastructure program. These funds are intended to improve stormwater management in order to make the disaster affected communities more resilient to flood water impacts and prevent future disaster events. These stormwater practices may:

- Increase storm water capacity of existing facilities.
- Install new storm water utilities where such service is needed but does not exist.
- Install new stormwater management practices installed on deed-restricted buy-out land, including but not limited to:
  - Wetland creation or expansion
  - Bioretention cells
  - Rain Gardens
  - Ponds
  - On-road structures
- Install new stormwater management on non-buy-out but publicly owned/managed land for storm water mitigation.

Municipalities in all 80 counties included in the presidentially declared FEMA designated Public Assistance counties will be eligible for infrastructure for stormwater management. These applications will be submitted by the municipality to IEDA in a “open cycle” format. The constructed practices will be considered public infrastructure and be owned and maintained by the municipality or county that applies for the funding.

## Planning

Immediately after the disaster event, the State of Iowa considered the response and recovery effort from a holistic perspective. While the Governor’s Flood Recovery Advisory Board working groups focused on individually topics, the groups frequently crossed over and jointly updated the board on response and recovery needs and efforts. Through that process, the State generated and submitted a Comprehensive land use planning grant application to the US Department of Commerce’s Economic Development Administration (EDA). The purpose of the planning effort is to collaborate multiple State and Federal agencies, local municipalities and industries in the flood impacted region to fully assess the best and highest uses of land in order to prevent future loss while recovering and expanding economic opportunities. The IEDA is still awaiting a determination on this grant application. If awarded, some CDBG-DR funds may be used as match for the EDA planning grant.

Furthermore, the IEDA has identified a need for planning to assist project implementation regarding high-performance housing and green infrastructure. Some planning funds may be made available for the creation and dissemination of technical assistance and planning tools to support housing designers, builders, and infrastructure engineers to ensure that high

performance design techniques are utilized to maximize the federal investment in these projects.

All planning efforts will go through a specific Request for Proposals (RFP) process with a clear scope of work and a cost reasonableness evaluation prior to proposal review.

## Projections of Expenditure and Outcomes

Activity projects will be divided between Buy-outs (FEMA Match and CDBG-DR Funded), New Housing Units Produced, Infrastructure funding expended, and expenditure of Planning funds. Each quarter these projects will be updated with their actual expenditures. This assumes a CDBG-DR contract date in Q3 of 2020, and the first SPR submitted after Q4 2021.

### Buy-outs

Assumes 500 units in all buy-out programs (300 FEMA Match, 200 CDBG Only)

| <u>Quarter</u> | <u>Projected Total<br/>Units Bought Out</u> | <u># of Buyout<br/>Units (Quarterly<br/>Projection)</u> | <u>Actual Units<br/>Completed<br/>(QPR)</u> |
|----------------|---|---|---|
| 1/2021         | 20  | 20  |   |
| 4/2021         | 40  | 20  |   |
| 7/2021         | 60  | 20  |   |
| 10/2021        | 80  | 20  |   |
| 1/2022         | 100   | 20  |   |
| 4/2022         | 120   | 20  |   |
| 7/2022         | 140   | 20  |   |
| 10/2022        | 160   | 20  |   |
| 1/2023         | 180   | 20  |   |
| 4/2023         | 200   | 20  |   |
| 7/2023         | 220   | 20  |   |
| 10/2023        | 240   | 20  |   |
| 1/2024         | 260   | 20  |   |
| 4/2024         | 280   | 20  |   |
| 7/2024         | 300   | 20  |   |
| 10/2024        | 320   | 20  |   |
| 1/2025         | 340   | 20  |   |
| 4/2025         | 360   | 20  |   |
| 7/2025         | 380   | 20  |   |
| 10/2025        | 400   | 20  |   |
| 1/2026         | 420   | 20  |   |
| 4/2026         | 440   | 20  |   |
| 7/2026         | 460   | 20  |   |
| 10/2026        | 500   | 40  |   |

## New Housing Construction

Assumes 300 new housing units constructed and occupied by qualified owners/tenants

| <u>Quarter</u> | <u>Projected Total<br/>Units Bought Out</u> | <u># of Buyout<br/>Units (Quarterly<br/>Projection)</u> | <u>Actual Units<br/>Completed<br/>(QPR)</u> |
|----------------|---|---|---|
| 1/2021         | 0   |   |   |
| 4/2021         | 0   |   |   |
| 7/2021         | 10  | 10  |   |
| 10/2021        | 20  | 10  |   |
| 1/2022         | 34  | 14  |   |
| 4/2022         | 48  | 14  |   |
| 7/2022         | 62  | 14  |   |
| 10/2022        | 76  | 14  |   |
| 1/2023         | 90  | 14  |   |
| 4/2023         | 104   | 14  |   |
| 7/2023         | 118   | 14  |   |
| 10/2023        | 132   | 14  |   |
| 1/2024         | 146   | 14  |   |
| 4/2024         | 160   | 14  |   |
| 7/2024         | 174   | 14  |   |
| 10/2024        | 188   | 14  |   |
| 1/2025         | 202   | 14  |   |
| 4/2025         | 216   | 14  |   |
| 7/2025         | 230   | 14  |   |
| 10/2025        | 244   | 14  |   |
| 1/2026         | 258   | 14  |   |
| 4/2026         | 272   | 14  |   |
| 7/2026         | 286   | 14  |   |
| 10/2026        | 300   | 14  |   |

