



# Housing Task Force Report

To the Rebuild Iowa Advisory Commission

August 2008





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## Introduction

The Rebuild Iowa Housing Task Force respectfully submits its report to the Rebuild Iowa Advisory Commission (RIAC) for its consideration of the impacts of the tornadoes, storms, and flooding on Iowans and Iowa's housing infrastructure. As the RIAC fulfills its obligations to guide the recovery and reconstruction in Iowa, housing looms as one of the premier and most complex issues facing affected residents and policymakers at all levels.

With many areas of the state experiencing devastating damage to their communities, housing is but one of the major challenges. With thousands of people temporarily displaced from their homes and many remaining in temporary quarters, there are critical immediate needs to address the health, safety, and well-being of those affected Iowans. Transitional and long-term housing solutions must also be sought in an effort to rebuild lost housing around deliberate and strategic priorities developed by local stakeholders and supported by state and federal policy and initiatives.

This report provides background information on the damages incurred in Iowa from the disasters and additional context for policy and rebuilding discussions. It also offers recommendations to the RIAC for steps that might be taken to address these significant and important challenges.

In the aftermath of the severe weather and its widespread damages, Governor Chet Culver established the Rebuild Iowa Office to oversee the strategic recovery efforts in Iowa and to coordinate the efforts of state agencies as they address recovery issues. Executive Order Seven also established the Rebuild Iowa Advisory Commission to oversee the office and to provide 45-day and 120-day reports to the Governor, Lieutenant Governor, and General Assembly on the impacts, immediate recommendations, and long-term recovery vision for the state of Iowa. Also created in Executive Order Seven are nine Task Forces to provide information and recommendations to the RIAC. The Housing Task Force, one of the nine created, worked to ensure the Commission is provided, at minimum, the information required in this Executive Order. The Housing Task Force met in a day-long session on July 28 to identify, prioritize, and develop recommendations for how Iowa can best address immediate and future needs for quality, affordable housing. This report is the product of the discussions, public inputs, information presented, and the expertise and experience of the Task Force.

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Task Force members were drawn from an all-volunteer pool of Iowans who expressed interest in serving the state. The response was overwhelming, with many more individuals volunteering than could be accommodated in the balance of a deliberative Task Force body. Rather than turn away volunteers who brought with them experience and expertise, each Task Force welcomed those volunteers to a Resource Group which participate in the meetings through offering presentations, specialized information, and additional inputs and ideas for rebuilding Iowa.

Rebuild Iowa Office staff supporting the work of the Housing Task Force are Joe O'Hern, Julie Lunn, Emily Hajek, and Mary Jane Olney.

In support of the Rebuild Iowa effort, Task Force facilitation, staffing, and report development services were provided by State Public Policy Group (SPPG), Des Moines.





## Executive Summary - Housing

Few disaster recovery initiatives are more important than those that house the people and assist them to repair or replace their homes. The widespread damage to housing from the tornadoes, storms, and floods in 2008 creates greater challenges in housing than the state has faced from previous disasters. The Housing Task Force gratefully submits its Report to the Rebuild Iowa Advisory Commission as an opportunity to place data, issues, priorities and recommendations before residents, communities, state officials, and policymakers at all levels for consideration of how best to guide, support, and resource these efforts.

Quantifying the impact of the disasters on communities is daunting. The many personal accounts and sets of community statistics paint pictures of Iowans who have emerged from the rubble or muck of their homes with a determination and commitment to rebuild not just like they were previous to the disasters, but better and stronger. Damage statistics are telling.

- Of 420 homes assessed for damages in Palo, Iowa, 420 were determined uninhabitable and 25 observed with minor damage. According to Palo city officials, of those damaged, only 8 were covered by insurance.
- In Cedar Rapids, 5,300 residential parcels received damage.
- The entire city of Oakville was damaged, and much of its housing was destroyed, representing \$6,440,470 in assessed value of homes and garages.
- In Parkersburg, private insurance has already paid out more than \$80 million to policyholders.

Those seeking a grand total dollar figure for the cost of repair or replacement of all damage to housing in the state will be disappointed; those data do not exist. What can be shown, however, is that a reasonable estimate of Iowa's unmet needs, that is, those not covered by public or private insurance, is \$946 million. This includes average cost figures to replace a house, repair "minor damage," or cover the costs for "affected" homes as well as the cost to repair or replace rental property and is based on the numbers of affected structures identified in the joint federal and state agency Preliminary Damage Assessment for single family dwellings and from FEMA registrations for assistance by occupants of rental properties.

