



# Council Communication

Office of the City Manager

<b>Date</b>	November 6, 2006
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<b>Agenda Item No.</b>	22B
<b>Roll Call No.</b>	<u>06-</u>
<b>Communication No.</b>	<u>06-687</u>
<b>Submitted by: Larry Hulse, Community Development Director</b>	

## **AGENDA HEADING:**

Approving the form of agreement among the City of Des Moines, West Bank, and the Federal Home Loan Bank of Des Moines to implement the Affordable Housing Program Grant for minor home repairs.

## **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 minor home repairs. 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 minor home repairs for low-income owner-occupants. Approximately 84 loans will be provided for low-income households 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 \$250,000 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.

In 2000, 2001, and 2004, the City of Des Moines worked with West Bank to make application for and receive funds to supplement the City's Emergency Repair Loan Program for low-income owner-occupied structures. Only Member Institutions of the Federal Home Loan Bank are able to make application for the funds. West Bank is one of the few banks in the Des Moines area with this designation. 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.

The Neighborhood Conservation Division will assist 84 low-income homeowners with emergency repairs on their homes. Minor home repairs include such system failures as a broken water line or collapsed roof. A minor home repair is limited to a total of \$9,000 per loan. The Federal Home Loan Bank funds would provide up to \$3,000 in additional home repair per structure, the Polk County Housing Trust Fund dollars provide an additional \$3,000 and CDBG funds the final \$3,000. 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: 06-771

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 for minor home repairs for low-income owner-occupants. ([Council Communication No. 06-238](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: November 21, 2005

Roll Call Number: 05-2792

Action: A \$250,000 grant request to the Polk County Housing Trust Fund for the City of Des Moines Emergency Repair Loan Program. ([Council Communication No. 05-655](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: September 27, 2004

Roll Call Number: 04-2046

Action: \$250,000 Grant request from the City and West Des Moines State Bank, to the Federal Home Loan Bank of Des Moines Affordable Housing Program, to fund emergency repairs for low-income owner-occupants. ([Council Communication No. 04-463](#)) 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.