



Affordable Housing Advisory Council
2006 Annual Report

Our Members

Make It Happen

Contents

A Letter from the Chairman	1
2006 Affordable Housing Advisory Council	2
Member Highlight: Franklin National Bank, Minneapolis, Minnesota	4
Member Highlight: First Western Bank, Sturgis, South Dakota	6
Member Highlight: Great Southern Bank, Springfield, Missouri	8
Grant Project Listing	10
Capitalizing on Rural America: Reporting on the 2006 Town Hall Meetings	15



James Schmidt

Chair

2006 Affordable Housing Advisory Council

A Letter from the Chairman

In the midst of a year filled with change, the Federal Home Loan Bank of Des Moines maintained its customer focus and commitment to its housing finance and community investment mission. This year alone, FHLB Des Moines gave away more than \$23 million in housing grants through several new and existing set-aside programs. Hundreds of members took advantage of the opportunity to reserve funds to use for homeownership initiatives, positively impacting their communities.

- **Affordable Housing Program:** 58 projects were awarded more than \$14.8 million to help build, revitalize or purchase over 2,800 housing units.
- **Disaster Recovery Fund:** \$500,000 in funds used to rehabilitate or reconstruct 50 homes damaged by a disaster in 2006.
- **Native American Homeownership Initiative:** \$450,000 allocated to assist potential homebuyers purchasing homes in Native American Service Areas.
- **Rural Homeownership Initiative:** \$3.5 million awarded to 147 members to provide down payment, closing cost and rehabilitation assistance in rural areas.
- **Urban Homeownership Fund:** 52 members received \$2.3 million in grants to assist homebuyers in urban areas.
- **Urban First-Time Homebuyer Fund:** 49 members were awarded \$2.3 million to help urban first-time homebuyers with down payment, closing cost, counseling or rehabilitation assistance.

Despite the significant changes at FHLB in 2006, including new executive leadership, registering with the Securities and Exchange Commission and restating our financial results, we continued to move forward. For the first time, we held regional meetings in our five-state district for community bankers and community leaders focusing on banker education as well as the economic future of rural areas. The meetings were well-attended by nearly 1,000 people who participated in sessions on the latest economic forecasts, asset/liability management, entrepreneurship, community development and much more.

A Letter from the Chairman

Also in 2006, FHLB introduced two new programs targeting urban homebuyers as well as a separate program designed to provide assistance to eligible homeowners located in declared disaster areas. Additionally, money was allocated to FHLB's Rural Homeownership Fund and Native American Homeownership Initiative. Members also took advantage of FHLB's low-cost Community Investment Advance program. Over 41 communities received more than \$15 million to provide for homeownership or rental needs while 98 members borrowed nearly \$207 million to finance their economic development efforts. And, more than 57 members used nearly \$70 million in Rural Capital Advances.

More dynamic changes will take place at FHLB in 2007. A move to a new location gives us the chance to update our image with a new logo which showcases our commitment to housing finance. We also look forward to expanding economic opportunities to enrich the lives of the communities in which our members live and work. In 2007, additional funds will again be allocated to specific Community Investment programs, providing more resources for our members to build their communities and help individuals and families achieve the American dream of homeownership.



James Schmidt

Chair, 2006 Affordable Housing Advisory Council

Executive Director

Sioux Empire Housing Partnership

Sioux Falls, South Dakota

2006 Affordable Housing Advisory Council

**Left to Right,
Top to Bottom**

Vanessa Baker-Latimer

Housing Coordinator
City of Ames Planning
& Housing Department
Ames, Iowa

Melanie Benjamin

Chief Executive
Mille Lacs Band of Ojibwe
Onamia, Minnesota

Pamela S. Carmichael

Executive Director
Housing Opportunities
Made Easy (HOME), Inc.
Des Moines, Iowa

Freddie L. Davis-English

Chair
Youthlink
Hennepin County
Community Corrections
Minneapolis, Minnesota

Steve M. Dusek

Chief Executive Officer
Prairieland Economic
Development
Corporation
Slayton, Minnesota

