

Proposed Davenport Residential Assistance Programs Using State CDBG-CV

At the State of Iowa's request, the City of Davenport can submit applications for one or more programs using Community Development Block Grant dollars (CDBG-CV, allocated through the CARES Act) that the City can use to provide assistance to those negatively impacted by the COVID-19 pandemic. CDBG funds focus the dollars on households who are at or below 80% of median family income. As examples, for a single-person, this cap is roughly \$42,250; for a household of four, the cap is \$60,300. The State requires that a public hearing on the proposed use of these dollars be held and any comments be considered and forwarded to the State. Below is an outline of the three proposed programs. Administrative costs will be built into the dollar amounts.

Homeless Assistance - \$368,765

To help prevent the spread of the virus in congregate shelters, homeless individuals and households have been housed in hotel rooms with vouchers primarily funded by FEMA, the State, and other sources in recent months. With those funds dwindling and colder months coming, it is proposed that the State CDBG-CV dollars be used to continue in this effort, using the dollars as vouchers for shelter solutions. It is also proposed that this program include a provision to cover a household's rental application fee(s), perhaps with a combination of CDBG-CV and County or other sources of funds, depending. Existing arrangements and protocols may need some modification to adhere to CDBG requirements. Further, in coordination with the County, implementation would likely begin as other funding sunsets.

Rental Assistance - \$275,000

For tenant households who have been or are in danger of being displaced due to COVID, this program would provide a security deposit and the first 2 months of rent (or up to three months of rent for existing tenants), up to a maximum of \$3,000 total. This program would likely complement the previous program, functioning like a temporary Section 8 voucher in some ways for those who are currently homeless, wherein an applicant who meets program requirements would be given a period of time to find a qualifying unit. Coordination with rental property owners will be a key component.

Mortgage Assistance - \$275,000

For property owners who have missed two or more mortgage payments due to COVID, this program would provide up to three months of mortgage payments going forward, up to a maximum of \$3,000, in an attempt to provide some relief. Similar to the rental assistance program, eligibility will likely include documentation that the homeowner was in good standing as of March 1 and that they currently meet the income requirements. Coordination with lenders will be a key component of this program.