



Council Communication

Office of the City Manager

Date April 9, 2007

Agenda Item No. 27
Roll Call No. 07-
Communication No. 07-185
Submitted by: Larry Hulse,
Community Development Director

AGENDA HEADING:

Approval of the Form of Agreement between West Bank and the City of Des Moines for the Dispersal of Federal Home Loan Bank Affordable Housing Program Grants.

SYNOPSIS:

Recommend approval of the Form of Agreement with West Bank that delineates responsibilities and procedures for satisfying monitoring and compliance requirements for grant funds from the Federal Home Loan Bank. The grants, which total \$500,000, go directly into home repairs for low-income owner-occupants who have emergency housing situations or children under six with elevated lead blood levels.

FISCAL IMPACT:

Amount: \$500,000 (grant proceeds)

Funding Source: 2006-07 Operating Budget, SP020 CDD049900 CDBG200614 NCS-Owner Occupied Program, page 354

ADDITIONAL INFORMATION:

The Federal Home Loan Bank of Des Moines provides grant funds for member banks through its 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.

On April 24, 2006 by Roll Calls 06-771 and 06-772, City Council approved grant applications to the Federal Home Loan Bank for \$250,000 for the Minor Home Repair Program and \$250,000 for the Lead Paint Remediation Program using West Bank as a sponsor. Only certain banks in the Des Moines area are member institutions of the Federal Home Loan Bank and thus, are able to make application for the funds. West Bank is headquartered at 1601 22nd Street in West Des Moines. Vince McNace is the Executive Vice President of West Des Moines Bank and has signature privileges from the Federal Home Loan Bank of Des Moines.

On August 24, 2006 West Bank and the City of Des Moines were notified that the grants applications were successful.

On November 6, 2006 by Roll Calls 06-2181 and 06-2182, City Council approved Forms of Agreement among West Bank, the Federal Home Loan Bank, and the City of Des Moines for implementation of the grants. West Bank has requested that the City of Des Moines approve an additional agreement that provides processes and procedures necessary for satisfying monitoring and compliance requirements.

The Neighborhood Conservation Division will assist approximately 50 low-income homeowners at approximately \$5,000 per household with the Lead Paint Remediation Grant. It also will assist approximately 84 low-income homeowners at approximately \$3,000 per household with the Minor Home Repair Program. Both grants also utilize Community Development Block Grant funds and Polk County Housing Trust Fund funds. Funds for staffing are provided through CDBG for the Neighborhood Conservation Division, Community Development Department.

PREVIOUS COUNCIL ACTION(S):

Date: November 6, 2006

Roll Call Number: 06-2181

Action: Form of Agreement with West Des Moines State Bank (West Bank) and the Federal Home Loan Bank of Des Moines for funds to be used in conjunction with the following: [Lead](#) Remediation for low-income owner-occupants. ([Council Communication No. 06-686](#)) Moved by Vlassis to adopt. Motion Carried 6-0.

Date: November 6, 2006

Roll Call Number: 06-2182

Action: Form of Agreement with West Des Moines State Bank (West Bank) and the Federal Home Loan Bank of Des Moines for funds to be used in conjunction with the following: [Affordable](#) Housing Program Grant for Minor Home Repairs. ([Council Communication No. 06-687](#)) Moved by Vlassis to adopt. Motion Carried 6-0.

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: 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.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE