

OFFICE OF THE CITY MANAGER  
DES MOINES, IOWA

CITY COUNCIL COMMUNICATION 96-362  
AUGUST 26, 1996 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
HOME NEW RENTAL CONSTRUCTION FUNDS—MID-CITY DUPLEX PHASE II	◆ RESOLUTION ORDINANCE RECEIVE/FILE	JAMES GRANT COMMUNITY DEVELOPMENT DIRECTOR

**SYNOPSIS —**

On the August 29, 1996, Council agenda is a Roll Call to approve an Agreement between the City and the Iowa Department of Economic Development for the use of HOME funds on the Mid-City Duplex Phase II Project.

**FISCAL IMPACT —**

This project is utilizing \$25,000 in City HOME funds, accompanied by \$75,000 in State of Iowa HOME funds. The City is responsible for the administration of the State's HOME funds.

**RECOMMENDATION —**

Approval of the form of contract and use of \$25,000 in City HOME funds for the project.

**BACKGROUND —**

Mid-City Duplexes L.P. is a non-profit corporation created to build 36 new duplexes and four-plexes within the Model Cities area. This non-profit applied for tax credits from the State of Iowa to build the 36 units. Because only a portion of the tax credits were funded, the project is being completed in several phases. Phase I of the project consisted of three duplexes and one four-plex and is nearing completion. Several units are currently occupied. Phase II of the project will involve an additional 10 units. The financing of this project will include Norwest Bank, City of Des Moines, and the State of Iowa. ANAWIM is the General Partner and Principal is the Limited Partner. Principal will purchase the tax credits when the project is complete.

This project (because of the HOME fund involvement) will be affordable to low-/moderate-income tenants for a minimum of 10 years.