

ITEM #:	48
DATE:	06-24-25
DEPT:	P&H

COUNCIL ACTION FORM

**SUBJECT: HEARING ON SUBMITTAL OF PROPOSED APPLICATION TO IOWA
ECONOMIC DEVELOPMENT AUTHORITY (IEDA) FOR CDBG-CV GRANT
FUNDING**

BACKGROUND:

On April 14, 2025, the Iowa Economic Development Authority (IEDA) notified City staff that due to some returned funds from previously allocated awards, IEDA has \$2,000,000 of unobligated CDBG-CV funds that must be expended within the next year. IEDA informed staff that it was pursuing an idea to support homeless shelters around the state that experienced increased operating costs as they work to prevent, prepare for, and/or respond to the effects of the pandemic. **IEDA has asked if the City of Ames would have an interest in being a recipient of CDBG-CV funds for this purpose, which would then pass down to IEDA/IFA-identified shelter(s) in the Ames jurisdiction via a subrecipient agreement.**

Although these funds would not be awarded through a competitive application process, an application would need to be created and submitted to IEDA. The funding allocation amount would be dependent upon the number of cities interested in applying and the number of beds in shelters in their area, as determined by IEDA/IFA.

A list of shelters was identified ahead of time due to the limited grant resources available to allocate and the limited time frame in which to expend those funds. The list includes shelters that are already familiar with working with the City, are in good standing with regards to any previous IFA awards, and serve the general population experiencing homelessness (i.e., no specific subpopulations such as domestic violence shelters).

IEDA outlined that the City of Ames can apply for \$75,000 for Shelter Housing Corporation (D/B/A The Bridge Home). IEDA would also be able to award the City an additional \$1,500 for activity delivery/admin purposes. The award would be to the City for the benefit of The Bridge Home. The City would have to administer the grant and verify eligible expenses of The Bridge Home for reimbursement through the grant program. The City of Ames would be responsible for the proper expenditure of funds in accordance with state requirements. The initial application submittal deadline was June 1, 2025, however, the City was granted an extension until June 30, 2025.

After meeting with IEDA staff and later with The Bridge Home interim administrative staff, the City staff is proposing to apply for these funds to assist The Bridge Home with a variety of potential shelter expenses that include, but are not limited to: utility assistance, insurance costs, maintenance, shelter furniture upgrades, appliances, technology, transportation, etc. in order to provide and prepare safer environments for socially distancing services for families, individuals, and the elderly to have access to shelter and other services as needed.

At this time, the staff is requesting approval to submit the attached application. The acceptance of funding from IEDA will be subject to the City verifying an acceptable financial audit and other administrative conditions that the City deems necessary from The Bridge Home.

ALTERNATIVES:

1. Approve submittal of a CDBG-CV grant application to the IEDA on behalf of The Bridge Home with conditions for verification of financial and administrative capacity prior to the acceptance of a grant agreement.
2. Approve the submittal of a CDBG-CV grant application to the IEDA on behalf of The Bridge Home with modifications.
3. Decline to seek this grant opportunity.

CITY MANAGER'S RECOMMENDED ACTION:

Although this a special allocation of funds identified by the state for The Bridge Home that can be utilized to address some of the needs for serving this vulnerable population in our community, it is grant that must be administered by the City on its behalf.

There are ongoing concerns about the status of the administrative and financial condition of The Bridge Home as a non-profit organization and the physical condition of the two properties where these funds would be utilized located along Kellogg that would warrant conditions of City participation in this process.

Due to the short turn around for submitting an application to the State, staff is still verifying the financial and administrative capacity of The Bridge Home that is currently in a temporary administrative contract with Central Iowa Shelter & Services (CISS) in Des Moines. Staff recommends that until these concerns are addressed, a final grant agreement with IEDA should not be approved. Therefore, it is the recommendation of the City Manager that the City Council approve Alternative 1, as described above.

ATTACHMENT(S):

[CDBG-CV Homelessness Operations Application 2025-w attachments.pdf](#)