



Council Communication

Office of the City Manager

Date November 6, 2006

Agenda Item No. 22A
Roll Call No. 06-
Communication No. 06-686
Submitted by: Larry Hulse, Community
Development Director

AGENDA HEADING:

Approving the form of agreement among the City of Des Moines, West Bank, and the Federal Home Loan Bank of Des Moines for lead remediation for low-income owner-occupants.

SYNOPSIS:

Recommend approval of the form of agreement among the City of Des Moines, West Bank, and the Federal Home Loan Bank of Des Moines for lead remediation for low-income owner-occupants. The City made application for, and subsequently received, this grant in April of 2006. This action approves the form of agreement for execution of the grant award. The grant proceeds will go directly into home repairs for low-income owner-occupants who have children under age six and lead based paint in their homes. Approximately 50 low-income households will be assisted over a two-year period.

FISCAL IMPACT:

Amount: The grant award is \$250,000. The grant is matched by \$250,000 of Community Development Block Grant (CDBG) Dollars and \$150,000 of Polk County Housing Trust Fund dollars that were previously received. Money for staff and administration is provided by CDBG dollars.

Funding Source: Fiscal Year 2006-07 Operating Budget, NCS-Owner Occupied Program, SP020 CDD049900 CDBG200514, Page 354.

ADDITIONAL INFORMATION:

The Federal Home Loan Bank of Des Moines provides grant funds for member banks through a grant program called the Affordable Housing Program. A member bank may sponsor a non-profit or government organization to make application to administer a program that preserves affordable housing for low-income residents. Applications for funds are held annually and are very competitive.

The City of Des Moines has worked with West Bank to make application for and receive funds to supplement the City's Repair Loan Program for low-income owner-occupied structures over the past few years. West Bank has also agreed to work with the City on the application for rehabilitation assistance for homes with lead based paint. Only certain banks in the Des Moines area are Member Institutions of the Federal Home Loan Bank able to make application for the funds. West Des Moines State Bank is headquartered at 1601 22nd Street in West Des Moines. Vince McNace is the Executive Vice President of West Des Moines State Bank with signature privileges from the Federal Home Loan Bank of Des Moines.

Des Moines elected officials and staff have been meeting with Polk County to determine how to address lead issues in housing. In Des Moines' oldest neighborhoods on the north, east and south sides, officials believe an estimated 13 percent of children have dangerously high lead levels in their blood. That number is nearly twice the state average and seven times the national average, according to the Polk County health department.

Lead was used in house paint until 1978 when its perilous health effects became widely known. More than half of the houses in Des Moines were built before the restrictions took effect, and a majority of those houses contain some lead. Lead can enter the body by eating paint chips or inhaling paint dust from floors, walls, and windowsills. Children younger than 6 are most susceptible to lead poisoning. High levels of lead can hurt blood cells' ability to carry oxygen, which can cause kidney failure and brain damage, according to information from the Centers for Disease Control and Prevention.

The Neighborhood Conservation Division will assist approximately 50 low-income homeowners at approximately \$5,000 for each household. Staffing funds are provided through CDBG for the Neighborhood Conservation Division, Community Development Department.

PREVIOUS COUNCIL ACTION(S):

Date: April 24, 2006

Roll Call Number: 06-772

Action: [\\$250,000](#) Grant Request to Federal Home Loan Bank of Des Moines Affordable Housing Program by the City and West Des Moines State Bank to provide rehabilitation assistance in low-income owner-occupied housing that contains lead based paint. ([Council Communication No. 06-237](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: November 21, 2005

Roll Call Number: 05-2791

Action: Submission of a \$125,000 grant request to Polk County Housing Trust Fund for the City's Owner-Occupied Housing Rehabilitation Loan program for a pilot program for Interim Lead-Based Paint Control. ([Council Communication No. 05-654](#)) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

A future action will be needed to sign an agreement between the City of Des Moines and West Bank.