Lynn Fundingsland

Executive Director
Fargo Housing &
Redevelopment Authority
Fargo, North Dakota

Zoe LeBeau

Sr. Program Manager
Corporation for
Supportive Housing
Duluth, Minnesota

Linda S. Morgan

Executive Director
Iowa Heartland Habitat
for Humanity
Waterloo, Iowa

Donovan D. Mouton

Program Director
Kansas City Region
One Economy Corp
Kansas City, Missouri

Shawn Pritchett

Executive Director
South Dakota Rural
Development Council
Sioux Falls, South Dakota

Paul Rechlin

Executive Director
Community Works
North Dakota
Bismarck, North Dakota

Richard P. Smith

Indian Housing Liaison
Minnesota Housing
Finance Agency
St. Paul, Minnesota





Franklin Bank

The leader in Improving Our Urban Communities



"We also work with the Home Loan Bank to provide much needed gap financing for community projects that create affordable housing for low- to moderate-income residents in our local communities."

Dorothy Bridges
President and CEO
Franklin National Bank
Minneapolis, Minnesota



Left to Right

Thomas Jefferson, Jr., Thomas Jefferson, Sr.,
Heather Thomson and Taliyah Jefferson
Portland Village Apartments (Cover Photo)
Minneapolis, Minnesota

Franklin National Bank

Minneapolis, Minnesota

The core focus for Franklin National Bank of Minneapolis is to build affordable housing, foster the growth of small business and create development facilities for at-risk youth. The bank's mission is to be the "leader in improving our urban community."

The Twin Cities financial institution counts FHLB Des Moines among its most important partners. A key advantage to membership is using the Bank as an alternative, relatively low cost funding source when local deposits aren't readily available.

"We also work with the Home Loan Bank to provide much needed gap financing for community projects that create affordable housing for low- to moderate-income residents in our local communities," says Dorothy Bridges, president and CEO of Franklin National.

Franklin Bank has been the sponsoring member for several community projects over the past five years. The bank's most recent project in collaboration with Alliance Housing includes a major grant from the Affordable Housing Program.

In the heart of Minneapolis, Portland Village provides rental housing for low income families. Its focus is permanent housing with on-site services that include child care and an outdoor recreation area for children, and support services such as money management for residents.

"Our staff has an expertise in community development financing, and knowledge about partnering with key players such as the City of Minneapolis and the Home Loan Bank to fund these difficult projects," Bridges explains.



Left to Right

Lori Hoppe, Governor's House Representative,
Meade County Housing Authority

Sherry Scudder, Executive Director, Meade County
Housing Authority

Marvin Smith, Vice President, First Western Bank

First Western Bank

Sturgis, South Dakota

One of First Western Bank's goals in every community it serves is to support quality, affordable homeownership. The bank believes that property ownership creates strength and economic stability in a community.

The dependability of FHLB Des Moines and its excellent service are cited as two main advantages to membership, according to First Western's Marvin Smith, vice president and CRA officer.

"First Western Bank knows that FHLB support and funds are always available and easily accessible," says Smith. "This allows us to operate without concern for seasonality of liquidity and with the ability to handle a unique loan opportunity."

Headquartered in Sturgis, South Dakota, First Western has partnered with several housing authorities and FHLB Des Moines to bring the satisfaction of homeownership to hundreds of families. This has made a significant economic impact on the Black Hills of South Dakota.

The South Dakota bank has been instrumental in bringing the Governor's Housing Program to the western part of the state. First Western is currently funding the construction phase of six Governor's Homes in Sturgis and will assist new homeowners with AHP grant funds.

First Western has granted \$625,000 in FHLB funds to assist 217 households over the past eight years. Funds have come from the Bank's Affordable Housing Program, Rural Homeownership Fund and Community Investment Advances.

"First Western Bank knows that FHLB support and funds are always available and easily accessible."