The priority issues that emerged from information and discussions are threefold for Iowa in the aftermath of the disasters:

- Immediate housing – Though some temporary housing is available, the progress has been too slow. Iowans are still displaced from their homes, and temporary quarters to provide safe and adequate



shelter from the coming cold weather are too few thus far. This is the issue utmost in the minds of Task Force members.

- Case management – Providing for the individual who is struggling to make day to day decisions and navigate the program assistance process is an issue that comes to the discussion frequently. A case management structure would allow an individual or family to have personal guidance. Working with existing long term recovery groups to incorporate and expand these services to individuals and families will ease the difficulty and stress for those needing additional guidance.
- Replacing lost housing – Communities have received severe blows to their core community infrastructure and the fabric of their neighborhoods from damage and destruction of housing. Communities and the state now face the challenge of decision making about where and what types of housing are needed to move them into a better and stronger future with sustainable, energy-efficient design within livable communities. These efforts will be critical in maintaining the character of the community and the workforce that is the foundation of its economic activity.

With the issues and priorities in mind, the Rebuild Iowa Housing Task Force recommends the following to move Iowa closer toward the goals to provide for the housing needs of its individuals and communities.

1. The Rebuild Iowa Office, in conjunction with Iowa Homeland Security and Emergency Management Division, should work with, assist, and monitor FEMA's temporary housing program and be prepared to intercede with federal officials to ensure Iowa families have access to temporary housing resources as quickly as possible.
2. The state will work to foster coordination with long term recovery groups, FEMA, and other government agencies to provide services to Iowans impacted by the disaster.
3. Local stakeholders recognize and participate in the planning that is critical for the effective decision making and use of resources to redevelop their communities.
4. The state should create tools to accelerate market response to the need to repair or replace a wide variety of housing and implement standards to ensure this housing is energy efficient, sustainable, and livable for all ages and abilities.
5. The state should create initiatives that will assist individuals and families to be able to afford to rent, repair, or purchase safe and decent housing.



## **Damages and Impact in Housing**

Housing is arguably the highest priority issue for people and communities affected by the disasters in Iowa during 2008. The tornadoes, storms, and floods during the spring and summer of 2008 left massive damages across the state and great impact on individuals and communities. As has been seen and heard over the past several months, damages and impacts cannot always be described through numbers.

The Rebuild Iowa Housing Task Force heard first-hand accounts of the devastation from affected individuals from Oakville and Cedar Rapids during the Task Force meeting. Housing Task Force co-chairs viewed and heard first-hand accounts of the devastation during Rebuild Iowa Advisory Commission (RIAC) meetings in Cedar Rapids and Wapello. All Commission members heard from local officials and viewed damage to the communities of Coralville, Iowa City, Cedar Rapids, Palo, Columbus Junction, Oakville, and Wapello during RIAC tours prior to their meetings.

From retirees in Wapello to professionals in Cedar Rapids, many Iowans are experiencing a gap between the cost of repairs to their home and the value of their home. Statewide, devastating impacts have been felt by seniors, people with disabilities, renters, and working families alike. Individuals that have been able to evacuate some of their belongings have them scattered across friends' and family's homes. Some have to resort to "sneaking into" their home to retrieve possessions, as their homes are not deemed safe for entry. As the days pass and Iowa inches closer to winter, it becomes imperative to identify immediate housing for individuals that have been displaced by the disaster.

As individuals identify housing for the winter, a focus will need to shift to working on creating quality, affordable housing at a variety of price points for those displaced by the disasters. The Task Force also felt that the creation of a case worker system, to help those who have been displaced by the disasters walk through the process of seeking assistance, would be a benefit to many Iowans.

There are cascading impacts on individuals and businesses related to housing damage that are difficult if not impossible to quantify. Those whose homes were damaged still have to get to work and back if their place of employment is up and running. Additionally, if the cost to repair a home exceeds the value or what an individual can afford, the option of not returning to the community becomes viable, and a shortfall of workers may result alongside a higher unemployment rate. Not only are residents deciding to leave areas, a Rockwell Collins representative in Cedar Rapids stated the company is experiencing difficulty bringing new employees to Iowa due to concerns about future flooding. Damage has curtailed commerce in cities such as Cedar Rapids and Columbus Junction. Reliance on commercial property taxes and local options sales taxes are already being felt, with an ultimate impact on services to residents and residential areas.

Should residents choose to leave areas rather than rebuild, schools may also feel the impact in lower property tax revenues and smaller class sizes which will lead to lower funding for local school districts in future years. The economy and sense of neighborhood in local communities may decline should individuals



decide to leave the area or communities decide not to rebuild in certain areas, adding to existing hardships in communities around Iowa.