## Infrastructure Funding

All infrastructure funding including infrastructure in support of housing and storm water management, (\$29,312,523.00)

| <u>Quarter</u> | <u>Projected Total<br/>Expenditure</u> | <u>Quarterly<br/>Projection</u> | <u>Actual Expenditure<br/>(QPR)</u> |
|----------------|--|---------------------------------|-------------------------------------|
| 1/2021         | 0                                      | 0                               |                                     |
| 4/2021         | \$1,275,000                            | \$1,275,000                     |                                     |
| 7/2021         | \$2,550,000                            | \$1,275,000                     |                                     |
| 10/2021        | \$3,825,000                            | \$1,275,000                     |                                     |
| 1/2022         | \$5,100,000                            | \$1,275,000                     |                                     |
| 4/2022         | \$6,375,000                            | \$1,275,000                     |                                     |
| 7/2022         | \$7,650,000                            | \$1,275,000                     |                                     |
| 10/2022        | \$8,925,000                            | \$1,275,000                     |                                     |
| 1/2023         | \$10,200,000                           | \$1,275,000                     |                                     |
| 4/2023         | \$11,475,000                           | \$1,275,000                     |                                     |
| 7/2023         | \$12,750,000                           | \$1,275,000                     |                                     |
| 10/2023        | \$14,025,000                           | \$1,275,000                     |                                     |
| 1/2024         | \$15,300,000                           | \$1,275,000                     |                                     |
| 4/2024         | \$16,575,000                           | \$1,275,000                     |                                     |
| 7/2024         | \$17,850,000                           | \$1,275,000                     |                                     |
| 10/2024        | \$19,125,000                           | \$1,275,000                     |                                     |

|         |              |             |  |
|---------|--------------|-------------|--|
| 1/2025  | \$20,400,000 | \$1,275,000 |  |
| 4/2025  | \$21,675,000 | \$1,275,000 |  |
| 7/2025  | \$22,950,000 | \$1,275,000 |  |
| 10/2025 | \$24,225,000 | \$1,275,000 |  |
| 1/2026  | \$25,500,000 | \$1,275,000 |  |
| 4/2026  | \$26,775,000 | \$1,275,000 |  |
| 7/2026  | \$28,050,000 | \$1,275,000 |  |
| 10/2026 | \$29,312,523 | \$1,262,523 |  |

## Planning Funding

Estimated Planning funds will be expended early on in the disaster recovery effort to ensure projects are well planned prior to execution (\$193,482.00)

| <u>Quarter</u> | <u>Projected Total Expenditure</u> | <u>Quarterly Projection</u> | <u>Actual Expenditure (QPR)</u> |
|----------------|------------------------------------|-----------------------------|---------------------------------|
| 1/2021         | 0                                  | 0                           |                                 |
| 4/2021         | \$25,000                           | \$25,000                    |                                 |
| 7/2021         | \$50,000                           | \$25,000                    |                                 |
| 10/2021        | \$75,000                           | \$25,000                    |                                 |
| 1/2022         | \$100,000                          | \$25,000                    |                                 |
| 4/2022         | \$125,000                          | \$25,000                    |                                 |
| 7/2022         | \$150,000                          | \$25,000                    |                                 |
| 10/2022        | \$175,000                          | \$25,000                    |                                 |
| 1/2023         | \$193,482                          | \$18,482                    |                                 |



## **Section Six: Program Administration**

### **Administrative Funds**

State administrative costs, including grantee administration costs, will not exceed five percent, \$4,837,050 of the \$96,741,000 allocation. Planning and administrative costs combined will not exceed 20 percent of the total allocation. The provisions outlined under 42 U.S.C. 5306(d) and 24 CFR §570.489(a)(1)(i) and (iii) will not apply to the extent that they cap state administration expenditures and require a dollar-for-dollar match of state funds for administrative costs exceeding \$100,000. Pursuant to 24 CFR §58.34(a)(3), except for applicable requirements of 24 CFR §58.6, administrative and management activities are exempt activities under this Action Plan.

