



Agenda Item:

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## COUNCIL COMMUNICATION City Manager's Office

### GENERAL INFORMATION

Agenda Date: 12/06/04

Communication

No.: 04-610

Agenda Item Type: Resolution

Roll Call

No.:

Submitted by: Richard Clark, Deputy City Manager

### SUBJECT—

Resolution approving HOME agreement with the ROSE of Des Moines, L.P. and State of Iowa HOME documents

### SYNOPSIS—

On the December 6, 2004, Council agenda is a roll call to approve a HOME Agreement with the ROSE of Des Moines, L.P. (Greg McClenahan, Evergreen Real Estate Development Corporation, co-general partner, 4200 County Road 42 West, Savage Minnesota) as well as associated State HOME documents. The ROSE of Des Moines, L.P. proposes to construct a 52-unit assisted living facility on Forest Avenue between 19<sup>th</sup> Street and Martin Luther King, Jr. Parkway.

Per Iowa Finance Authority's regulations for Low Income Housing Tax Credit project, the Developer must expend 10% of the total project costs by the end of this calendar year. The estimated construction start is March 2005.

### FISCAL IMPACT—

The City's HOME Agreement allocates \$150,000 in City HOME funds and \$650,000 in State of Iowa HOME funds to the project. The funds are in the form of a loan with an interest rate established by the federal government.

**RECOMMENDATION—**

Approval.

**BACKGROUND—**

In November 2003, the City Council supported the ROSE of Des Moines, L.P.'s application for low income housing tax credits for an assisted living project on Forest Avenue between 19<sup>th</sup> Street and Martin Luther King, Jr. Parkway. This project will occupy a long-vacant parcel just outside of the Federally-designated Enterprise Community and will provide affordable housing for seniors currently living in the adjacent neighborhoods.