The devastation to individual homeowners cannot be overstated. Thousands of Iowans have been displaced by the tornadoes and floods. Many Iowans are now assessing the damage and identifying next steps. Gaps are beginning to emerge between the cost of repair and insurance, if any, and public assistance that is available. Some wonder if they want to remain in the area should another disaster happen again. To exacerbate the problem, winter looms and many Iowans still have no idea what housing options they have or what their options may be. The stress of making hard choices related to their home and way of life have had serious effects on the mental health of Iowans as they cope with the devastation and looming decisions that need to be made with respect to their homes and lives.

As winter looms, Iowa is faced with an immediate need to find warm shelter and safe housing for all people displaced by the 2008 disasters. Victims of Iowa's disasters do not have the option of living outside in the winter months as temperatures fall. The Task Force identified immediate issues that need to be addressed during the near term while assessments continue to be made to gather accurate data on the total damage.

Assessment of damage to homes in Iowa has been, and is designed to be, an ongoing process that will likely take months. The incident period is still open as of August 8, 2008, to allow for assistance should more storms arise or damage be discovered. It is imperative that those displaced by the damages have adequate housing as Iowa works to rebuild homes with consideration for energy-efficiency, sustainability, and design for livability.

## **The Meaning of Data**

Damage estimates are just that: estimates. In some cases, damage data change on a daily basis as additional information is collected or adjusted to reflect new information. In the area of housing, data are most likely not comparable across agencies or sources because of the purpose of those data. Numbers provided are often collected and used for an agency-specific purpose, are compiled for that agency's mission only, and have little value or meaning if taken out of that core context. For this reason, this Damage and Impacts in Housing section will provide the source of the information and the context through which the reader may better understand the complexities of gathering comparable housing data.

It must be clear that there is no tool, agency, or other means to gather and compile the actual costs to repair or replace the damage done to housing in communities as a result of the disasters of 2008. There is no universal contractor bid for each home that can be totaled to provide a "housing damage cost" for the state of Iowa. Consequently, this report provides examples, communities' best guesses, information from county records, agency reports, and anecdotal explanations.

## Damage Reports from the Communities

Damage information for the disasters has and will continue to come from a variety of sources including federal, state, counties and cities, private contractors, educational institutions, individual homeowners, trade associations, and nonprofit organizations. Damage definitions vary from agency to agency, and values ascribed to damage levels are not consistent. Some may include ancillary damages in calculation, such as loss of contents and costs of displacement. A firm total cost of damage to homes in Iowa will be difficult, if not impossible to calculate. It seems a more usable figure for purposes of the Rebuild Iowa effort is a calculation of the cost to communities that is not otherwise covered by private or public program assistance.

Still, it is instructive for the Housing Task Force and the RIAC to have a real-life base of understanding of the impacts and damages in Iowa. According to Housing Task Force meeting notes from July 28, 2008, in Johnson County 87 homes in unincorporated areas were lightly or moderately impacted, though Federal Emergency Management Agency (FEMA) cost estimates were not finished as of the time of that report. According to the Coralville Assistant City Manager's comments during the RIAC July 31, 2008 bus tour:

- 400 Coralville households were displaced due to the flooding.
- 45 households were still considered homeless as of July 31.
- Many of the households displaced in Coralville lived in multi-family housing units, and their future is uncertain.

In Iowa City, the Idyllwild development has requested a buyout. A development with 92 townhomes in 26 units, Idyllwild is only about 10 years old. The development was constructed at an elevation of one foot above the 100-year floodplain. City officials estimate the total assessed value of this development at \$35 million.

Rick Fosse, the Iowa City Public Works Manager, indicated that the Park View Terrace ("Mosquito Flats") area stayed dry in 1993. However, this year the sandbag levee was overwhelmed and flooded the neighborhood. Homes back up to the river and some homes had water halfway up the first story. There is strong interest in a buyout in this neighborhood as well. Only one-third of the area is in a 100-year floodplain; the rest is in the 500-year floodplain. Officials note the assessed value is about \$32 million in this neighborhood.

The City of Cedar Rapids provided relevant facts about housing impact in that community.

- Over 5,300 residential parcels sustained damage during the floods.
- Many of the old and historic residences in Czech Village and Little Bohemia suffered major damage.



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- Over 1,000 non-Homestead rental properties and more than 754 homes to purchase are estimated to be needed in Cedar Rapids, according to Cedar Rapids Councilman Pat Shey during his presentation to the Housing Task Force.

