

Meeting Agendas/Info

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

01-585

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

AGENDA:

NOVEMBER 19, 2001

SYNOPSIS -

To approve the Affordable Housing Agreement between the City of Des Moines and the Federal Home Loan Bank of Des Moines and Bankers Trust Company, N.A. (665 Locust Street, Des Moines, Iowa).

SUBJECT:

AFFORDABLE
HOUSING
AGREEMENT - CITY
OF DES MOINES,
FEDERAL HOME
LOAN BANK, AND
BANKERS TRUST
CO., N.A.

FISCAL IMPACT -

The City of Des Moines and Bankers Trust Company have been awarded \$249,999 for the Emergency Repair Loan Program. The funds will be used for "bricks and mortar." The City will continue to fund staff and overhead costs through Community Development Block Grant (CDBG) funds.

TYPE:

RECOMMENDATION -

Approval.

RESOLUTION
ORDINANCE
RECEIVE/FILE

BACKGROUND -

SUBMITTED BY:

JIM GRANT
COMMUNITY
DEVELOPMENT
DIRECTOR

In March 2001, Bankers Trust Company applied for an Affordable Housing Program (AHP) Grant from the Federal Home Loan Bank in the amount of \$249,999 to be used in conjunction with funds allocated for the Emergency Repair Loan Program administered by the Neighborhood Conservation Services Division of the Community Development Department. In July 2001, Bankers Trust Company was awarded \$249,999 in the form of a grant for this purpose.

The 2001 application focused Federal Home Loan Bank funds on the Emergency Repair Loan Program. Fifty households in emergency situations will be able to access these funds to repair a dangerous furnace or water heater, to fix a leaking roof, to repair a water line, or to repair hazardous wiring or plumbing. The maximum assistance per household is \$5,500. An additional \$5,000 will be available for

assisted households to make exterior repairs and improvements. These exterior improvements will have a positive effect on the house and on the neighborhood.

Due to reductions of CDBG funds allocated to this program, these funds are critical to the continuation of the Emergency Repair Loan Program. Because the Federal Home Loan Bank is in Des Moines, the program is very easy to administer and staff is readily available to answer questions.