### **Pre-Agreement Costs**

The regulation cited at 2 CFR 200.458 defines pre-agreement costs as “those incurred prior to the effective date of the Federal award directly pursuant to the negotiation and in anticipation of the Federal award where such costs are necessary for efficient and timely performance of the scope of work. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the Federal award and only with the written approval of the Federal awarding agency”.

Since the disaster occurred in the spring of 2019 and access to the disaster funding is expected in summer 2020, the Iowa CDBG-DR Program anticipates the request of pre-agreement costs, consistent with the regulation, the accompanying CPD Notices and the related Federal Register for only a few specific project costs incurred. Once a grant agreement is fully executed, the Iowa CDBG-DR Program will allow the drawdown of pre-agreement costs associated with eligible costs associated with the set-up and establishment of the CDBG-DR programs. The Iowa CDBG-DR Program will submit only those costs that follow the CDBG cross-cutting regulations and only those that are a direct result of activities related to the presidentially declared flooding event. No requests shall be of the size or amount that will cause a substantial amendment to the Action Plan and all costs will be clearly identified in a category recognized in the Action Plan.

### **Citizen Participation Plan**

The State of Iowa created a thorough citizen participation plan that encourages all citizens to participate in the development of the Action Plan for funds associated with the Supplemental Disaster CDBG, as prescribed in Public Laws 116-2 and further detailed in the applicable Federal Register Notices. These funds were provided to assist with unmet needs remaining from the historic flooding events in Iowa during the Spring of 2019. This citizen participation plan was developed in accordance with the requirements listed in 24 CFR Part 91.115 (Citizen Participation Plan for States). The plan provides citizens (including minorities, the disabled and non-English speaking persons), units of local government, and other interested parties a reasonable opportunity to comment on the plan and encourages them to do so. The full Citizen

participation plan is included in the Policies and Procedures document for this disaster event and posted on IEDA's website.

## **Publishing the Plan, Comments and Amendments**

The state makes every effort to publish the draft Action Plan in a manner that affords citizens, units of general local governments, public agencies, and other interested parties a reasonable opportunity to examine its contents and to submit comments. To do this, the draft Action Plan is published and made available to the public on or around May 1, 2020. The plan will remain available on the IEDA website (<https://www.iowaeconomicdevelopment.com/>). To notify the public of the plans' availability, public notification was provided via newsletter, press release, direct email and via partnering associations such as the Iowa League of Cities and Iowa Association of Councils of Government. The plan was also sent to other partner state agencies. The public announcement explains that interested parties are given a reasonable opportunity to examine the contents of the plans and submit comments, as the state would also provide a copy of the plans to interested parties upon request. Comments would be accepted until June 1, 2020. The state will make the plan available for a minimum 30-day comment period.

The state considers any comments or views of citizens and units of general local government received in writing or orally in preparing the final Action Plan. A summary of these comments, including those not accepted and reasons therefore, will be attached to the final consolidated plan.

Substantial Amendments to the Action Plan will require public notice. The public notice will be made in the same manner as prescribed in this document. The thresholds for a substantial amendment are as follows:

1. Action Plan – an amendment shall be considered substantial (requiring public notification and comment period) in the following events:
  - a. a new funding source be added to the Plan
  - b. Actual annual allocations from HUD differ more than 10% of projected amount
  - c. For the CDBG Program only, a new funding category is created or more than 25% of the allocation is transferred between funding categories.

## **Performance Reports**

The state provides reasonable notice and an opportunity to comment on performance reports required as part of the funding. Comments received on the performance reports are recorded, and a summary of the comments is attached to the performance report

## **Requirements for Local Governments Receiving CDBG Funds**

Recipients of CDBG funds must comply with the State Citizen Participation Plan requirements as found in 24 CFR 570. All applicants and recipients of grant/loan funds shall be required to conduct all aspects of the program in an open manner with access to records on the proposed and actual use of funds for all interested persons. All records of applications and grants must be

kept at the recipient's offices and be available during normal business hours. Any activity of the Grantee regarding the CDBG project, except for confidential matters relating to housing and economic development programs, shall be open to examination by all citizens.

The applicant/recipient must provide technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals at the level of expertise available at governing offices. All application materials and instructions shall be provided at no cost to any such group requesting them.

Citizens shall be provided adequate and timely information, to enable them to be meaningfully involved in important decisions at the various stages of the program, including at least 1) the determination of needs, 2) the review of the proposed activities, and 3) the review of past program performance, in the following manner:

1. At least two public hearings shall be scheduled at times and locations felt to be most likely to make it possible for the majority of interested persons to attend without undue inconvenience, addressing the three items above. At least one hearing must be held to address items (1) and (2) above prior to the submission of the application for housing and/or non-housing needs. Item 3 must be addressed in a public hearing to review performance of the recipient in a previous program and must occur prior to closeout of any loan or grant for which performance evaluation has not occurred in a previous hearing.
2. Notification of all hearings shall be given a minimum of five full days in advance to allow citizens the opportunity to schedule their attendance. Notification shall be in the form of display advertisements in the local newspaper with the greatest distribution. Additional advertisement may be conducted by posting letters, flyers and any other forms which seem practical; however, publication is required. All hearings must be accessible to handicapped persons.