Linn County Planning and Development staff conducted more than 350 damage assessments of flood-damaged structures in the unincorporated area of the county and in Palo with the following findings:

- Minimal flood damage was observed in 67 structures, significant damage and uninhabitable conditions observed in 82 structures, and 49 structures are unsafe to enter under any circumstance. There was no flood damage to 156 structures.
- In Palo, according to information provided by city officials to the RIAC, only 8 homes were covered by flood insurance.
- Minimal flood damage was observed in 25 structures in Palo, significant damage and uninhabitable conditions observed in 376 Palo structures, and 19 Palo structures are unsafe to enter under any circumstance.
- Many families affected or displaced by the flood have no family network to turn to for support because the entire extended family was affected. In Palo, five separate households in one extended family were impacted by the floods.
- FEMA's portable showers remain well-used in Palo where water remains unusable.

Rebuild Iowa Advisory Commission member Amy Truax, an insurance professional from Parkersburg, provided estimated total insurance payouts in Parkersburg as of August 11, 2008, in excess of \$80 million. On August 19, the Parkersburg economic development official, Virgil Goodrich, told the RIAC that 150 building permits have been issued in that city. In the housing development on the eastern edge of town, rebuilding is common, and at least four new lots have been purchased for homes not there before the tornado. Parkersburg officials repeated their intent to recover and rebuild with future growth in mind.

New Hartford mayor Richard Young related how the tornado hit the north part of the city and two weeks later the record floods came. More than 200 new Hartford homes were affected by the floodwaters. Seventy people have signed up for a buyout. In Butler County, about 1,400 people, or 10% of the county's population, have registered with FEMA.

Buyout registrations are significant in Cedar Falls and Waterloo, too. In the North Cedar and Miner School areas 193 buyout requests have been received. Cedar Falls requested 100 FEMA trailers, some of which will be placed on residents' private property. In Waterloo's San Souci Island, all of the 50-55 homes have



applied for buyout. In Evansdale, much of the flooding damage to homes was caused by the water perking back through the sandy soil and into basements.

The Housing Task Force heard a report and personal account from Sue Runnells, a resident of Oakville, about her experiences during the flooding and its aftermath. Runnells stated that 100 percent of the homes have been damaged in Oakville, and that for many residents of Oakville the cost of repair will far exceed the value of their homes. Runnells informed the Task Force that the location of Oakville near the junction of the Iowa River and the Mississippi River makes residents weary about rebuilding. She fears that many residents will not repair their homes and the town will suffer even further loss.

The total assessed value for all residential property in Oakville, population 439, is \$6,440,470, including garages. According to the Mayor of Wapello during the August 5, 2008 RIAC bus tour of the area, 22 Oakville/Wapello area individuals registered at the shelter in Wapello with an average of 12 staying per night. This low usage of shelters is typical for Iowans, who are more likely to find emergency shelter for the short term with family or friends. Columbus Junction had 10 homes with water damage; 5 of them were severe. Columbus Junction experienced its major losses in its commercial area of the town.

### **The Preliminary Damage Assessment (PDA)**

The Preliminary Damage Assessment (PDA) numbers are often cited, as they are some of the first numbers to become available during a disaster. The purpose of the Preliminary Damage Assessment is very limited, and its data remain preliminary and are not intended to project final damage costs. The PDA involves a joint effort between local, state, FEMA, and SBA representatives and entails assessment of homes and businesses to reach the threshold amount of damages to qualify for a Presidential Disaster Declaration. All houses are preliminarily assessed in accordance with the established damage levels and conditions. All houses with damages are assessed. If assessment team members find different levels of damage, the assessment is recorded at the higher level of damage. The primary purpose of the Preliminary Damage Assessment is to document damages up to the level required to trigger a request for a Presidential Disaster Declaration. Once the threshold for a Presidential Declaration is achieved, the PDA for the area ceases. Therefore, PDA numbers of affected homes may be lower than figures from state and local assessments conducted for other purposes.

The incident period that began on May 25, 2008 for FEMA assistance is still open, and data continues to be gathered related to damages as more damage occurs. Counties are still being declared and are becoming eligible for additional resources.

As mentioned at the outset of this section, there is no housing assessment that can provide a firm number on the costs of rebuilding all housing damage in a community. Contractors' estimates are typically the best source of this cost, but are clearly not available in these situations.





## Indicators of Overall Costs to Replace Damage to Communities

State agencies involved in disaster recovery assembled data and developed a methodology to indicate the cost to communities and to the state to repair and replace the damage to their housing. The total unmet housing need is \$946,000,000 for single family and multi-family housing as a result of the disasters of 2008. Of that, \$90,000,000 is for rental property; the remaining \$856,000,000 is for single family dwellings. Developed earlier in the disaster assessment period, this remains a current, reasonable estimate.

