



Terry E. Branstad
GOVERNOR

OFFICE OF THE GOVERNOR

Kim Reynolds
LT. GOVERNOR

October 16, 2015

The Honorable Julian Castro
Secretary, U.S. Department of Housing and Urban Development
451 7th Street S.W.
Washington, DC 20410

Dear Secretary Castro:

The state of Iowa is pleased to submit its application as part of the U.S. Department of Housing and Urban Development's National Disaster Resilience Competition. Resiliency is a guiding principle that can appeal to individuals across the ideological spectrum to ensure holistic and coordinated approaches to meet public policy challenges and unmet needs that reduce long-term costs to hardworking taxpayers. The goals of our project, the Iowa Watershed Approach, are to reduce flood risk and improve water quality in Iowa by implementing a suite of projects upstream that retain water and increase infiltration. This project is consistent with other collaborative statewide programs in Iowa to reduce flooding and improve water quality, such as the Iowa Flood Mitigation Program and the Iowa Nutrient Reduction Strategy. Strong correlation between flood reduction and nutrient reduction provides a great opportunity to strengthen urban and rural resiliency within targeted watersheds in a cost-effective manner that delivers many ancillary benefits that further stretch finite, hardworking taxpayer dollars.

State of Iowa leaders support a collaborative approach to flood mitigation and water quality that empowers partnerships, bridges the urban-rural divide, is science-based, and data-driven. The Iowa Watershed Approach, as outlined in the state's grant application, would further drive such collaboration to primarily advance two important public policy objectives – reduced flood risk and improved water quality. Further, it will also expand wildlife habitat, increase recreation and tourism, and enhance Iowa's long-term ability to feed and fuel a growing world population. Iowa's project directly engages local private agricultural producers in eight targeted rural watersheds for the construction of rural projects that will reduce peak water flows downstream. The state's application also includes Dubuque infrastructure and housing rehabilitation components as part of the Bee Branch project. The rural watershed projects will directly benefit resiliency in the rural landscape and also bolster resiliency in downstream communities and natural resources throughout the watershed by mitigating flooding and improving water quality. In short, the Iowa Watershed Approach represents Iowa's vision for the future, transitioning away from just hardening structures downstream and taking strategic steps throughout the watershed to bolster overall

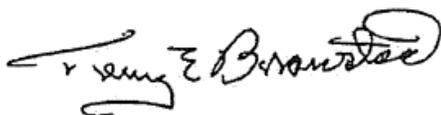
community resilience and simultaneously deliver a multitude of benefits to our citizens, including flood mitigation.

The financial arrangements for the Iowa Watershed Approach includes a mandatory 25% cost share or match for the construction and implementation cost of all projects by local landowners. Based on the project construction budget of \$63,505,000, the total direct leveraged cash from Iowa producers for project implementation represents \$15,876,250 of the total project construction costs. The amount of this pledge is guaranteed because farmers will be required to incur and demonstrate the full cost for project implementation before being compensated for 75% of the cost; similar past cost-share programs have been oversubscribed. Likewise, long term project maintenance agreements will sustain the benefits of the projects into the future.

Given the scope of this project and the support to this unique approach to reducing flooding and improving water quality has from farmers, local elected officials, agricultural stakeholders, state leaders, and downstream communities, we are confident this matching requirement will be met and enable the further leveraging of Federal dollars. We commit our support to this important project and the process used to guarantee the matching funds.

We appreciate your time and consideration of the state of Iowa grant application.

Sincerely,



Terry E. Branstad
Governor of Iowa



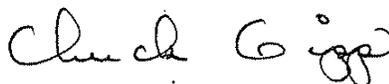
Kim Reynolds
Lt. Governor of Iowa



Bill Northey
Iowa Secretary of Agriculture



Debi V. Durham
Director,
Iowa Econ. Dev. Authority



Chuck Gipp
Director,
Iowa Dept. of Nat. Resources



Mark Schouten
Director,
Iowa Homeland Sec. & Emerg. Mgt.



Dave Jamison,
Executive Director,
Iowa Finance Authority



Steven Leath, Ph.D.
President,
Iowa State University



William N. Ruud, Ph.D.
President,
University of Northern Iowa



Jean Robillard, M.D.
Interim President,
University of Iowa