Provisions for interpretation shall be made at all public hearings for non-English speaking residents if such residents are expected to be in attendance.

The chief elected official's office shall receive and relate to appropriate persons or groups any views or proposals submitted to aforesaid office within the decision-making time. Any criticism submitted in writing at any time should be answered in writing within fifteen working days by the chief elected official's office. If the complaint is not resolved, it shall be referred to the governing body for final disposition.

## **Availability to the Public**

The state will provide the Action Plan, as adopted, substantial amendments, and the performance reports to the public, including materials in a form accessible to persons with disabilities, upon request. These documents are made available to the public electronically at <https://www.iowaeconomicdevelopment.com/>.

## **Access to Records**

Citizens, public agencies and other interested parties are given reasonable and timely access to the information and records relating to the state's Action Plan and the state's use of assistance under the programs covered by the plan. Presentation materials, resources used to compile the information in the plan, comments compiled at public hearings, and all other related materials are available to the public upon request.

## **Complaints**

To comply with the requirements regarding complaints, the state has designated an appropriate and practicable procedure to handle complaints from citizens related to the this disaster action plan, amendments, and performance reports. Upon receiving a complaint, the state will provide a timely, substantive written response to written citizen complains within a fifteen working day time period. Complaints regarding fraud, waste, or abuse of government funds will be forwarded to the HUD OIG Fraud Hotline (phone: 1– 800–347–3735 or email: [hotline@hudoig.gov](mailto:hotline@hudoig.gov)).

## **Accessibility Measures – Iowa CDBG Language Access Plan:**

Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) and Executive Order 13166 require that recipients of federal funds take responsible steps to ensure meaningful access by persons with Limited English Proficiency (LEP persons). The State of Iowa CDBG and CDBG-DR programs are a recipient of federal funds and, thus, obligated to reduce language barriers that can preclude meaningful access by LEP persons to DCA programs. Iowa CDBG has prepared Iowa CDBG LEP Guidance, which defines the actions to be taken to ensure meaningful access to agency services, programs, and activities on the part of persons who have limited English proficiency. This guidance may be found in Appendix B of this document.

## **Resources Used to Inform Action Plan:**

Iowa Dashboard – Iowa Finance Authority: <http://www.westernes.com/iowa/>

Iowa Floods 2019 – State of Iowa: <https://floods.iowa.gov/>

FEMA DR-4421: <https://www.fema.gov/disaster/4421>

Iowa Flood Information System: <http://ifis.iowafloodcenter.org/ifis/>

Iowa Flood Mitigation Board:

[https://www.homelandsecurity.iowa.gov/about\\_HSEMD/flood\\_mitigation\\_board.html](https://www.homelandsecurity.iowa.gov/about_HSEMD/flood_mitigation_board.html)

HUD CDBG-DR: <https://www.hudexchange.info/programs/cdbg-dr/>

Iowa Geological Survey: <https://www.iihr.uiowa.edu/igs/>

National Weather Service: [https://www.weather.gov/dvn/summary\\_SpringFlooding\\_2019](https://www.weather.gov/dvn/summary_SpringFlooding_2019)

## Appendix A –Implementation Plan and Capacity Assessment

As part of our pre-award certifications, the Iowa Department of Economic Development (IEDA) must create an Implementation Plan and Capacity Assessment and submit the plan to HUD with our financial and programmatic certifications. The requirements for the plan and assessment are found in [85 FR 10182](#), with the criteria described in [83 FR 5844](#) section VI.A.1.b (page 5848 - 5849).

### Timely information on application status:

- a. IEDA's efforts to sub-recipients: In the programmatic guidelines for each specific program a timeline for application review will be detailed:
  - i. Application Due Date
  - ii. Application Review Date
  - iii. Application Award Date

Award communications are done by email and formal award letter signed by the Director of IEDA. Unsuccessful applicants will also be notified by letter signed by the Division Administrator of Community Development. The unsuccessful applicants will be told why they did not receive an award.

The guidelines will also indicate a person to contact with questions about the application.

Application are submitted through our on-line IowaGrants system and are reviewed by IEDA staff.

- b. Sub-recipient efforts with applicants: Sub-recipients that will assist individual home-owners via homebuyer assistance programs will establish their own applicant review process including timely information on application status. That policy will indicate a method of communication, ensure privacy, frequency, and personnel that is responsible for updating application status. At the very least every applicant will have a contact person and phone number to call about their application.

