Attachment A – Fourth Amendment to CDBG-DR Round 1 Action Plan

COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER

RECOVERY- ROUND I

FOURTH AMENDMENT TO THE ACTION PLAN FOR

THE CITY OF JOPLIN

Supplemental CDBG Disaster Recovery
Authorized by the Disaster Relief Appropriations Act, 2013

(Public Law 113-2)
U.S. Department of Housing and Urban Development
Docket No. FR-5696-N-03
[Federal Register: May 29, 2013 (Volume 78, Number 103)]

AMENDMENT #4 – July 20, 2015

The amended text is found in the following pages to highlight the information that has changed. The information is also integrated into the entire Action Plan that follows.

The City of Joplin is amending the Community Development Block Grant Disaster Recovery (CDBG-DR) Program's action plan regarding the first round of funding (approximately $45 Million). A submission of this amendment has been made to the U.S. Department of Housing and Urban Development (HUD).

Joplin Homebuyer Assistance Program (J-HAP)

Program/Activity Details

Administering Entity:	City of Joplin
Budget:	~~$12,750,000~~ $19,750,000
Geographic Area:	City of Joplin: Tornado Area
Applicant Eligibility:	LMI / UN
Start/End Dates:	July 2015 – October 2016
Performance Outcomes:	Allocation of homeownership to LMI residents throughout the destruction area.

Scope

The majority of the property in Joplin that was affected by the May 20, 2011 tornado was residential property that contained a variety of single and multi-family homes as well as owner and renter-occupied dwellings. Because the tornado touched down on the west-side of the City, and indiscriminately tore through neighborhoods, residents of all demographic and income statuses were affected.

The estimates of affected residential dwellings, which would include everything from 1 apartment unit to a single family residence, showed that a total of 7,500 units received some level of damage from this disaster. Approximately 4,000 dwellings were destroyed with an additional 3,500 damaged affecting an estimated 17,000 residents. The dwellings that were deemed uninhabitable were estimated to displace approximately 9,200 residents from the City of Joplin.

A large portion of those 7,500 households that were affected were able to find housing resources either through existing available housing stock or through temporarily staying with friends and family. Much of the single-family home housing stock that was destroyed by the tornado was older, lower priced homes. There is now a shortage of lower to moderately priced homes in the Joplin area and many of the available homes are new construction with high price tags. The primary objectives of the City of Joplin's Homebuyer Assistant Program (J-HAP) are:

- To disburse a portion of the City's Department of Housing and Urban Development (HUD) Community Development Block Grant Disaster Recovery (CDBG-DR) grant funds for homeownership programs to repopulate the tornado affected area;
- To increase the number of affordable housing units in the City;
- To improve the opportunities for homeownership for Low and Moderate Income (LMI) families.

The table below shows the population and funding break-down available through J-HAP to the City of Joplin residents.

Population	*Property Type*	*% of Down-Payment Assistance*	*CAP*
LMI	Existing	20	$30,000
LMI	New Build	30	$35,000
Urgent Need	Existing	20	$30,000
Urgent Need	New Build	20	$30,000

This program specifically aims to provide direct homeownership assistance to approximately 400 households. As of 6/19/15 there have been 312 home closings (33% of these homes have been provided to LMI families). The subsidy may be used to fund up to 20% of down payment assistance, up to 30% for qualified LMI covering 100% of the primary lender requirements and/or 100% of the:

- Reasonable closing costs
- Acceptable loan terms are 15-30 years with loan fully amortized at the end of the loan period, and ARM's are acceptable
- The additional $7,000,000.00 in funding will be used to further facilitate the repopulation of the tornado area by providing more affordable housing for Low-Moderate income residents

Basis for Allocation

Due to the success of this program, the City has been able to provide over 300 affordable homes within the tornado affected area. The program has helped the City stabilize and minimize population loss, encourage population growth and provide financial incentives to low and moderate income families that live within the tornado impacted area. The additional funds added to this program will provide direct home-ownership opportunities to approximately 220 additional households.

CDBG Eligibility and National Objective

This activity is eligible under 13, Direct Homeownership Assistance, and will utilize the National Objectives of both Low-Moderate Income Housing and Urgent Need. For households that will

not qualify under the Low-Moderate Income National Objective, Urgent Need will be used based on the clear need for housing and all income levels.

Crossroads Industrial Park (Phase I)

Program/Activity Details

Administering Entity:	Joplin Industrial Development Authority (JIDA)
Budget:	$1,200,000
Geographic Area:	City of Joplin: Crossroads Industrial Park
Applicant Eligibility:	LMI / Job Creation or Retention
Start/End Dates:	August 2015 – August 2016
Performance Outcomes:	Provide infrastructure improvements that would attract businesses and commercial interests as well as provide employment opportunities to meet the City's population growth objectives.

