



Agenda Item:

32

## COUNCIL COMMUNICATION City Manager's Office

### GENERAL INFORMATION

Agenda Date: 01/09/06  
Agenda Item Type: Resolution

Communication No.: 06-014  
Roll Call No.:

Submitted by: Larry Hulse, Community Development Director

### SUBJECT—

Approving Amendment 1 to HOME Agreement for the Rose of Des Moines Development Project

### SYNOPSIS—

The resolution amends the final payout of HOME funds to the project by breaking it into two portions related to issuance of a temporary Certificate of Occupancy, a permanent Certificate of Occupancy, and providing information on income and demographic of the occupants as required by the U.S. Department of Housing and Urban Development (HUD).

### FISCAL IMPACT—

Amending the agreement to change the final payout will have no fiscal impact on the project. The Rose of Des Moines has received a HOME loan of \$800,000. Of that funding, \$150,000 is from the City's HOME allocation and \$650,000 is from State of Iowa HOME Funds. To date, \$720,000 has been paid out for completed improvements; \$80,000 remains to be dispersed from the Cities HOME funds account number HOME2005005.

### RECOMMENDATION—

Approval of the Amendment

### BACKGROUND—

The Rose of Des Moines is a 52-unit assisted elderly development located at 1330 19<sup>th</sup> Street. The development is a Low-Income Tax Credit Project that received a HOME loan of \$800,000. The loan dispersal was to be in three payments with the final payment of \$80,000 to be paid out at such time as a

Certificate of Occupancy was issued. The development currently has a temporary Certificate of Occupancy because landscaping and final finishes cannot be completed until spring. Staff has worked with the developer on this amendment to pay out \$60,000 now and the final \$20,000 when all the landscaping and finishes are in place and a permanent certificate of occupancy is issued. In addition, Section 92.502(d) of the HOME Program requires that complete demographic and income data of the occupants within HOME assisted units be reported to HUD within 120 days of the final payment. The final payout will not be provided to the Rose until that demographic and income information is provided to the City of Des Moines so it can be reported.