Marvin Smith (Left)
*Vice President
and CRA Officer*
Sturgis, South Dakota

John E. Johnson (Right)
President
First Western Bank
Sturgis, South Dakota





"From a community development standpoint, our company and its non-profit partners have greatly benefited from the AHP program."

Brian Fogle
Director of Community Development
Great Southern Bank
Springfield, Missouri



Left to Right

Joyce Pace, Chief Financial Officer, Kitchen, Inc.
and resident Howard Dindore

Great Southern Bank

Springfield, Missouri

Community development is a priority for Great Southern Bank. In addition to its commitment to affordable housing, the bank has taken an active role in revitalizing downtown Springfield, Missouri, home of its corporate headquarters.

Great Southern strongly values its relationship with FHLB Des Moines. “As a growing bank in thriving markets, funding has been a continuing challenge for us,” says Brian Fogle, director of community development. “FHLB has very flexible options for us to meet funding needs.”

The bank’s community development office focuses on underserved communities in its markets with loans and services to low- and moderate-income persons. It also oversees the bank’s community development corporation, which invests in projects that benefit the public.

“From a community development standpoint, our company and its non-profit partners have greatly benefited from the AHP program,” says Fogle.

Great Southern sponsored an AHP grant to help upgrade the lobby and remodel the kitchen of the Missouri Hotel. Today the Kitchen is a continuum of care provider for the homeless and at-risk homeless in Springfield and the surrounding area, offering emergency shelter, medical clinic, job training and other services.

At the same time, downtown Springfield is bustling with new business, new retail and new housing. Great Southern has been instrumental in the area’s rebirth with loans and investment and as a member of Urban Districts Alliance, a center-city advocacy group.

Affordable Housing Program Grant Project Listing

(The awards are listed alphabetically by city and state.)

COLORADO

Fort Collins

Fort Collins, Colorado Supportive Housing Development – \$110,000
U.S. Bank, NA, ND
Sponsor: Accessible Space, Inc.
22 multi-family rental units

IDAHO

Montpelier

SEICAA Mutual Self-Help Housing – \$330,000
U.S. Bank, NA, ND
Sponsor: SouthEastern Idaho Community Action Agency
30 single-family homeownership units

IOWA

Davenport

Horizon Homes – \$500,000
U.S. Bank, NA, ND
Sponsor: EHDG Ventures, Inc. and Ecumenical Housing Development Group
111 multi-family rental units

Dunkerton

Dunkerton Rental Rehabilitation – \$74,000
Community National Bank
Sponsor: Dunkerton Homes, Inc.
12 multi-family rental units

Des Moines

King Irving & Ingleside Hills Neighborhood Home Improvement Project – \$300,000
First American Bank
Sponsor: Citizens for Community Improvement of Des Moines
60 single-family homeownership units

Des Moines

Meredith Homes – \$170,000
Northwest Federal Savings Bank
Sponsor: Community Housing Initiatives, Inc.
34 multi-family rental units

Des Moines

Hope Family Center – \$400,000
Wells Fargo Bank, NA
Sponsor: Hope Ministries
24 multi-family rental units

Des Moines

2006 City of Des Moines Lead Remediation Program – \$250,000
West Bank
Sponsor: City of Des Moines
50 single-family homeownership units

Des Moines

2006 City of Des Moines Minor Home Repair Program – \$250,000
West Bank
Sponsor: City of Des Moines
84 single-family homeownership units

Des Moines

Pioneer Woods – \$400,000
Bankers Trust Company, NA
Sponsor: Anawim Housing
66 multi-family rental units

Keokuk

Habitat for Humanity 2005-2006 Keokuk Home Build – \$45,000
First Community Bank
Sponsor: Greater Keokuk Area Habitat for Humanity
3 single-family homeownership units

IOWA PROGRAM TOTALS

Affordable Housing Program
(since 1990)
\$30 million
245 projects
7,948 housing units