### Capacity Assessment:

1. IEDA staff have been involved in previous disaster recovery efforts. In 2009, the state received \$890,869,466 (73 FR 52870, 73 FR 77818, 74 FR 7244, 74 FR 41146 & DREF) to respond to flooding in 2008. In 2016, the state received \$96,887,177 ([81 FR 36557](#)) as part of the National Disaster Resilience competition.
2. IEDA also administers the annual allocation of regular CDBG funds.
3. IEDA feels confident that it has extensive knowledge of CDBG regulations and has the technical expertise to effectively implement and administer the disaster grant.
4. Capacity Gap: IEDA needs to hire additional staff for the current disaster award. The milestones to hire included:
  - a. Development of the position description: March 2020
  - b. Approval through state system: April/May 2020
  - c. Posting of position: June 2020
  - d. Hiring the position: after the grant agreement is signed with HUD
5. IEDA does not have any outstanding monitoring findings on other awards.

**Staffing:**

1. The Action Plan for the current disaster recovery award will be very focused. Allowing us to concentrate our efforts on activities that will meet the unmet needs of affected areas in the state.
2. IEDA has performed an internal assessment and concluded that we need to hire an additional 1.5 staff. The organizational chart in Appendix 1 illustrates the vacant positions as well as one staff person for each major activity are of the action plan. One staff person will be for housing programs and the ½ position will be for CDBG sponsored buyouts. The majority if not all of the buyouts will be as FEMA match with FEMA taking on the majority of the responsibility for title search and environmental review. Our main responsibility for FEMA matched buyouts will be verification and publication of environmental review requirements, DOB, and additional compliance.
3. IEDA also has a compliance team separate from the disaster recovery team that are responsible for additional monitoring, reimbursement, receiving recipient audits, and contract close-out.
4. The disaster recovery team has project management staff, monitoring, and a technical specialist for labor, procurement, section 3 implementation by sub recipients.
5. IEDA will work with the state auditor to provide additional programmatic and financial auditing through an agreed upon procedures letter. Audit frequency will be agreed to in the letter. The auditor is an independent state agency with an elected official at its administrator. The state auditor will report any findings to the IEDA director as well as the governor (chief elected official).

**Internal and Interagency Coordination:**

1. Communication within the Disaster Recovery and Compliance Team as well as management is excellent. The units are co-located together with the team leaders sitting adjacent to each other. Staff are also co-mingled. The teams will have weekly meetings with written issues, to do lists, and areas of additional collaboration. Management for the teams sits in the same general vicinity as the two teams and regularly interact via meetings and informal communication. The legal and financial teams are also located within the building and representatives of those teams will attend the weekly team meetings.
2. IEDA is the lead agency for the award and will interact with our sub recipients via face to face and video conferencing, letters, email, and through our electronic grants management system IowaGrants. For each sub recipient there is a project manager at IEDA that is the administrator of their contract.
3. IEDA has a good working relationship with Iowa's homeland security agency, regional and local economic developers from the disaster effected regions as well as local bankers and chief elected officials. IEDA plans to hold multiple public hearings about the action plan as well as listening sessions as the grant gets underway to be sure recipients and area residents understand that the lines of communication are open.

**Technical Assistance:**

1. Although IEDA feels confident in its knowledge of CDBG regulations, it has plans to hire technical assistance for our sub recipients:

