

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: January 24, 2011
	<p>Agenda Item No. 28</p> <p>Roll Call No. <u>11-0106</u></p> <p>Communication No. <u>11-049</u></p> <p>Submitted by: Phil Delafield Community Development Director</p>

AGENDA HEADING:

Approval of the Affordable Housing Program Agreement between the Federal Home Loan Bank of Des Moines (FHLBDM) and the City of Des Moines in the amount of \$300,000 for owner-occupied repair.

SYNOPSIS:

The City of Des Moines made application for funds from the FHLBDM in June of 2010 (Roll Call #10-922). This action approves the agreement to make the funds available for home repair in Des Moines. Funds provided through this agreement will go directly into home repairs for low-income owner-occupants participating in the Minor Home Repair Program administered by the City of Des Moines' Neighborhood Conservation Services Division. The FHLB funds will be matched by City of Des Moines Community Development Block Grant (CDBG) funds and Polk County Housing Trust Fund (PCHTF) monies. Money for staff and administration is provided by City CDBG dollars. Over 100 low-income households will be assisted over a twenty-four month period with minor home repairs.

FISCAL IMPACT:

Amount: \$300,000 in new funds from the FHLB if the application is approved.
\$500,000 CDBG will match the grant funds (two program years)

Funding Source: SP020 CDD049900 CDBG2009014 NCS-Homeowner Rehab
SP020 CDD049900 CDBG2010014 NCS-Homeowner Rehab
SP020 CDD049900 CDBG2011014 NCS-Homeowner Rehab

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 housing programs for low-income owner-occupied structures over the past several years. Only certain banks in the Des Moines area are Member Institutions of the Federal Home Loan Bank and are able to make application for the funds. West Bank is headquartered at 1601 22nd Street in West Des Moines. Daniel 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 over 100 low-income homeowners with emergency repairs on their homes throughout two program years. Minor home repairs include such system failures as a broken water line or collapsed roof. A minor home repair is currently limited to a total of \$9,998 (combination of PCHTF and City CDBG) per loan. This amount can typically repair an emergency system such as a sewer or water line failure but limits the ability to make additional needed repairs. The Federal Home Loan Bank funds would provide up to an additional \$3,000 in home repair per structure (deferred maintenance, limited exterior improvements, etc) if needed and/or will help to stretch the ever declining CDBG and PCHTF funds so that more families can be assisted. Staffing funds are provided through CDBG for the Neighborhood Conservation Division, Community Development Department.

The City of Des Moines has received grants from the Federal Home Loan Bank to supplement its minor home repair program in 2000, 2001, 2004, and 2006.

PREVIOUS COUNCIL ACTION(S):

Date: June 14, 2010

Roll Call Number: [10-922](#)

Action: [A](#) \$250,000 grant request to Federal Home Loan Bank of Des Moines Affordable Housing Program by the City of Des Moines/West Bank, to provide rehabilitation assistance in low-income owner-occupied housing and approval of Memorandums of Understanding with Neighborhood Finance Corporation (NFC) and Home Opportunities Made Easy (HOME) Inc. for supportive services. ([Council Communication No. 10-341](#)) Moved by Hensley to approve. Motion Carried 7-0.

Date: June 22, 2009

Roll Call Number: 09-1085

Action: [Grant](#) Request to the Federal Home Loan Bank of Des Moines Affordable Housing Program by the City of Des Moines/West Bank to provide rehabilitation assistance in low-income owner-occupied housing. ([Council Communication No. 09-427](#)) Moved by Vlassis to approve. Motion Carried 7-0.

Date: February 25, 2008

Roll Call Number: 08-312

Action: [Grant](#) request to Federal Home Loan Bank of Des Moines Affordable Housing Program by the City of Des Moines/West Bank to provide rehabilitation assistance in low-income owner-occupied housing. ([Council Communication No. 08-080](#)) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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