

# NEWS RELEASE

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## **For Immediate Release**

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## **Senator Tom Harkin Announces State of Iowa to Receive \$2.1 million in Housing Grants**

(Red Oak, Iowa) – During a celebration at the Montgomery County YMCA, Senator Tom Harkin (D-IA) announced that communities across the state of Iowa will receive \$2.1 million in affordable housing grants that will provide homes for 347 families.

The grant funds are part of the Federal Home Loan Bank of Des Moines Affordable Housing Program (AHP) and will be used to rehabilitate existing properties and construct supportive housing for homeless families and individuals. The projects will not only provide safe and decent housing, but also improve the communities those families live in and invigorate the local economy through the creation of jobs.

“These very generous grants could not come at a better time. Here in Iowa, we have suffered a devastating one-two punch,” said Harkin. “First, we were hit with the subprime mortgage meltdown and the foreclosure crisis. Second, we have been hit by draconian cuts to federal and state budgets, including their budgets for housing programs. Taken together, this has created a housing crisis of the first order. And there is a critical need for private sources of funding to step in and fill the gap that has been created as state and federal funding for affordable housing have been slashed. In short, these two awards are going to have a very direct, positive impact on the lives of some of our most vulnerable citizens.”

The senator presented checks to two projects in western Iowa during the celebration:

### **Owner-owned Rehabilitation for Northwest Iowa**

Valley Bank & Trust and Siouxland Interstate Metropolitan Planning Council received a \$500,000 grant to repair homes devastated by natural disasters, starting with homes damaged by the tornado in Mapleton.

### **Red Oak Housing Repair Program**

This project is sponsored by Houghton State Bank and Red Oak Chamber and Industry Association in partnership with Southwest Iowa Housing Trust Fund. The \$90,000 AHP grant will provide significant upgrades and repairs to 15 homes in southwest Iowa.

“The Affordable Housing Program is a system that works because communities determine their own housing needs and are able to respond to things like tornados or aging housing stock,” said Chris Grimm, president, Iowa State Bank and FHLB Des Moines director.

Each year the Bank commits 10 percent of its annual net income to developing affordable housing. These funds come from the Bank's earnings and are not taxpayer dollars. FHLB Des Moines has distributed \$193.4 million to create 40,157 housing units since the creation of the program in 1990. Of that, \$36.8 million has been awarded to the state of Iowa to create 9,138 homes. In 2011, seven projects received funding:

Project	Grant	AHP Units	Project City	Non Profit	Member
13th and Clark Street Supportive Housing	\$150,000	5	Des Moines	Home Opportunities Made Easy, Inc. (HOME, Inc.)	Bankers Trust Company
2011 INRHC AHP Repair Program	\$150,900	12	Waterloo	INRCOG	Community National Bank
Lighthouse	\$500,000	36	Fort Dodge	Beacon of Hope Ministries	First Federal Savings Bank of Iowa
New CISS Shelter	\$500,000	207	Des Moines	Central Iowa Shelter & Services	Freedom Financial Bank
Red Oak Housing Repair Program	\$90,000	15	Red Oak	Red Oak Chamber and Industry Association	Houghton State Bank
NIACOG Housing Trust Fund	\$150,000	27	Mason City	North Iowa Area Council of Governments (NIACOG)	Northwoods State Bank
Owner-occupied Rehabilitation for North	\$500,000	45	Sioux City	Siouxland Interstate Metropolitan Planning Council	Valley Bank and Trust

For a complete listing of 2011 AHP grant recipients, please visit the Bank's website: [www.fhlbdm.com](http://www.fhlbdm.com). For more information, contact the FHLB Des Moines Community Investment Department by calling 800.544.3452, ext. 1173.

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