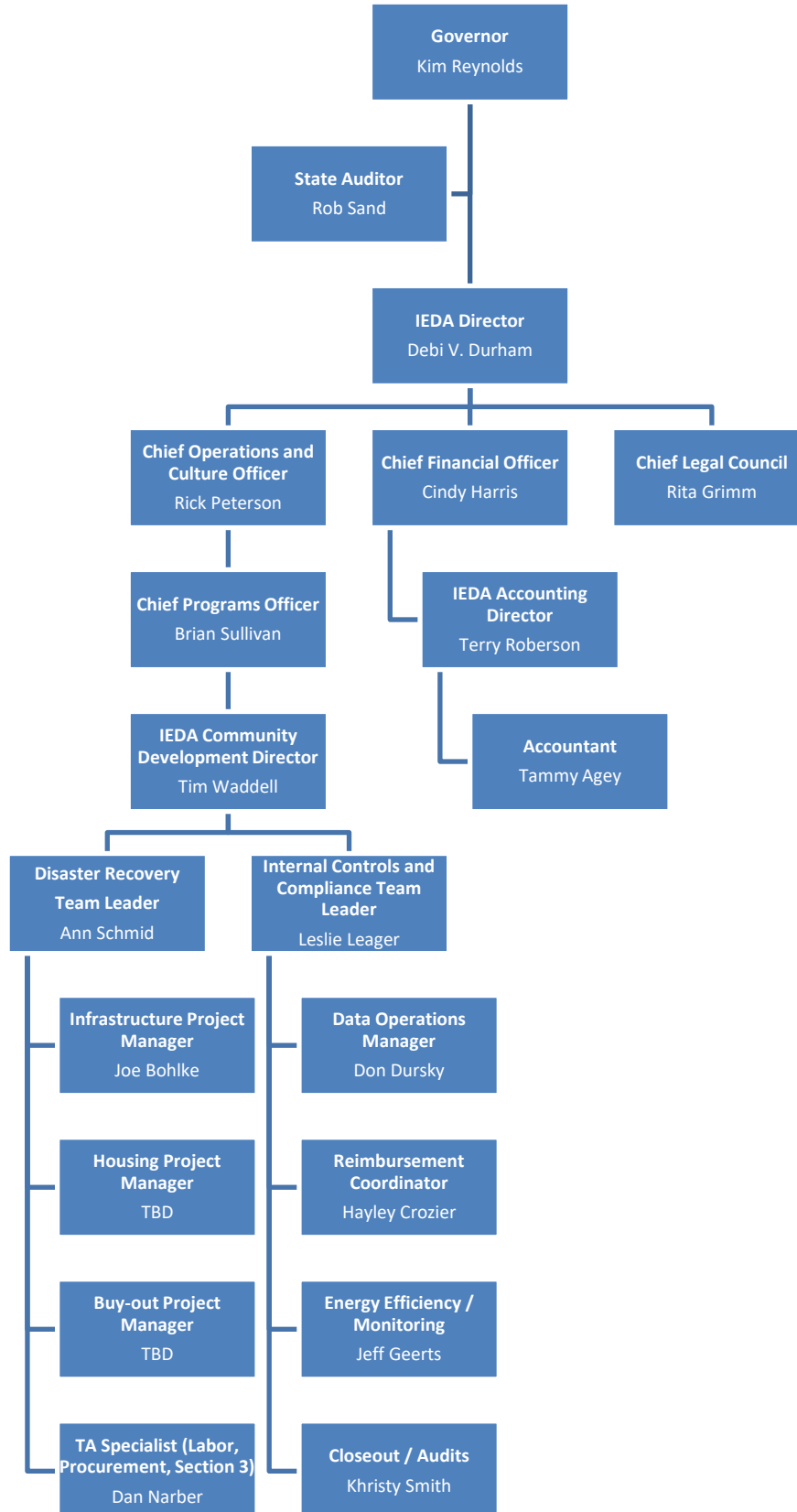
- a. Integrated Design Assistance: IEDA seeks to hire a consultant team with experience in facilitating integrated design workshops, high performance building practices, energy efficient designs and construction, and stormwater best management practices. The consultant team will provide technical assistance to help IEDA recipients and partners to achieve high performing projects emphasizing infiltration-based stormwater practices and meeting or exceeding IEDA's [Iowa Green Streets Criteria](#).
  - b. Historic Preservation Assistance: IEDA seeks to hire to hire a consultant to assist sub-recipients in completing Iowa Site Inventory Forms for section 106 consultation.
  - c. Buyout Consultant: IEDA seeks to hire a consultant team with experience in facilitating the CDBG-DR buyout process including legal and title search, records compliance, and file keeping.
2. IEDA will hire these consultants after the grant agreement with HUD is signed, but before sub grantee contracts are signed.

**Accountability:**

1. IEDA will be the lead agency. The head of IEDA is Director Debi Durham. She reports directly to the Governor Kim Reynolds, the chief elected official for the state of Iowa.



## Organizational Chart



## **Disaster Recovery Website DR-4421**

A common means for communication among all parties will be the website. Development and build out of the site will incorporate memorandums, Q&A, best practices, and organizing and posting on the website, any information sought by any of our partners and any potential beneficiaries. The CDBG-DR Program is actively working with the IEDA Communications unit to design and build a dedicated website for the 2019 Disaster Event. The website will maintain its own address as well as access direct from the IEDA homepage and will contain the following information:

- Draft and final Action Plans
- Action Plan amendments, as applicable
- Grant awards
- Copies of relevant procurement documents, grantee administrative contracts, and details of ongoing procurement processes, as required by Federal Register Notice.
- Program Policies and Procedures
- Program general inquiry phone number and general inquiry email
- General program expenditure and production progress reports
- Public announcements such as application intake beginning, and end periods, etc.