The cost indicators for the repair or replacement of housing in Iowa were developed through consultation with homebuilders and R.S. Means, a well-regarded construction cost-estimation firm in the United States. Using this information, the total estimates for housing losses were developed using the following formula:

- For single family dwellings, \$150,000 was used as an average replacement cost for a house in Iowa based on the average cost of producing a single family house. This figure was based on an average home of 1,500 square feet, at a replacement cost of \$100 per square foot.
  - The number of structures assessed to be “destroyed” or incurring “major damage” during a joint federal and state agency Preliminary Damage Assessment (PDA) was multiplied by the \$150,000 figure. Destroyed homes are considered a total loss; homes incurring “major damage” have experienced a loss of more than 50% of the home’s pre-disaster value and remain uninhabitable for more than 30 days.
  - Next, \$50,000 per structure was used as an average cost of repair for a structure assessed to have “minor damage,” defined as structures where the damage to the living space of the home caused losses of up to 49% of the pre-disaster value of the home and which was estimated to have made the structure uninhabitable for a period of 30 days or fewer, again using the number of structures in that classification from the joint federal and state agency PDA.
  - For structures classified as “affected,” where damages were noted but did not impact the living area to the point that they would require the occupants to relocate during repairs, \$5,000 was used as a reasonable cost of the impact to these homes.
  - 15 percent of the homes were estimated to be covered by insurance and were NOT included in these totals. While some homeowners with insurance may be underinsured or have other non-reimbursed costs, for purposes of preparing an estimate of unmet needs, it was assumed that insured homeowners’ needs would be met through the insurance.
- For rental properties, the estimate of unmet needs was based on FEMA’s \$45 million in estimated rental losses for registered applicants (occupants) who reported damages to their rental units. A 2x multiplier was applied to the FEMA estimate to account for two facts. First, FEMA’s estimates only include costs required to bring the units to minimum occupancy standards, which would not meet either



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U.S. Department of Housing and Urban Development (HUD) or market standards for housing, nor does it include any damages to common areas outside of the individual applicant's housing unit. Second, it was a certainty that additional registrations would be received.



## Issues in Housing

The disaster events of 2008 have had a significant impact on housing in rural and urban areas of the state, as demonstrated by the damage data and information. The issues created by the widespread and severe damages are both personal to individuals and systemic as communities, counties, and the state fulfill their obligations to provide assistance in recovery and rebuilding. As such, both individual and systemic considerations must be kept at the top of the priority list.

Steps to address issues related to direct damages to housing require careful analysis and community deliberations to determine the best course for those involved. With affordable rental housing already in short supply, the disasters are compounding that challenge. Other damages occur as a result of the housing situation, as well. These cascading damages include negative impacts on the workforce, local economy, tax base, educational systems, neighborhoods, and on individuals and families. Housing solutions must go hand in hand with action to address the cascading impacts, as well.

With 83 counties declared Presidential Disaster Areas for Public Assistance and 74 declared for Individual Assistance as of August 12, 2008, it comes as no surprise that the severity of damage to housing in Iowa is record-setting in many communities and counties. The degree of damage may be seen as an anomaly, as in many cases the flood levels exceeded experts' forecasts and the 500-year floodplain. These unprecedented losses in Iowa signal both a warning and an opportunity for the state.

Iowans' determination and pride in their communities leads directly from this adversity to the search for opportunity. Across the state in a variety of circumstances, Iowans have said they will rebuild their homes, and rebuild in better ways. The state, counties, and communities, too, expect that housing solutions will leave Iowa safer, stronger, and smarter. In these steps to address immediate, transitional, and long-term housing needs, examples and precedents should also be set for effective recovery from future disasters of any type that occur anywhere in the state.

## The Context

Housing is a critical need, yet the storms and floods of 2008 have caused too many Iowans to remain without temporary or transitional housing, let alone plans for permanent housing. Individuals, families, communities, and counties have been overwhelmed by the magnitude and impacts of the disasters, compounding the challenges to navigate the unfamiliar territory of numerous federal or state programs, eligibility, and myriad rules and exceptions. Individuals and families face uncertainty in nearly every facet of daily life. Some have lost jobs as well as homes. Financial strain is exacerbated by pressure to maintain mortgage and property tax payments on damaged and destroyed homes. Some are uprooted from their neighborhoods to unfamiliar towns, neighborhoods, and schools. Many live with family or friends but are feeling a need, after the initial months, of moving on to their own place. Too many may be victimized by contracting scams and shoddy, substandard repairs to their home. Health issues may arise from exposure

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to the storms and floods and their aftermath. Increased stress and mental health issues are becoming commonplace as weeks become months of recovery.

