



**CITY COUNCIL  
COMMUNICATION:**

**ITEM \_\_\_\_\_**

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

**02-461**

**SYNOPSIS -**

**AGENDA:**

AUGUST 19, 2002

Approval of 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. for grant funding of the Owner-Occupied Minor Rehabilitation Program.

**SUBJECT:**

AFFORDABLE  
HOUSING  
AGREEMENT WITH  
FEDERAL HOME  
LOAN BANK OF DES  
MOINES AND  
BANKERS TRUST  
CO.

**FISCAL IMPACT -**

The City of Des Moines and Bankers Trust Company, N.A. wish to apply for \$249,999 grant for the Owner-Occupied Minor Rehabilitation Program (f/k/a the Emergency Repair Loan Program). The funds will be used for building materials while the City will continue to fund staff costs and overhead through Community Development Block Grant (CDBG) funds.

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**RECOMMENDATION -**

**Approval.**

**SUBMITTED BY:**

JIM GRANT  
COMMUNITY  
DEVELOPMENT  
DIRECTOR

**BACKGROUND -**

In both 2000 and 2001, Bankers Trust applied for and received 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 Owner-Occupied Minor Rehabilitation Program administered by the Neighborhood Conservation Services Division of the Community Development Department. In both years, Bankers Trust was awarded \$249,999 in the form of a grant for this purpose.

The 2002 application focuses Federal Home Loan Bank funds on the Owner-Occupied Minor Rehabilitation 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 \$6,500; the first \$5,000 will be paid from FHLB funds, any balance will come from CDBG funds. 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 Owner-Occupied Minor Rehabilitation Program. Because the Federal Home Loan Bank is in Des Moines, the program is easily administered

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