Rural Homeownership Fund
(since 1996)
\$7 million
2,090 housing units

Community Investment Advance
(since 1990)
\$958 million
1,463 projects

Urban First-time Homebuyer Fund
(since 2006)
\$945,000

Urban Homeownership Fund
(since 2006)
\$1 million

Mason City

Mason City Emergency Repairs and Barrier Removal Program – \$100,000
First Citizens National Bank
Sponsor: City of Mason City
20 single-family homeownership units

Oskaloosa

Owner-occupied Housing
Rehabilitation Program – \$250,000
Horizon Bank
Sponsor: City of Oskaloosa
Housing Trust Fund
50 single-family
homeownership units

Spirit Lake

Antlers Apartments – \$70,000
Northwest Federal Savings Bank
Sponsor: Community Housing
Initiatives, Inc.
14 multi-family rental units

Various

Iowa Finance Authority Down Payment
& Closing Cost Program – \$210,000
Union State Bank
Sponsor: Iowa Finance Authority
70 single-family homeownership units

Various

Southwest Iowa Housing Repair
Program – \$425,000
Midstates Bank, NA
Sponsor: Southwest Iowa Housing
Trust Fund
90 single-family homeownership units

Various

Regional Emergency Home Repair
Program – \$150,000
Iowa State Savings Bank
Sponsor: Southern Iowa COG
Housing Trust Fund, Inc.
30 single-family homeownership units

KENTUCKY

Newport

Small Project Urban
In-Fill/Rehab – \$225,000
U.S. Bank, NA, ND
Sponsor: Housing Authority
of Newport Kentucky
15 multi-family rental units

MINNESOTA

Minneapolis

Alliance Addition – \$300,000
Wells Fargo Bank, NA
Sponsor: Central Community
Housing Trust
60 multi-family rental units

Minneapolis

1822 Park – \$180,000
Wells Fargo Bank, NA
Sponsor: Central Community
Housing Trust
19 multi-family rental units

Minneapolis

Broadway Apartments – \$145,000
Franklin National Bank of Minneapolis
Sponsor: Alliance Housing, Inc.
29 multi-family rental units

Minneapolis

Slater Square – \$500,000
Western Bank
Sponsor: Community Housing
Development Corporation
158 multi-family rental units

Minneapolis

Elliot Park Apartments – \$135,000
Western Bank
Sponsor: Community Housing
Development Corporation
30 multi-family rental units

MINNESOTA PROGRAM TOTALS

Affordable Housing Program

(since 1990)
\$43 million
305 projects
10,835 housing units

Rural Homeownership Fund

(since 1996)
\$4 million
1,001 housing units

Community Investment Advance

(since 1990)
\$1 billion
978 projects

Native American Homeownership Initiative

(since 2002)
\$465,000

Urban First-time Homebuyer Fund

(since 2006)
\$450,000

Urban Homeownership Fund

(since 2006)
\$475,000

Minneapolis

The Nokoma – \$106,547
Western Bank
Sponsor: Plymouth Church
Neighborhood Foundation
19 single-family homeownership units

Minneapolis

Van Cleve Court Apartments
East – \$250,000
Wells Fargo Bank, NA
Sponsor: Project for Pride in Living
and Cabrini House
35 multi-family rental units

Affordable Housing Program Grant Project Listing

St. Paul

Exterior Home Fix-Up Program – \$300,000
BankCherokee
Sponsor: Community NHS
60 single-family homeownership units

St. Paul

The Salvation Army Booth Brown House Foyer – \$175,500
Wells Fargo Bank, NA
Sponsor: The Salvation Army Booth Brown House
27 multi-family rental units

Various

Habitat for Humanity of Minnesota – \$494,760
Bremer Bank, NA
Sponsor: Habitat for Humanity of Minnesota
62 single-family homeownership units

Various

Habitat for Humanity of Minnesota – \$494,160
Bremer Bank, NA
Sponsor: Habitat for Humanity of Minnesota
71 single-family homeownership units

