CITY COUNCIL COMMUNICATION:

00-200

ITEM _

OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA

SYNOPSIS -

AGENDA: Community Housing Development Corporation (CHDC) has submitted Certifications of Consistency with the City's MAY 1, 2000 Enterprise Zone/Enterprise Community (EZ/EC) Strategic Plan and 2000 Housing and Urban Development (HUD) Consolidated Plan which require Council's approval. The aforementioned certifications are required as part of CHDC's **SUBJECT:** application to HUD for a Section 202 loan for construction of CERTIFICATIONS OF 37 very low-income senior citizen apartment units to be CONSISTENCY FOR constructed at 1711 and 1719 Sixth Avenue. Anawim Housing **COMMUNITY** will be a secondary co-sponsor of the application and conduct the day-to-day management of the building. The 202 building HOUSING DEVELOPMENT will be Phase I of CHDC's proposed "Senior Campus". CORPORATION CHDC has acquired the site located at 1719 Sixth Avenue,

TYPE:

RESOLUTION ORDINANCE RECEIVE/FILE

SUBMITTED BY:

JAMES GRANT COMMUNITY DEVELOPMENT DIRECTOR CHDC has acquired the site located at 1719 Sixth Avenue, and the River Bend Neighborhood Association has provided CHDC an option on their property located at 1711 Sixth Avenue for the 202 building. Environmental Phase I & II are completed, a market study and focus groups with prospective tenants were conducted, plus two meetings with the River Bend Neighborhood Association have taken place. HUD has also conducted a site visit and is pleased to have CHDC submitting the application.

FISCAL IMPACT -

None.

RECOMMENDATION -

Approval.

BACKGROUND -

PHASE I - SECTION 202 PROGRAM - SUPPORTIVE HOUSING FOR THE ELDERLY PERSONS BELOW 50% OF MEDIAN INCOME

Under this program, CHDC may construct an apartment complex of not more than 37 units, of which one of those units will be for the use of a resident manager. All market research and feasibility have been completed for this phase. CHDC is preparing the HUD 202 Application for the May 18th submittal deadline. Construction could begin in the fall, 2000.

Once HUD has refined its new Assisted Living Program, it is CHDC's intention to participate in the program to provide this badly needed assistance to low-income frail elderly residents. HUD officials have visited the site and have agreed the Des Moines Senior Campus could be the model for the assisted living program and are very pleased to be participating.

PHASE II - LOW-INCOME TAX CREDIT

The building will consist of 12 to 18 units and will accommodate those seniors whose incomes are too high for the 202 but are too low for market rate rental. Market research and feasibility have been completed. CHDC will apply for funding in the next round of applications with construction beginning in summer/fall, 2001.

PHASE III - LOW-INCOME SENIOR COOPERATIVE

The Senior Cooperative is a new concept to the Des Moines area. It will provide a unique ownership opportunity for lowto moderate-income seniors. The owners will have their own units, such as in a condominium, but will own shares in the entire building rather than owning a single unit. Market research is underway. This phase could actually begin by the spring, 2001, if there is positive response in the market place.

Shared housing is also a consideration for this phase of the campus. The rental building would resemble a large house. There would be six to eight efficiency units with larger common areas that everyone would share. This concept is popular in the large metropolitan areas with concentrated low-income senior population. It provides security and companionship with limited expense for a more frail population.

Other concepts are being researched to provide every possible housing opportunity for low-income seniors.

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