## **List of Abbreviations**

CAA – Community Action Agencies

CDBG-DR -Community Development Block Grants – Disaster Recovery

COG – Council of Government

FEMA – Federal Emergency Management Agency

HUD – Department of Housing and Urban Development

LEP – Limited English Proficiency

DRF – Disaster Recovery Framework

IEDA – Iowa Economic Development Authority

IHSEM – Iowa Homeland Security and Emergency Management

NDRF – National Disaster Recovery Framework

NFIP – National Flood Insurance Program

PDA – Preliminary Disaster Assessment

PPVL – Personal Property Verified Loss

RPC – Regional Planning Commission

RSF – Recovery Support Functions

SBA – Small Business Administration

VOAD –Voluntary Agencies Active in Disaster

## Appendix B – Iowa CDBG LEP Guidance

### Background:

EO 13166, signed on August 11, 2000, directs all federal agencies, including the Department of Housing and Urban Development (HUD), to work to ensure that programs receiving federal financial assistance provide meaningful access to LEP persons. Pursuant to EO 13166, the meaningful access requirement of the Title VI regulations and the four-factor analysis set forth in the Department of Justice (DOJ) LEP Guidance apply to the programs and activities of federal agencies, including HUD. In addition, EO 13166 requires federal agencies to issue LEP Guidance to assist their federally assisted recipients in providing such meaningful access to their programs. This Guidance must be consistent with the DOJ Guidance. Each federal agency is required to specifically tailor the general standards established in DOJ's Guidance to its federally assisted recipients. On December 19, 2003, HUD published such proposed Guidance and finalized the guidance on February 21, 2007. It is entitled: "Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient (LEP) Persons" and can be found here:

<https://www.govinfo.gov/content/pkg/FR-2007-01-22/pdf/07-217.pdf>

**Four Factor Analysis:** Recipients are required to take reasonable steps to ensure meaningful access to LEP persons. This "reasonableness" standard is intended to be flexible and fact-dependent. It is also intended to balance the need to ensure meaningful access by LEP persons to critical services while not imposing undue financial burdens. As a starting point, a recipient may conduct an individualized assessment called the four factors Analysis to determine if translation services are necessary:

1. The number or proportion of LEP persons served or encountered in the eligible service population;
2. The frequency with which LEP persons come into contact with the program;
3. The nature and importance of the program, activity, or service provided by the program; and
4. The resources available and costs to the recipient.

As it relates to how to determine if written translation is necessary, local governments can use this chart

| Size of Language Group                          | Recommendation   |
|---|--|
| 1,000 or more LEP in community                  | Translate vital documents (applications, guidance, etc)                            |
| More than 5% of LEP and more than 50 in number  | Translate vital documents (applications, guidance, etc)                            |
| More than 5% of LEP but less than 50 in number  | Translate written notice of right to receive free oral interpretation of documents |
| 5% or less of LEP and less than 1,000 in number | No written translation is required   |

Language assistance that a recipient might provide to LEP persons includes, but is not limited to:

1. Oral interpretation services;
2. Bilingual staff;
3. Telephone service lines interpreter;
4. Written translation services;
5. Notices to staff and recipients of the availability of LEP services; or
6. Referrals to community liaisons proficient in the language of LEP persons.

**Language Implementation Plan:** After completing the four-factor analysis and deciding what language assistance services are appropriate, a recipient may develop an implementation plan or LAP to address identified needs of the LEP populations it serves. Some elements that may be helpful in designing an LAP include:

1. Identifying LEP persons who need language assistance and the specific language assistance that is needed;
2. identifying the points and types of contact the agency and staff may have with LEP persons;
3. Identifying ways in which language assistance will be provided;
4. Outreaching effectively to the LEP community;
5. Determining which documents and informational materials are vital;
6. Translating informational materials in identified language(s) that detail services available to beneficiaries;

**Notification of LEP persons:** Once a local government has decided, based on the four factors, that it will provide language services, it is important for the recipient to let LEP persons know that those services are available and that they are free of charge. All costs associated with providing translation services are an eligible, reimbursable CDBG cost. Recipients should provide this notice in a language that LEP persons will understand. Examples of notification that recipients should consider include:

1. Posting signs in common areas, offices, and anywhere applications are taken. When language assistance is needed to ensure meaningful access to information and services, it is important to provide notice in appropriate languages in initial points of contact so that LEP persons can learn how to access those language services. This is particularly true in geographic areas with high volumes of LEP persons seeking access to the recipient's major programs. For instance, signs in offices where applications are taken could state that free language assistance is available. The signs should be translated into the most common languages encountered. They should explain how to get the language help.
2. Stating in outreach documents that language services are available from the recipient. Announcements could be in, for instance, brochures, booklets, and in outreach and application information. These statements should be translated into the most common languages and could be "tagged" onto the front of common documents.
3. Working with grassroots and faith based community organizations and other stakeholders to inform LEP individuals of the recipients' services, including the availability of language assistance services.
4. Providing notices on non-English language radio and television stations about the available programs and how to access them.