Systems, too, are stressed. Cities, counties, and the state are coping as best they can with uncertainty, as well. On one hand, the wheels of disaster relief seem to move very slowly, and progress seems to be barely noticeable. On the other hand, city and county governments feel rushed to decisions they may not feel ready or sufficiently informed to make. Fairness, precedent, supply and availability, funding, program requirements, data needs, community tradition, and a host of other factors all contribute to the real or perceived inactions of the public sector in addressing the housing needs of their residents. In short, cities and counties are faced with three decisions about housing: where to build and repair, what type of housing to construct, and how to pay for needed assistance. None of the answers are obvious.

It is the expectation of the Housing Task Force that strong consideration be given to the cascading impacts created by housing loss and to think of the future in crafting solutions in any given community. Elements of sustainable housing, energy-efficiency, livability for people of all ages and abilities, and affordability are critical.

Housing is but one piece of the recovery challenge, albeit an extremely significant piece. Housing is a critical component of economic development in every area of the state. Its impacts on the workforce, education, transportation, arts and culture, and the environment are significant, as are the impacts of these components on housing. Not only must housing be addressed for the sake of the people who need and deserve a *home*, but it must be addressed because of its fundamental role in our economy and lives.

The decisions on housing initiatives lie with cities and counties. While many homes fall within municipal boundaries, an increasing number do not, and may not in future declarations. In looking at housing issues overall, there are common elements in urban and rural areas. Both are more likely to have older homes, homes of lower value, and homes already in need of repair. They differ, however, in that the demand for affordable housing and the resources to support housing are more readily evident in the core urban setting than in a small, rural community. Understanding the context of the community and its specific needs helps in reaching local decisions on where to build and what type of housing is required.

Lessons learned from Iowa's 1993 experiences show that a community process is extremely beneficial to coming to agreement on the best course of action to address housing and other recovery issues. Local leaders can bring all stakeholders to the table to learn about options, identify or develop an option that fits their situation, and work together to bring that to reality.

Some might suggest that funding or other resources is the single housing issue that must be addressed. The Housing Task Force approaches solutions from a perspective of identifying the housing problems that need solutions and then determining what resources or tools are needed to address those core issues.



## Priority Issues

The complexity and magnitude of the housing challenge in the face of the damage and destruction is daunting. Federal programs and financial support are part of the solution. Local governments carry the bulk of the responsibility for steering the housing restoration and rebuilding in their jurisdictions. The state has a leadership role in establishing some statewide priorities and direction to ensure adequate and affordable housing is available to all Iowans impacted by the disasters.

The Housing Task Force suggests three priority issues. The issues are broad and encompass a range of needs.

- Immediate housing
- Case management
- Replacing lost housing

### *Immediate Housing*

Immediate housing is critical for affected Iowans and affected communities. For those displaced from their homes, too much time has passed without a place to call even a temporary home. Cedar Rapids officials told the Rebuild Iowa Advisory Commission that the city's greatest challenge is affordable housing. The town of Oakville was left without a single habitable home. Homes in Parkersburg and New Hartford were literally blown away. The Housing Task Force emphasizes the criticality of this situation as a basic human need for shelter as well as a normal desire to have a sense of home within a community. Iowa's winter is not far away, thus calling for additional urgency to solve this problem.

Solutions for temporary housing are beginning to be seen in the disbursement of rental assistance and the arrival of mobile homes provided through FEMA. Placement of families in mobile homes has begun. The agency has promised 15 additional units per day. These are a partial and temporary solution. Many more homes are needed in communities across Iowa, and it is commonly held that the temporary FEMA units will be less than ideal during the frigid Iowa winter.

A recent pilot project was approved by FEMA to repair existing rental housing in Iowa and place families in those homes for up to 18 months until permanent housing becomes available. This is a positive step in creating an adequate temporary housing supply.

Neither of these are complete solutions, nor will they be in place quickly enough to eliminate the problem. The Housing Task Force recognizes the role of the state in supporting additional housing options and in providing financial options for displaced Iowans. A significant gap in the availability of housing is the lack of

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a funding mechanism or resources attached to an effort to get that housing in place or to support individuals and families in their transitional phase.

### *Case Management*

In their overwhelmed state, residents are floundering in their efforts to get information and assistance. Some do not know there may be programs to help them, nor do they know where to go to find out what may be available. Navigating the maze of programs, eligibility requirements, forms, and records is enough to keep some people from seeking assistance altogether. People may be facing displacement from their home, complete loss of their possessions including personal records, health impacts or injury, loss of job or income, and loss of their social network and support system. Decision-making capacities are diminished under such stressful conditions and people are desperate to find housing and get on with their lives, creating a situation ripe for decisions that may be poor choices in the long run.

