



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 06/6/05
05-313

Communication No.:

Agenda Item Type: Resolution
No.:

Roll Call

Submitted by: Larry Hulse, Community Development Director

SUBJECT—

Approve the form of agreement between West Des Moines State Bank (West Bank) and the City of Des Moines for dispersal of a Federal Home Loan Bank Affordable Housing Program Grant.

SYNOPSIS—

The agreement by and between the City of Des Moines and West Bank outlines procedures and practices for dispersing the \$250,000 grant from the Federal Home Loan Bank to fund the City's Minor Home Repair Program.

FISCAL IMPACT—

The City of Des Moines and West Bank have been awarded \$250,000 for the City's Minor Home Repair Program. The funds will be used for actual repair. The funds are supplemented with \$250,000 of Community Development Block Grant dollars and \$250,000 of Polk County House Trust Fund dollars.

RECOMMENDATION—

Approval

BACKGROUND—

At its September 27, 2005 meeting, by Roll Call 04-2046, the City Council approved a grant application sponsored by West Bank for submittal to the Federal Home Loan Bank for \$250,000 to be used in conjunction with the City of Des Moines' Minor Home Repair Program. In December 2004, West Bank and the City of Des Moines were notified by the Federal Home Loan Bank that the grant application was successful. At its February 7, 2005 City Council meeting, by Roll Call 05-310, the City Council approved an agreement for the funding among The City of Des Moines, West Bank and the Federal Home Loan Bank. This is a supplementary agreement between the City of Des Moines and West Bank outlining process and responsibilities.

The City will receive \$250,000 through West Bank to supplement loans for 114 low-income households. The City has also received an additional \$250,000 for the Minor Home Repair Program from the Polk County Housing Trust Fund.

Emergency repairs include such system failures as a broken water line or collapsed roof. Under the City's guidelines, an emergency repair is limited to a total of \$6,600. The Federal Home Loan Bank funds will provide up to \$2,200 for an emergency repair per structure, the Polk County Housing Trust Fund dollars an additional \$2,200 and CDBG funds the final \$2,200. Staffing funds are provided through CDBG for the Neighborhood Conservation Division, Community Development Department.