



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 10/25/04
520

Communication No.: 04-

| Agenda No.: | Item | Type: | Resolution | Roll | Call |
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Submitted by: Larry Hulse, Community Development Director

SUBJECT—

Resolution authorizing a \$250,000 Grant Request to the Polk County Housing Trust Fund for the City of Des Moines' Emergency Repair Loan Program.

SYNOPSIS—

The City of Des Moines has submitted a \$250,000 grant request to the Polk County Housing Trust Fund for the City of Des Moines' Emergency Repair Loan Program. If awarded, the grant would be matched by Community Development Block Grant (CDBG) Funds and a Federal Home Loan Bank grant that would provide assistance for emergency repairs of up to \$6,500 per owner-occupant. If the grant is received, the City Manager or his designee is authorized to execute the terms of the agreement.

FISCAL IMPACT—

The grant application is for \$250,000. This will be matched by \$250,000 of Community Development Block Grant (CDBG) funds (applied) and \$250,000 of Federal Home Loan Bank funds (applied). These grant funds will enable the City's Emergency Repair Loan Program to correct emergency conditions for low-income homeowners.

RECOMMENDATION—

Approval

BACKGROUND—

The Emergency Repair Loan Program (ERL) targets low-income households most at risk of losing their homes. The \$6,500 per house subsidy allows the household to mitigate the immediate problem and to remain in the house. The majority of low-income households are unable to afford the cost of emergency repairs such as a roof or waterline failure.

The City of Des Moines has operated the ERL Program for several years. Over that time, the assistance levels have been adjusted to keep pace with inflation. The assistance level of \$6,500 is generally adequate to address one emergency issue.

Funds received from the Polk County Housing Trust Funds will be leveraged with other funds applied for, CDBG and Federal Home Loan Bank, for the Emergency Repair Loan Program administered by the Neighborhood Conservation Services Division.

The City's Community Development Department will submit an application to the Polk County Housing Trust Fund on November 1, 2004 requesting \$250,000 for the City of Des Moines' Emergency Repair Loan Program. This resolution gives authorization for the submission of the grant application, which is required by the Polk County Housing Trust Fund.