Various

Northwest Minnesota Housing Rehab Leverage Fund – \$450,000
Unity Bank North
Sponsor: Northwest Minnesota Multi-County HRA
60 single-family homeownership units

Various

Southwest Minnesota Regionwide Housing Rehabilitation Project – \$280,500
United Prairie Bank
Sponsor: Southwest Minnesota Housing Partnership
55 single-family homeownership units

MISSOURI

Avondale

Hillcrest Transitional Housing – \$118,500
Clay County Savings Bank
Sponsor: Hillcrest Ministries, Inc.
10 multi-family rental units

Bowling Green

Housing Revitalization
Lewis County – \$250,000
United State Bank
Sponsor: North East Community Action Corporation
50 single-family homeownership units

Bowling Green

Housing Revitalization – Marion and Ralls County – \$250,000
Perry State Bank
Sponsor: North East Community Action Corporation
50 single-family homeownership units

Bowling Green

Housing Revitalization – \$250,000
The Paris National Bank
Sponsor: North East Community Action Corporation
50 single-family homeownership units

Columbia

McBaine Townhomes Affordable Homeownership Program – \$25,000
The Callaway Bank
Sponsor: Columbia Housing Authority/CHA Low-Income Services
5 single-family homeownership units

Columbia

Waterbrook Place – \$235,000
First National Bank and Trust Company
Sponsor: RAIN-Central Missouri, Inc.
8 multi-family rental units

MISSOURI PROGRAM TOTALS

Affordable Housing Program

(since 1990)

\$25 million

171 projects

7,236 housing units

Rural Homeownership Fund

(since 1996)

\$3 million

806 housing units

Community Investment Advance

(since 1990)

\$1 billion

875 projects

Urban First-time Homebuyer Fund

(since 2006)

\$600,000

Urban Homeownership Fund

(since 2006)

\$400,000

Fredericktown

New Morning
Apartments – \$227,300
Heartland Bank
Sponsor: Community Counseling
Center, Inc.
14 multi-family rental units

Joplin

Springview Gardens
Apartments – \$350,000
Union Bank
Sponsor: Lafayette House
79 multi-family rental units

Kansas City

Alexandria Apartments – \$275,000
Union Bank
Sponsor: Sparrow Community
Development Corporation
54 multi-family rental units

Maplewood

Maplewood Home Repair Program
Citizens National Bank of Greater
St. Louis – \$113,625
Sponsor: City of Maplewood
15 single-family
homeownership units

Pagedale

Pagedale Hardship Home
Repair Program – \$415,000
The Private Bank
Sponsor: Beyond Housing/
Neighborhood Housing Services
50 single-family
homeownership units

St. Louis

Healthy Home Repair
Program – \$500,000
United Missouri Insurance Company
Sponsor: Community Development
Administration, Beyond
Housing/Neighborhood Housing
Services and Catholic Charities
Housing Resource Center
250 single-family
homeownership units

St. Louis

Rosati House
Apartments – \$250,000
Heartland Bank
Sponsor: St. Patrick Center
26 multi-family rental units

MONTANA

Billings

Southern Lights – \$100,000
Wells Fargo Bank, NA
Sponsor: homeWORD
20 multi-family rental units

Browning

Irvin Tract Acquisition
and Rehab – \$500,000
Wells Fargo Bank, NA
Sponsor: Blackfeet Housing
50 multi-family rental units

NEBRASKA

Omaha

Village Gate/Strattford Square
Apartments – \$400,000
U.S. Bank, NA, ND
Sponsor: Christian Worship Center
170 multi-family rental units

NORTH DAKOTA

Bismarck

Heritage Apartments – \$150,000
Bank Center First
Sponsor: Pride Wilton, Inc. and
Pride, Inc.
30 multi-family rental units

