



Agenda Item:

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COUNCIL COMMUNICATION

City Manager's Office

GENERAL INFORMATION

Agenda Date: 07/18/05
Agenda Item Type: Resolution

Communication No.: 05-401
Roll Call No.: 05-

Submitted by: Richard Clark, Acting City Manager

SUBJECT—

Resolution Approving Application for Enterprise Zone Benefits for Community Housing Development Corporation.

SYNOPSIS—

Approves the application for Enterprise Zone benefits for the Community Housing Development Corporation (Carol Bower, Executive Director, 601 Forest Avenue, Des Moines, IA 50314). CHDC plans to invest approximately \$805,000 into acquiring and rehabilitating eight single-family houses and constructing one new single-family home on various sites between 2nd Avenue and Martin Luther King, Jr. Parkway north of University Avenue in the Federal Enterprise Community Enterprise Zone.

FISCAL IMPACT—

The Community Housing Development Corporation will be eligible to receive up to \$19,750 in a sales tax refund from the State of Iowa Enterprise Zone Program.

RECOMMENDATION—

Approval

BACKGROUND—

The Community Housing Development Corporation (CHDC) will acquire and rehabilitate eight single-family houses from the City of Des Moines' public housing inventory. Five of these homes are in the Mondamin Presidential neighborhood, and the other three are in the River Bend Neighborhood. The houses will be sold to families earning 60% or less of median income. In addition, CHDC will construct one single-family home in the King Irving neighborhood (1612 12th Street). The rehabilitated houses will be priced at between \$60,000 and \$85,000; the new house will be sold at the appraised value of \$120,000.

The project meets the Enterprise Zone Program requirements of rehabilitating or constructing at least four single-family units. Construction is anticipated to begin as soon as the project is approved. It will be completed within six months from the start of construction and will meet all applicable quality and local safety standards.

The River Bend Neighborhood Association reviewed this project and provided a letter of support. The Mondamin Presidential and King Irving Neighborhood Associations have indicated their verbal support and will be submitting letters of support to the Enterprise Zone Commission prior to its meeting in July/August 2005.