Local nonprofit and volunteer agencies traditionally work with individuals and families to address individual needs. Many of those organizations were also impacted by the disasters, and their capacity is also diminished for the short term. The Housing Task Force does not know the current extent of “case management” support, that is, individual technical assistance to ensure a person or family has the information and guidance necessary to make informed decisions in this time of confusion and stress. Navigation through program guidelines and applications, advising on financial decisions, selecting qualified contractors, as well as supporting needs in mental health, education, and other family needs are all part of a case management service. The need is there for additional case management support and an expansion of information to make it easier and more understandable for the residents seeking housing aid from FEMA, SBA, and other existing programs at all levels of government and the private sector. Again, accompanying the gap in service is a gap in associated funding to allow the state to support existing services and/or development and implementation of a case management option for lowans in need.

### *Replacing Lost Housing*

Two primary issues emerge in the challenge of ensuring lowans have permanent homes. First, there is not enough existing housing to meet the need in places where the housing is required. Second, lowans have suffered personal financial devastation or some level of hardship as a result of the tornadoes, storms, and floods.

The first issue implies that replacement housing must be planned and created to respond to the need. However, putting back just what was lost would be short-sighted. Local governments and housing organizations can take this opportunity to assess the type of housing best suited to current and future residents and the neighborhoods in which it will be situated. Certainly, hazard mitigation principles must be brought to bear with new housing well-protected from future disasters of all kinds. Communities with the opportunity and challenge of replacing housing may find the biggest hurdle in developing agreement



among stakeholders and residents about how to proceed. In these decisions, funding and resident support or opposition enters the process. The urge to make a decision and move forward must be weighed with the commitment to participation and deliberation so the best decisions for the future are reached.

Iowa needs quality, affordable housing production that is designed to meet the specific needs and price points of the community in which it will be constructed. To determine those needs and price points, communities need to assess the level of need, consider existing housing plans and priorities, and consider how new quality, affordable housing can augment the community, add elements of livability, and support environmentally sound building and land principles. It is these elements that raise the expectations in housing from what was available in the past to creating a sense of community for decades into the future.

The second issue in replacing lost housing is to ensure there are renters and purchasers once those homes are in place. Whether single family homes or multi-family units, many of the people recovering from the disasters need help in purchasing or renting housing of any type. Affordability goes hand in hand with quality, but even affordable housing may initially be out of reach of some of those in the affected areas. They may already have significant loans on the destroyed or damaged home, some greater than the value of the dwelling. They may have suffered from some of the cascading impacts of the disasters, such as job loss or loss of transportation. While the desire to buy or rent permanent housing when it comes available may be strong, it may not be possible.

## **Gaps in Housing**

For the state to undertake initiatives and establish policies toward solving the housing needs created by the tornadoes, storms, and floods, identification of the gaps is necessary. While the needs are acute in many areas of the state, few wish to duplicate or launch new initiatives without clearly understanding the significance of the void they will fill.

Gaps are easy to identify related to immediate housing. They include the time lapse that has continued in securing and placing adequate temporary housing. Coupled with the passing weeks, availability of adequate temporary housing is a second significant shortfall. The impacts of these gaps are being felt in affected communities statewide.

Gaps in the availability of support services and case management are less easy to quantify, but are so commonly cited as an issue that a gap must certainly exist in the level of service available compared with the demand and need, at least in the experience of those who are working with people affected by the disasters. The concept of individual support in navigating the path toward potential assistance from public and private resources in a post-disaster initiative is new to the housing discussion. Options to providing comprehensive and user-friendly information and guidance on-line have been encouraged and requested, but are currently lacking. Resources to support these support efforts remain a significant shortcoming as well.

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Gaps related to replacing lost housing span a broad range and include:

- Lack of housing stock in or near affected communities.
- Lack of financial resources for affected residents to secure adequate and affordable permanent housing.

In some communities, the lack of available, adequate, and affordable housing is greater than in others. Consider the communities of Parkersburg and Oakville where most, if not all, of the houses were severely damaged or destroyed. In those communities there are limited options and new construction is necessary. In larger communities where some areas escaped damage, housing gaps may be fewer. Nonetheless, for the individuals affected the situation is critical.

An element of the gap in ability to produce housing quickly is a shortage of a skilled construction workforce robust enough to meet the surge in demand in affected areas. Housing, schools, universities, nonprofits, businesses, industry, and other transportation and infrastructure are placing great pressure on housing production capacity.

The ability of individuals and families to achieve permanent housing is compromised by their lack of financial resources and keeps them from moving their lives into a stable phase. Programs providing options for creative and flexible financing or other financial tools are lacking as affected families seek ways to again settle into a home and rebuild their lives.