**Iowa Statistics:** U.S. Census Bureau, American Community Survey (ACS) and Puerto Rico Community Survey (PRCS), 5-Year Estimates.

- Percentage of Iowa's that a language other than English is spoken at home, percent of persons age 5 years or older from 2014-2018: 8%
- Language spoken at home in 2017 for the state:
  - English only: 91.9%
  - Spanish: 3.9%

To find out about your community: <https://www.census.gov/quickfacts/IA> or <https://www.iowadatatcenter.org/>

## Appendix C – Certifications

### Certifications Waiver and Alternative Requirements

IEDA has provided to HUD the necessary *Financial Management and Grant Compliance Certification for States and Grantees*. In addition to those executed documents:

24 CFR 91.225 and 91.325 are waived. Each grantee receiving a direct allocation under this notice must make the following certifications with its action plan:

- a. The grantee certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG program.
- b. The grantee certifies its compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by part 87.
- c. The grantee certifies that the action plan for disaster recovery is authorized under State and local law (as applicable) and that the grantee, and any entity or entities designated by the grantee, and any contractor, subrecipient, or designated public agency carrying out an activity with CDBG-DR funds, possess(es) the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations and this notice. The grantee certifies that activities to be undertaken with funds under this notice are consistent with its action plan.
- d. The grantee certifies that it will comply with the acquisition and relocation requirements of the URA, as amended, and implementing regulations at 49 CFR part 24, except where waivers or alternative requirements are provided for in this notice.
- e. The grantee certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- f. The grantee certifies that it is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.115 or 91.105 (except as provided for in notices providing waivers and alternative requirements for this grant). Also, each local government receiving assistance from a State grantee must follow a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in notices providing waivers and alternative requirements for this grant).
- g. State grantee certifies that it has consulted with affected local governments in counties designated in covered major disaster declarations in the non-entitlement, entitlement, and tribal areas of the State in determining the uses of funds, including the method of distribution of funding, or activities carried out directly by the State.



h. The grantee certifies that it is complying with each of the following criteria:

(1) Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas for which the President declared a major disaster in 2016 pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 et seq.).

(2) With respect to activities expected to be assisted with CDBG-DR funds, the action plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families.

(3) The aggregate use of CDBG-DR funds shall principally benefit low- and moderate income families in a manner that ensures that at least 70 percent (or another percentage permitted by HUD in a waiver published in an applicable Federal Register notice) of the grant amount is expended for activities that benefit such persons.

(4) The grantee will not attempt to recover any capital costs of public improvements assisted with CDBG-DR grant funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:

(a) Disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this title; or

(b) For purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient CDBG funds (in any form) to comply with the requirements of clause (a).

i. The grantee certifies that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601–3619), and implementing regulations, and that it will affirmatively further fair housing.

j. The grantee certifies that it has adopted and is enforcing the following policies, and, in addition, must certify that they will require local governments that receive grant funds to certify that they have adopted and are enforcing:

(1) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and

(2) A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

k. The grantee certifies that it (and any subrecipient or administering entity) currently has or will develop and maintain the capacity to carry out disaster recovery activities in a timely manner and that the grantee has reviewed the requirements of this notice. The grantee certifies to the accuracy of its Public Law 115-56 Financial Management and Grant Compliance certification checklist, or other recent certification submission, if approved by HUD, and related supporting documentation referenced at A.1.a. under section VI and its Implementation Plan and Capacity Assessment and related submissions to HUD referenced at A.1.b. under section VI.

l. The grantee certifies that it will not use CDBG-DR funds for any activity in an area identified as flood prone for land use or hazard mitigation planning purposes by the State, local, or tribal government or delineated as a Special Flood Hazard Area (or 100-year floodplain) in FEMA's most current flood advisory maps, unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain, in accordance with Executive Order 11988 and 24 CFR part 55. The relevant data source for this provision is the State, local, and tribal government land use regulations and hazard mitigation plans and the latest issued FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.

m. The grantee certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.

n. The grantee certifies that it will comply with environmental requirements at 24 CFR part 58.

o. The grantee certifies that it will comply with applicable laws. Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729

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Debi Durham, Director,  
Iowa Economic Development Authority

## **Appendix D – Public Comment**

### **Public Comment and Response**

Comments regarding the CDBG-DR Action Plan will be accepted through June 1, 2020 via web email to [ann.schmid@iowaeda.com](mailto:ann.schmid@iowaeda.com). Comments may also be mailed to the Iowa Economic Development Authority, 1963 Bell Avenue, Suite 200, Des Moines, IA 50315.

All comments received and responses provided will be summarize in this Appendix in the Final Action Plan.