Basis for Allocation

The City of Joplin has identified a number of economic development activities to support their goal to rebuild the Community following the May 2011 tornado. The City of Joplin has a strong business foundation that is comprised of a skilled labor force, easy transportation access, and reasonable operating costs. The City has a population of over 50,000 and a daytime population of more than 240,000, which highlights the fact that Joplin is an economic/workforce magnet for the surrounding communities. According to a recent study conducted by the Joplin Area Chamber of Commerce, the business sectors that will most likely expand to or be located in the Joplin area are distribution centers, administrative office operations, commercial machinery repair and custom computer programming. In support of the City of Joplin's goal, the Joplin Industrial Development Authority (JIDA) intends to provide additional street and sanitary sewer infrastructure improvements to the Crossroads Industrial Park. The Crossroads Industrial Park is one of Joplin's newest industrial parks which will support the manufacturing, transportation and distribution industries. The current tenants of the Industrial park include Allgeier Martin Associates, a Coca-Cola distribution facility, Turbo Supply and a JIDA spec building. The goal of the infrastructure improvements for the Crossroads Industrial Park is to build upon and improve economic prosperity in the City of Joplin.

The 24th Street Extension Project will provide improved access to two business entities (Eagle Picher and John Schaumburg) located within the industrial park. The improved infrastructure will facilitate business, commercial and economic growth within the City of Joplin. The additional businesses will also provide employment opportunities to LMI individuals and thereby aid the City in meeting their population growth objectives.

CDBG Eligibility and National Objective

This Activity is eligible under 17B Infrastructure Development and will utilize the National Objective of Low-Moderate Income Limited Clientele.

Long-term Recovery from Specific Disaster

This activity will help to create a stronger economic base and provide employment for LMI individuals. Developing the needed infrastructure will improve access to businesses located in the Industrial Park.

LAND ACQUISITION/ASSEMBLAGE

Program/Activity Details

Budget:	~~$6,440,000.00~~	$0.00
Geographic Area:	City of Joplin	

How the Assessment informed allocation
Land assemblage will help further the redevelopment goals for both residential and commercial projects. The need to redevelop the vacant properties is apparent from the fact that 3,500 residential properties will need to be completely redeveloped due to the tornado.

Threshold factors and grant size limits
The estimated cost for lost is $15,000 which is based on market data that averages residential and commercial properties for a total of approximately 500 lots to acquire.

CDBG Eligibility and National Objective
The eligibility of this activity is under 01, Acquisition of Real Property, and the primary national objective for this project will be Urgent Need. This will serve the purpose of securing lots that could otherwise become vacant and endanger the public and will also help provide incentive to address the urgent needs of residential redevelopment to serve the citizens of Joplin.

How will programs help long-term recovery from specific disaster
The Joplin Redevelopment Corporation (a Missouri 353 Corporation) will be used to acquire various parcels of land in the EDR. Properties acquired by the Joplin Redevelopment Corporation would then be sold to prospective homeowners to rebuild in the community. All net proceeds resulting from the sale of land will be used to create a Revolving Loan Fund for the purchasing of additional land within the city limits for the same purpose.
By serving as a ready cash buyer, the Land Bank can acquire larger blocs of land at attractive prices, which can then be resold to returning or relocating homeowners or businesses at prices enabling them to rebuild cost-effectively. With a larger inventory of land and a support team of service providers (such as homeowner financial assistance programs, appraisers, title companies and mortgage lenders), the process of buying land from the Land Bank can be expedited, allowing the rebuilding process to proceed more quickly and efficiently. This supports the city's goal to "build back better", fosters the sense of community which has developed after the disaster, and increases the chances for local business to locate successfully in the neighborhood.

Criteria used to select applications
The City will release the means for individual home-owners to apply for this assistance at a later time. A managing organization has not been identified for this activity at this point and proper procurement procedures will be followed in the selection of a management organization.

SPARK – PERFORMING AND VISUAL ARTS CENTER

Program/Activity Details

Budget:	~~$5,390,000.00~~	$3,630,000.00
Geographic Area:	City of Joplin	

How the Assessment informed allocation
The need that is addressed by this project is the need for economic recovery in the community. Through job creation and the introduction of increased economic activity in a Slum and Blight Area, the choice to include the SPARK plan was informed by the need to fill the need to recover those businesses that have decided to not return to Joplin.

CDBG Eligibility and National Objective
The eligibility of this project is under 03, Other Public Facilities/Improvements, and the primary national objective for this project will be the elimination of a Slum and Blight Area.

Long-term recovery from specific disaster
This activity will include the rehabilitation of the Historic Joplin Union Depot and converting it into a performing and visual arts center. This new center will be a driving force in the community to attract economic activity through tourism. Employment will also be a benefit gained from adding this resource to the downtown area. Plans for the Union Depot have continuously arisen in recent years and interest was once again renewed as the CART looked at ways to accelerate the Economic Recovery of the community through enhanced community facilities.

Criteria used to select applications
Applications will not be needed for this program. The priorities of projects will all be decided administratively by the Public Works Department.

