



**AGENDA**  
**FINANCE & ADMINISTRATION SUB-COMMITTEE**  
**Wednesday, September 22, 2021 – 7:00 AM**  
**Location – City Hall Training Room**

The City of West Des Moines is pleased to provide accommodations to disabled individuals or groups and encourages their participation in advance, at 222-3600, so proper accommodation can best be arranged.

This meeting will be conducted electronically. Members of the public wishing to participate are encouraged to do so by calling:

**Phone Number**      **515-207-8241**  
**Conference ID**      **529 976 656#**

1. Update on Housing Program Initiatives
2. Proposed South Jordan Creek Urban Renewal Area
3. FY 2021-22 Budget Amendment #1
4. Staff Updates
5. Other Matters

Note: Any discussion, feedback or recommendation by Sub-committee member(s) should not be construed or understood to be an action or decision by or for the West Des Moines City Council. Further, any recommendation(s) the Sub-committee may make to the City Council is based on information provided to the Sub-committee at that point in time.

Item 1

# Home Improvement Program

Updated September 20, 2021

Program: Home Improvement Program (*Pilot*)

Purpose: The purpose of this program is to provide a home improvement program to a broader number of households, to improve the quality of housing within the targeted neighborhood, allow homeowners to make improvements for life safety, accessibility, weatherization and aesthetic appearances, and encourage homeowners to make repairs and improvements. It is anticipated the City will assist 30 households per year.

Eligible Areas: Only within the designated areas as identified on the attached map; the Historic West Des Moines area.

Program Funding: Funding for this program will come from a fund being created from a combination of sources including City of West Des Moines general fund, donations by banks, and American Rescue Plan (Polk County, City of West Des Moines).

The City will use its funds to offer forgivable loans.

A qualified household is a household with an annual gross income of less than 100% of the median income based on household size. In addition, the household must be current on its mortgage (if applicable), property taxes and have insurance on the house to be assisted. Homes being purchased through a contract purchase are not eligible.

Program Mechanics: This program offers funding for home repairs including life safety, energy efficiency, handicap accessibility, cosmetic improvements such as kitchen cabinets, countertops and flooring.

A qualified household can receive up to \$25,000 in assistance from the Program. The amount of assistance depends on the income of the qualified household and the amount of match provided. For example:

Income	Match Ratio	To receive maximum Program Match – Homeowner contribution	Example - Match provided by Homeowner	Example - Program Match Provided	Example - Total Rehab Dollars available
< 60% AMI	1:3	\$8,333	\$5,000	\$15,000	\$20,000
61-80% AMI	1:2	\$12,500	\$5,000	\$10,000	\$15,000
81-100% AMI	1:1	\$25,000	\$5,000	\$5,000	\$10,000

#### 2021 HUD Income Limits

	Household size						
	1	2	3	4	5	6	7
60% AMI	38,400	43,860	49,320	54,780	59,220	63,600	67,980
80% AMI	51,150	58,450	65,750	73,050	78,900	84,750	90,600
100% AMI	64,000	73,100	82,200	91,300	98,700	106,000	113,300

The work to be done through the Program will be determined by an agreement between the Program Administrator, City Building Inspector, and the Homeowner following a work write-up inspection with the City. Life/safety issues must be addressed first. The homeowner can use their own contractor. However, the contractor must complete a Contractor Eligibility form to be approved. The homeowner cannot do the work themselves, by a friend, or family member. The contractor must be approved by the City by meeting the City’s insurance requirements, not be on the debarment list and have proper licenses if required for their industry.

The Homeowner will either pay their portion into an account held by the City and payments made by the City to the Contractor OR the Homeowner will make all payments to the contractor and get reimbursed by the City with proper documentation of payment (invoices and lien waivers).

Funding assistance to the homeowner will be provided as a forgivable loan over a ten year time period. The loan would be forgiven over a 10-year time frame with a 10% reduction in repayment each year on the anniversary of the document. If the home would be sold during

that 10-year time frame, the owner would need to repay the City's remaining loan balance. There is no interest on the loan and the loan only comes due if the property is sold or transfer of ownership during the 10 year time frame.

Timeline: The Pilot program will begin XXXXXX.

# Rental Acquisition Program

Updated September 16, 2021

Program: Rental Acquisition Program (*Pilot*)

Purpose: The purpose of this program is to transition single family rental units to owner-occupied properties, thereby decreasing the number of single family rental properties in the Historic West Des Moines area. The initial focus of this program is on the properties rated as Poor or Below Normal according to the Polk County Assessor. In addition, the housing stock will be improved, and more homeownership opportunities will be made available to more households. The City's intent would be to purchase 10 of these homes a year.

Eligible Areas: Only within the designated areas as identified on the attached map; the Historic West Des Moines area.

Program Funding: Funding for this program could come from a fund being created from a combination of sources including City of West Des Moines general fund, donations by banks, and American Rescue Plan (Polk County, City of West Des Moines).

The City will use its funds to purchase the properties. The properties will then be sold to a developer (non-profit or for profit) at a nominal fee. The property will be brought up to code based on upon a write up done by the City and then sold for homeownership to a qualified household.

A qualified household is a household at or below 100% of median household income. The household must also complete of homeowner education class from an approved list.

Lastly the price of the home must be affordable to a purchaser at 100% of median household income.

Program Mechanics: The City will contact all single family rental properties in the Historic West Des Moines area that have a current rental certificate and are listed as either in poor or below normal condition according to the Polk County Assessor. The City will ask if those owners are willing to sell. Of those interested, the City will have an appraisal completed to determine fair market price for the property. Upon approval by City Council, an offer would be made to acquire the property. If the initial outreach to property owners with conditions poor or below normal does not elicit enough responses, the outreach will be expanded to those properties considered normal, then very good and so forth.

Each property acquired would be inspected by a City Building Inspector to determine the necessary repairs to bring the home to code.

Each home will be offered through a Request for Proposal. The homes may be grouped together or sold individually depending on the timing of acquisition and location.

Timeline: The Pilot program will begin XXXXXX.

# Down Payment Assistance Program

Updated September 20, 2021

Program: Down Payment Assistance Program (*Pilot*)

Purpose: The purpose of this program is to assist in the purchase of homes in the Historic West Des Moines area; with an extra benefit to active duty military, veterans, and first responders (police, fire, EMS, and emergency dispatch personnel). This program is meant to be similar in nature to Iowa Finance Authority's First Home Program and the Homes for Iowa Program. The intent of the program would be to assist up to 15 households per fiscal year.

Eligible Areas: Only within the designated areas as identified on the attached map; the Historic West Des Moines area.

Program Funding: Funding for this program will come from a fund being created from a combination of sources including City of West Des Moines general fund, donations by banks, and American Rescue Plan (Polk County, City of West Des Moines).

The City will use its funds to offer grants and loans.

A qualified household is a household with an annual gross income of less than 100% of the median income for a family of four. Currently that figure is \$91,300. The household must also complete of homeowner education class from an approved list.

Program Mechanics: Qualified households would be able to receive a grant for down payment/closing costs of up \$2,500. Eligible active duty military, veterans, and first responders could apply for an additional \$2,500 grant.

Qualified households could also apply for a loan for a down payment/closing costs of up \$5,000 whichever is greater. The loan would be repayable upon refinancing of the original loan, sale of the property, or payment of the original loan in full.

Qualified households must also apply to programs with the Iowa Finance Authority and provide documentation of funding.

Timeline: The Pilot program will begin XXXXXX.



# Item 2

# Item 3

# Item 4