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CITY OF IOWA CITY
410 East Washington Street
Iowa City, Iowa 52240-1826
(319) 356-5000
(319) 356-5009 FAX
www.icgov.org

August 31, 2009

Re: CDBG Buyout Update

Dear Property Owner:

The City submitted its application for Community Development Block Grant (CDBG) funding for the purchase of substantially damaged flood-impacted properties that do not meet the criteria for the HMGP (FEMA) buyout. Out of the 71 statement of interest surveys sent out to property owners in the Parkview Terrace neighborhood, 59 were returned to the City. Out of the 59 responses, 42 property owners are interested in pursuing a buyout and 17 are not interested in a buyout. Inclusion in this application does not obligate a property owner to a buyout and you may back out anytime prior to closing on the property. We anticipate a response to the CDBG buyout grant application by the end of September 2009.

Additional Jumpstart funding has recently been awarded to the City of Iowa City. For property owners that are interested in pursuing a buyout, you may be eligible for down payment assistance to help with the purchase of a new home in Iowa City or for up to 12 months in interim mortgage assistance. Interim mortgage assistance includes mortgage payments, liability tax premiums, flood insurance premiums, property tax payments, real estate purchase contract payments, or special assessments. Each homeowner may receive a grant for a maximum of $12,000 and it will not be subtracted out of your buyout offer price.

For those that are not interested in pursuing a buyout, housing repair and rehabilitation assistance is also available, as well as down payment assistance, for households that qualify. Households that have previously applied for Jumpstart do not need to apply again. New applicants can download the Jumpstart application online at: www.icgov.org/jumpstart.

Keep in mind, the CDBG buyout is a voluntary program. All interested applicants can choose to back out of the program at anytime prior to closing on the property. If you have questions or need more information, please feel free to contact me at 319-356-5479 or doug-ongie@iowa-city.org.

Sincerely,

Doug Ongie
Community Development Planner

CC: City Council
Dale E. Helling, Interim City Manager
Jeff Davidson, Director of Planning and Community Development
Rick Fosse, Director of Public Works