

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: June 11, 2012
	Agenda Item No. 33 Roll Call No. <u>12-0894</u> Communication No. <u>12-300</u> Submitted by: Phillip Delafield, Community Development Director

AGENDA HEADING:

Approval of New Loan Template for the Home Investment Partnerships (HOME) Owner Occupied Rehabilitation Program.

SYNOPSIS:

A new HOME rule will be implemented in the near future, it is necessary to update template documents to include all federal requirements. Primarily, the HOME owner-occupied rehabilitation loans will assist low income owner-occupied homes with lead hazards participating in the City and County joint program on Lead Hazard Mitigation.

FISCAL IMPACT: NONE

Amount: N/A

Funding Source: N/A

ADDITIONAL INFORMATION:

The City of Des Moines Community Development Department administers the Home Investment Partnerships Program (HOME) and uses funds for rehabilitation of owner-occupied units. The HOME Program requires that a HOME agreement be executed with each homeowner that receives assistance. The agreement should outline the program requirements, long-term monitoring procedures and the terms of the loan.

Substantial changes are being made to the HOME program with a new final rule to become effective in October of 2012. Consequently, the loan templates need to reflect those new requirements. The templates provide for a loan that is forgivable over time, as long as the property remains the principal residence of the homeowner assisted. If the homeowner sells the house, transfers the title, or leases the home, the remaining portion of the lien is due and payable. A failure to notify the City as to a sale or lease would require the full amount of the loan to be due and payable.

The HOME program will primarily assist homeowners in the Lead Hazard Remediation Program. By Roll Call 12-0289 on February 27, 2012 the City executed an agreement to work with Polk County Public Health Department on their Lead Hazard Control Grant program. This program assists low-income homeowners with children under six (6) to correct lead hazards and provides some minimal

rehabilitation assistance. The City provides administration and financing for forty-five (45) units of housing and will provide approximately \$10,000 of HOME funding for each of the projects. The total cost of each of the projects will be approximately \$30,000, with \$10,000 each being provided by Polk County Health Department, Polk County Housing Trust Fund, and City of Des Moines HOME funds.

PREVIOUS COUNCIL ACTION(S):

Date: May 21, 2012

Roll Call Number: [12-0788](#)

Action: [2012](#) Program Allocations for the Home Investment Partnerships Program (HOME) administered by the Community Development Department. ([Council Communication No. 12-234](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: February 27, 2012

Roll Call Number: [12-0289](#)

Action: [Sub](#)-Recipient Contract with Polk County to partner in the implementation of the U.S. Housing and Urban Development (HUD) Lead-Based Paint Hazard Control Program. ([Council Communication No. 12-084](#)) Moved by Meyer to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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