NORTH DAKOTA PROGRAM TOTALS

Affordable Housing Program

(since 1990)
\$7 million
43 projects
1,420 housing units

Rural Homeownership Fund

(since 1996)
\$635,000
199 housing units

Community Investment Advance

(since 1990)
\$216 million
127 projects

Native American Homeownership Initiative

(since 2002)
\$134,000

Urban First-time Homebuyer Fund

(since 2006)
\$50,000

Urban Homeownership Fund

(since 2006)
\$50,000

Fargo

Project HART – \$238,000
Wells Fargo Bank, NA
Sponsor: Centre, Inc.
48 multi-family rental units

Affordable Housing Program Grant Project Listing

Fort Yates

Standing Rock Rehabilitation
Project #12 – \$380,000
Wells Fargo Bank, NA
Sponsor: Standing Rock
Housing Authority
38 multi-family rental units

Fort Yates

Standing Rock Rehabilitation
Project #13 – \$240,000
Wells Fargo Bank, NA
Sponsor: Standing Rock
Housing Authority
30 single-family rental units

Various

Dreamcatcher Program – \$250,000
Bremer Bank, NA
Sponsor: Three Affiliated Tribes Tribal
Housing Division
12 single-family rental units

NEVADA

Las Vegas

Metro Las Vegas, Nevada Supportive
Housing Development – \$115,000
U.S. Bank, NA, ND
Sponsor: Accessible Space, Inc.
23 multi-family rental units

SOUTH DAKOTA

Aberdeen

HAPI Homebuyers Assistance
Program – \$500,000
Dacotah Bank
Sponsor: Homes Are Possible, Inc.
125 single-family
homeownership units

Brookings

Brookings, South Dakota Elder
Housing Development – \$120,000
U.S. Bank, NA, ND
Sponsor: Accessible Space, Inc.
24 multi-family rental units

Rapid City

Cornerstone Apartments – \$120,000
First National Bank
Sponsor: Cornerstone Rescue Mission
24 multi-family rental units

Various

Home Enhancement 2006 – \$337,500
Wells Fargo Bank, NA
Sponsor: Northeast South Dakota
Economic Corporation and
Northeast South Dakota
Community Action Program
75 single-family homeownership units

WISCONSIN

Milwaukee

Milwaukee Affordable Housing
Initiative – \$125,000
U.S. Bank, NA, ND
Sponsor: Select Milwaukee, Inc.
25 single-family homeownership units

SOUTH DAKOTA PROGRAM TOTALS

Affordable Housing Program
(since 1990)
\$14 million
97 projects
2,867 housing units

Rural Homeownership Fund
(since 1996)
\$900,000
351 housing units

Community Investment Advance
(since 1990)
\$104 million
121 projects

**Native American
Homeownership Initiative**
(since 2002)
\$600,000

Urban First-time Homebuyer Fund
(since 2006)
\$250,000

Urban Homeownership Fund
(since 2006)
\$240,000

Capitalizing on Rural America: Reporting on the 2006 Town Hall Meetings

The Federal Home Loan Bank of Des Moines represents the largest number of community bankers in the Home Loan Bank system. In service to these members, the Bank has sponsored a wide-ranging dialogue about the fortunes and future of rural America over the past three years. The dialogues have played out in dynamic forums in Des Moines, Iowa, and in Washington, D.C.

In 2006 “Capitalizing on Rural America” came home to the Bank’s members in four state specific conferences. The centerpiece of these was a town hall meeting led by A & E’s Bill Kurtis, distinguished journalist, documentary producer and angel investor in the small town of Sedan, Kansas. In each meeting Kurtis engaged a panel of leaders and the audience in a lively dialogue about issues important to their state.

A volume of ideas, strategies and cases came from the town hall meetings. Here are 30 great ideas from the meetings. Use them to build your successful community.

LEADERSHIP...

- Well-organized, strong leadership in a community will guarantee success.
- Engage young professionals and trades people, ages 22 – 35 for your “new boy/girl network.” The Young Professional Network in North Dakota started as a social entity but as it moved forward has become more civic minded and contributes widely to the state.
- The community banker is the lynchpin of every small community and needs to assume a leadership role in the community.
- Business people and bankers need to step up and run for office, says the mayor of Grand Forks, N.D., a guest at the town meeting.
- A lot of small towns think they can do it all themselves, but often it is an outsider that comes in, shows us what we don’t know about ourselves. Hire a consultant to bring people together, help get it done.

