

Meeting Agendas/Info

CITY COUNCIL
COMMUNICATION:

ITEM _____

OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA

01-286

SYNOPSIS -

AGENDA:

JUNE 4, 2001

On the June 4, 2001 City Council agenda, is a roll call giving approval of a Purchase Agreement for Residential Development between the City and Anawim Housing Inc. for the redevelopment of a portion of Disposition Parcel 97-A in the Metro Center Urban Renewal Area (1233 and 1243 - 7th St.).

SUBJECT:

PURCHASE
AGREEMENT WITH
ANAWIM HOUSING
INC.

FISCAL IMPACT -

The City acquired these properties 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. According to the proposed agreement, Anawim will purchase these properties for \$750 and spend an estimated \$400,000 to \$600,000 to rehabilitate them. If the City approves this agreement 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.

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.

On May 7, 2001, City Council gave preliminary approval to Anawim Housing Inc.'s proposal for the above mentioned properties. As part of this process, a public hearing was set, a due date for submission of competing proposals was set, and the proposal was forwarded to the appropriate boards. Staff has not received any competing proposals. At a joint Urban Renewal Board and Architecture Advisory Committee meeting on May 15, 2001, both boards recommended approval of the proposal on the following conditions:

1. Submission of final development plans for review by Architectural Advisory Committee with comments on the following items: exterior elevations, materials and rehabilitation techniques to be used.
2. All proposed work to the buildings meets the Secretary of the Interior's Standards and Guidelines for Rehabilitation.

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 support for their applications.
