


# COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	<b>23-103</b>	Meeting:	<b>February 20, 2023</b>
	Agenda Item:	<b>35</b>	Roll Call:	<b>23-233</b>
	Submitted by:	<b>Chris Johansen, Neighborhood Services Department Director</b>		

## AGENDA HEADING:

Approving American Rescue Plan Act (ARPA) Funding Agreement with Neighborhood Finance Corporation (NFC) for the Energy Advantage Program.

## SYNOPSIS:

The City is awarding \$1,500,000 to NFC for its Energy Advantage Program, which provides deferred loans to City of Des Moines households for qualifying home renovations and energy improvements.

## FISCAL IMPACT:

Amount: \$1,500,000

Funding Source: General Fund made possible by ARPA funding. Preliminary Fiscal Year (FY) 2024 Recommend Budget, Finance Department, Special Revenue and Other Funds, Page 84. Funds will be out of the General Fund and/or Capital Improvement for this expenditure.

## ADDITIONAL INFORMATION:

- The Energy Advantage Program has three (3) goals:
  - Improve the quality of affordable housing units.
  - Preserve the supply of current affordable housing units.
  - Create affordability by reducing energy costs.
- Assistance will be layered in the form of a deferred loan, or a loan where repayment occurs at time of sale or refinance, in combination with a repayable and forgivable loan.
- Loans will be available to homeowners who are at or below 60% of the Area Median Income (AMI). As an example, a household of four (4) earning \$59,000 per year or below would be income-eligible for the program.
- NFC anticipates serving approximately 150 households with the ARPA funding.

- The program is being leveraged regionally and statewide. NFC is receiving funding from or partnering with the City of Urbandale, City of Cedar Rapids, and Mid-American Energy. NFC is also approaching the City of Windsor Heights and the City of West Des Moines as program partners.

**PREVIOUS COUNCIL ACTION(S):**

Date: July 18, 2022

Roll Call Number: [22-1150](#)

Action: [Expenditures](#) of American Rescue Plan Act (ARPA) funds. Moved by Gatto to adopt. Second by Boesen. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).