## Housing Recommendations

Housing provides for one of the basic human needs, and members of the Housing Task Force emphasize the critical nature of taking care of the people of Iowa who are without a home as a result of the 2008 disasters. The recommendations brought forward for consideration by the Rebuild Iowa Advisory Commission address the three priority issues discussed in previous sections of this report. As called for in Executive Order Seven, the Task Force gathered information on damage to Iowa's housing to the best of its abilities, considered models and best practices, and identified issues and gaps that command attention. The recommendations presented here reflect those findings and the consensus deliberations of the Task Force.

Recommendations are presented for efforts in immediate housing, case management, and replacing lost housing to ensure Iowans recover and are housed in quality, affordable housing. Each recommendation includes a brief narrative explanation and rationale, as well as potential strategies that may be effective in implementing the recommendation.

1. The Rebuild Iowa Office, in conjunction with Iowa Homeland Security and Emergency Management Division, should work with, assist, and monitor FEMA's temporary housing program and be prepared to intercede with federal officials to ensure Iowa families have access to temporary housing resources as quickly as possible.
  - Immediate housing priority. As part of its mission and responsibilities, the Rebuild Iowa Office (RIO) will serve as an impetus and partner in the ongoing efforts to meet immediate needs for temporary and longer term housing for those people in a housing crisis situation. The RIO will have links and communication with other state agencies, local governments, and federal programs to track and report the progress toward meeting immediate housing needs, as well as to be actively involved in meeting Iowans' needs.
  - Strategy: Encourage the use of FEMA's rental repair pilot program and assist FEMA in implementing that program and identifying rental resources that can be part of the program.
2. The state will work to foster coordination with long term recovery groups, FEMA, and other government agencies to provide services to Iowans impacted by the disaster.
  - Case management priority. To help Iowans access the assistance for which they are eligible in as direct a route as possible, state and local governments along with nonprofit resources can augment existing support and develop new capacities to handle the demand and seriousness of the situations people face. This system of face-to-face, on-line, and other supports must be maintained throughout the lengthy recovery period and beyond.
  - Strategies:
    - Provide additional program navigation and support case management resources.



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- Ensure creation of a database of services and needs.
  - Promote sharing of this information.
  - Pinpoint gaps, needs, and resources for affected Iowans.
3. Local stakeholders recognize and participate in the planning that is critical for effective decision making and use of resources to redevelop their communities.
- Replacing lost housing priority. The Housing Task Force had the benefit of information from organizations with a national perspective and, as a result, would encourage consideration of the use of outside resources, such as the Urban Land Institute, the National Development Council, and others with broader experience with disaster recovery and large-scale redevelopment initiatives.
  - Strategy: Support local integrated planning with technical assistance and resources for planning.
4. The state should create tools to accelerate market response to the need to repair or replace a wide variety of housing and implement standards to ensure this housing is energy efficient, sustainable, and livable for all ages and abilities.
- Replacing lost housing priority. Priorities for permanent housing to replace homes lost in the tornadoes, storms, and floods include ensuring quality and affordable homes for residents in neighborhoods and communities that reflect local governments' long-term visions and plans for their cities. The state will need to support these efforts through policies, programs, and financial tools to motivate the market to respond with timeliness.
  - Strategies:
    - Provide funding to motivate private and nonprofit market production at prices and standards of quality that meet long term energy-efficiency and sustainability goals. This production would then be available to local communities.
    - Support long term recovery groups' identification of repair and production needs and efforts.
    - Adapt Prison Industries activities to produce very low cost homes that would not be produced by private market activities.
    - Provide gap funding for production of affordable multi-family units.
5. The state should create initiatives that will assist individuals and families to be able to afford to rent, repair, or purchase safe and decent housing.
- Replacing lost housing priority. To repair and replace housing, it is critical that individuals and families can afford to rent, repair, or purchase safe and decent housing. The resources provided need to be coordinated with local planning, long term recovery groups, and ongoing mitigation planning.



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- Strategies:
  - Provide modest assistance to stabilize family finances after the disruption of the disasters.
  - Provide resources to families displaced by the disaster to enable them to repair or replace their home. These resources may differ based on funding sources identified, extent of damage or displacement, and opportunities to provide immediate assistance.
  - Support local housing trust funds.

## Supporting Data and Information

- Individual Assistance Sequence of Delivery
- Disaster Hotline Flyer
- Individual Assistance Daily Report for July 24, 2008
- Damage Levels & Conditions
- Basic PDA Guidelines for Human Services
- PDA County Summary
- IDED Buyout Program – 1993 Floods
- Rebuild Iowa Housing Task Force Meeting Notes – July 28, 2008





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