

Meeting Agendas/Info

CITY COUNCIL
COMMUNICATION:

Revised

ITEM _____

01-237

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

AGENDA:

SYNOPSIS -

MAY 7, 2001

On the May 7, 2001, City Council agenda is a roll call giving preliminary approval to a Developer-Initiated Redevelopment Proposal from Anawim Housing Inc. to redevelop a portion of Disposition Parcel 97-A in the Metro Center Urban Renewal Area (1233 and 1243 - 7th Street).

SUBJECT:

DEVELOPER-
INITIATED
REDEVELOPMENT
PROPOSAL FROM
ANAWIM HOUSING
INC.

FISCAL IMPACT -

These properties were acquired by the City with bond proceeds from the Metro Central Tax Increment Finance district for approximately \$62,000. Since acquisition, the City has paid for securing the properties and general maintenance. Anawim is proposing purchasing the properties for \$750. Anawim estimates the total rehabilitation cost will be between \$400,000 and \$600,000. If this agreement is approved by the City and the project is successful in obtaining Low Income Housing Tax Credits from the Iowa Finance Authority, Anawim intends to ask for approximately \$100,000 from the City's Rental Rehabilitation Program. They will use other funding sources to cover the additional \$300,000 to \$500,000 necessary to complete this project.

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

JAMES GRANT
COMMUNITY
DEVELOPMENT
DIRECTOR

RECOMMENDATION -

Approval and referral to appropriate Boards and Commissions for review and recommendation.

BACKGROUND -

City Council approved the acquisition of 1233 - 7th Street and 1243 - 7th Street as part of the land assemblage for the Grocery Store project

at 6th and University on September 27, 1999. Both properties include turn-of-the-century masonry "double houses" of approximately 3,500 square feet. 1233 - 7th Street is listed on the National Register of Historic Places and 1243 - 7th Street was determined eligible for the National Register in a recent study. During the development of the site plan for the grocery store project, it was determined that these properties were not needed.

Anawim Housing Inc. is proposing to acquire the properties for rehabilitation into four units for their low- to moderate-income rental program. Anawim has been involved in many multi-family rehabilitation projects in the River Bend area, most notably The Maine apartments, New Lawn apartments and Kromer Flats.

Anawim intends to package these two buildings with other properties in the River Bend neighborhood in their June 2001 application for Non-Profit Set-Aside Low Income Housing Tax Credits from the State of Iowa Finance Authority. On June 4 this project, along with other proposed state tax credit projects, will be before Council requesting their projects.

Staff recommends preliminary approval of Anawim's proposal with the following conditions:

1. All proposed work to the buildings meet the Secretary of the Interior's Standards and Guidelines for Rehabilitation.
 2. Final agreement be brought back to Council for approval once financing and final construction documents are completed.
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