Round I Cumulative Partial Action Plan Budget

Projects	Initial Action Plan #1	Amendment #1	Amendment #2	Amendment #3	Amendment #4	Total Funded to Date
Infrastructure Activities						
Sidewalk Reconstruction/ Construction	$2,500,000.00	$-	$-	$-	$-	$2,500,000.00
Trail Construction	$2,000,000.00	$-	$-	$-	$-	$2,000,000.00
Tree Planting	$2,000,000.00	$-	$-	$-	$-	$2,000,000.00
Storm-water Improvements	$-	$-	$-	$1,000,000.00	$-	$1,000,000.00
Crossroads Industrial Park (Phase I)					$1,200,000.00	$1,200,000.00
Sub Total	**$6,500,000.00**	**$-**	**$-**	**$1,000,000.00**	**$1,200,000.00**	**$8,700,000.00**
Economic Development						
SPARK - Performing Arts/Depot Renovation	$5,390,000.00	$-	$-	$-	~~$5,390,000.00~~ $3,630,000.00	$3,630,000.00
Sub Total	**$5,390,000.00**	**$-**	**$-**	**$-**	**($1,760,000.00)**	**$3,630,000.00**
Housing Activities						
Single Family Homeownership Direct Assistance	$12,750,000.00	$-	$-	$-	~~$12,750,000.00~~ $19,750,000.00	$19,750,000.00
Mixed-Income Multi-Family Residential	$9,000,000.00	$-	$-	~~$9,000,000.00~~ $4,500,000.00	$-	$4,500,000.00
Single Family Rehabilitation	$1,500,000.00	$-	$-	$-	$-	$1,500,000.00
Land Acquisition/ Assemblage	$8,000,000.00	~~$8,000,000.00~~ $7,940,000.00	~~$7,940,000.00~~ $7,440,000.00	~~$7,440,000.00~~ $6,440,000.00	~~$6,440,000.00~~ $-	
FEMA THU Relocation	$-	$60,000.00	$-	$-	$-	$60,000.00
Joplin Housing Authority Tenant Based Rental Assistance	$-	$-	$290,000.00	$-	$-	$290,000.00
Joplin Housing Authority Site Improvements Repair	$-	$-	$210,000.00	$-	$-	$210,000.00
Joplin Affordable Senior Housing	$-	$-	$-	$4,500,000.00	$-	$4,500,000.00
Sub Total	**$31,250,000.00**	**$-**	**$-**	**($1,000,000.00)**	**$560,000.00**	**$30,810,000.00**
Public Service Activities						
	$-	$-	$-	$-	$-	
Sub Total	$-	$-	$-	$-	$-	
Program Administration Activities						
City of Joplin Administrative Costs	$452,667.09	$-	$-	$-	$-	$452,667.09
Consultant Administrative Costs	$1,674,041.91	$-	$-	$-	$-	$1,674,041.91
Planning Costs	$-	$-	$-	$-	$-	
Sub Total	**$2,126,709.00**	$-	$-	$-	$-	**$2,126,709.00**
Total Budgeted (of $45,266,709.00)	**$45,266,709.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$45,266,709.00**

RESOLUTION NO. 2015-011

A RESOLUTION authorizing the filing of a Fourth Amendment to Initial Action Plan with the U.S Department of Housing and Urban Development as required for use of the City of Joplin's Community Development Block Grant Disaster Recovery (CDBG-DR) Program (Round 1); and authorizing the City Manager to execute said Amendment for and on behalf of the City of Joplin.

WHEREAS, on May 22nd, 2011, an EF-5 tornado caused catastrophic damage to a significant portion of the City of Joplin; and

WHEREAS, there were thousands of households affected by the tornado; and

WHEREAS, the U. S. Department of Housing and Urban Development (HUD) provides assistance to communities that experience extreme disaster recovery circumstances; and

WHEREAS, the City of Joplin has been allocated $45,266,709 in CDBG-DR grant assistance in response to the negative housing, infrastructure, and economic impacts caused by the tornado on May 22nd, 2011; and

WHEREAS, the U. S. Department of Housing and Urban Development (HUD) allows for the submission of a Partial Action Plan to assist communities in complying with the two-year expenditure requirement for these funds; and

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) allows for amendments to Partial Action Plans; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF JOPLIN, MISSOURI, as follows:

Section 1. That the City of Joplin file a Fourth Amendment to the Initial Action Plan for the City of Joplin's Community Development Block Grant Disaster Recovery Program (Round 1) according to Attachment A with the U.S. Department of Housing and Urban Development, such that $1.2 million is used to create Crossroads Industrial Park Phase 1, $7 million is added to the Single Family Homeownership Direct Assistance (J-HAP), $1.76 million is taken from the SPARK Performing Arts/Depot Renovation and $6.44 million is taken from Land Acquisition/Assemblage.

Section 2. This resolution will become effective on Friday July 24, 2015 at 12:00 AM.

PASSED BY THE COUNCIL OF THE CITY OF JOPLIN, MISSOURI, this ____ Day of _____, 2015.

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Michael L. Seibert, Mayor

ATTEST:

_____

Barbara L. Hogelin, City Clerk

APPROVED AS TO FORM:

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Peter C. Edwards, City Attorney