PLANNING...

- Adopt the CLAM formula.
 - **Creativity:** Tap into your community’s creative ideas, people and places.
 - **Leadership:** Recruit a diverse group of leaders and agree on a common vision.
 - **Assets:** Identify what you have to work with.
 - **Money:** Find and mobilize resources to achieve your vision.

Capitalizing on Rural America: Reporting on the 2006 Town Hall Meetings

- One town figured out it isn't the chicken (jobs) or the egg (quality of life). It's the "nest," a comprehensive PLAN that includes both. Start with a plan.
- Schedule a Community Summit to create a new vision.
- Conversation is a critical component of community success. Regularly scheduled "community conversations" – open to all – and listened to by everyone are a great way to keep lines of communication open and community success flowing in all directions.
- Invest in assets. Choose one or two things to unify the community. What are the two things we need to do in this community that will do us the most good?
- Turn what is ordinary into extraordinary. Your assets are people, natural resources and culture. Got a cornfield? Design a maze. A boring old piece of farm machinery? Create a farm museum where inner city kids could come.
- Send people out with disposable cameras. Shoot the pictures that you think "say" our town. Build plans around photos.

ECONOMY...

- Community development comes before economic development. You can't focus on economic development without focusing on the community behind it such as infrastructure and schools.
- Keep things in perspective. Remember that in a community of 2000, creating 20 jobs is the equivalent of creating 10,000 jobs in a community of one million.
- Think of your community as a product with many audiences to serve and attract. Build offerings that are compelling to residents and visitors.
- No town is too small. Partner with another town. Study concentric circles 100 miles out and discover you have a huge market. Use the bank as a networking opportunity.
- Love your friendly homegrown entrepreneurs. They will "raise up all boats" in your community.
- Change your economic development organization to more broadly represent community interests. Human services, environmentalists, arts advocates and others can contribute to building a place where people want to live.

- Try this at your bank. Andy Wells is a successful entrepreneur in Bemidji, Minnesota. His bank hosted “Meet Andy Wells Day,” a popular event that helped the community better understand the importance of a homegrown business.
- About *Shop Our Town First* campaigns, planning expert and town meeting panelist Marty Shukert says, “Guilt is a poor motivator.” He suggests you give people a reason to shop locally including unique inventory, convenient hours and excellent standards of service.
- Lots of small towns confuse opportunities with jobs. Fewer jobs in a town actually lead to more opportunities. For example, if there’s no lawyer in town, recruit a recent law school grad to open an office.

CULTURE...

- Start with creating a livable place. The jobs will come.
- Emphasize quality of life. Small towns are where our values were forged, where the DNA of America was created.
- Build a culture of HOPE in your community. Resist an attitude of “This is the way it is.”
- Give up the small-town habit of competing and embrace cooperation. Remember, the prosperity of one is the prosperity of all.
- Cultural enhancements are not frills. These are fundamental to positive development.

CAPITAL...

- In order to make money, you must spend money. View community spending as investment. This will attract other people, other capital.
- Pay your employees to volunteer. If you own a bank or business in a small community, enable your employees to spend eight to 24 hours a quarter during the work day on a community project.
- Lenders working together in a relatively low risk way can provide capitalization for housing. Form a consortium, contribute to a construction loan pool. Five banks at \$150,000 each provide enough funding to build five to six homes a year.
- Establish an Enterprise Zone. Carthage, Missouri, did and through a regional collaboration raised \$200 million and created 8,000 manufacturing jobs over the past 20 years.



Federal Home Loan Bank of Des Moines

Skywalk Level

801 Walnut Street, Suite 200

Des Moines, IA 50309-3513

515.281.1000

800.544.3452

www.fhlbdm.com