

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date</b>	November 9, 2009
	<b>Agenda Item No.</b> <b>30</b> <b>Roll Call No.</b> <b><u>09-</u></b> <b>Communication No.</b> <b><u>09-799</u></b> <b>Submitted by: Larry Hulse, Community Development Director</b>	

**AGENDA HEADING:**

Resolution Approving Memorandum of Agreement (MOA) with the Iowa State Historic Preservation Office (SHPO), City of Des Moines, Hatch Development Group and Robert W. McCammon for the MLK Brickstone project regarding removal of the structure at 1039 19<sup>th</sup> Street.

**SYNOPSIS:**

Recommend approval to enter into a MOA with the SHPO, City of Des Moines, Hatch Development Group and Robert W. McCammon on the proposed MLK Brickstone project. This project involves allocation of \$250,000 of City HOME funds for new construction of 18 units of low income housing located in the 1000 block of 19<sup>th</sup> Street. The developer is Hatch Development Group, LLC, Jack Hatch and Ryan Galloway, Principals, 1312 Locust, Des Moines, IA 50319. HOME funds will fill a gap in financing and assure that units are affordable to low income tenants. The project involves the removal of 1039 19<sup>th</sup> Street, which has been declared eligible for the National Register of Historic Places. Therefore, the removal of this house is considered an adverse effect to a historic property and requires a MOA.

**FISCAL IMPACT: NONE**

Amount: N/A

Funding Source: N/A

**ADDITIONAL INFORMATION:**

The MLK Brickstone Project will receive HOME funding from the United States Department of Housing and Urban Development (HUD), as well as the Federal Housing Tax Credits and Tax Credit Assistance Program (TCAP). Because the project involves federal funding, the City of Des Moines, as the responsible entity, is required to conduct an environmental review process in accordance with HUD regulations under the National Environmental Policy Act and other provisions of the law that further the purpose of NEPA, including Sections 101, 106 and 110 of the National Historic Preservation Act.

As part of this process, the City has consulted with the SHPO to determine the project Area of Potential Effects (APE). Phase 1 construction of the MLK Brickstone will require the developer to remove 1039 19<sup>th</sup> Street. During the consultation process the City and SHPO have determined that 1039 19<sup>th</sup> Street is eligible for the National Register of Historic Places under Criteria C, which means its removal would result in an adverse effect to a historic property. The City has invited the Advisory Council on Historic Preservation (ACHP) to consult on the resolution of the adverse effect, but the ACHP has concluded that

its participation in the consultation process will not be necessary to resolve the adverse effects. The Developer, City and the SHPO have come to an agreement on the necessary steps to avoid an adverse effect, which is to move the house to an appropriate lot in the surrounding neighborhood(s). This undertaking shall be implemented in accordance with the stipulations outlined in the MOA that will be on file in the City Clerk's Office. The MOA must be signed by all parties involved, which includes the Mayor, on behalf of the City of Des Moines.

**PREVIOUS COUNCIL ACTION(S):**

Date: October 26, 2009

Roll Call Number: 09-1929

Action: HOME contract documents with MLK Brickstone, L.P. for \$250,000 loan for new construction of 18 units of low-income rental housing at 1045 19<sup>th</sup> Street. (Council Communication No. 09-738) Moved by Vlassis to adopt. Motion Carried 7-0.

Date: October 27, 2008

Roll Call Number: 08-1908

Action: MLK Brickstone, LLC for new construction of 54 units of housing between 19<sup>th</sup> and 18<sup>th</sup> Streets, Atkins and the Freeway. Moved by Kiernan to adopt. Motion Carried 7-0.

Date: October 27, 2008

Roll Call Number: 08-1863

Action: To rezone property at 1045 19<sup>th</sup> Street from "R-3" (Multiple-Family Residential) to "NPC" (Neighborhood Pedestrian Commercial) to allow redevelopment of property with new multiple-family residential, subject to conditions. Moved by Vlassis that this ordinance do now pass, #14,802. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S):**

Date: November 5, 2009

Board: Plan and Zoning Commission

Action: Review and approval of the site plan for MLK Brickstone development at 1039 19<sup>th</sup> Street.

Date: October 7, 2009

Board: Neighborhood Revitalization Board

Action: Approval of \$250,000 of HOME funds for MLK Brickstone, L.P. at 1045 19<sup>th</sup> Street

Date: August 21, 2008

Board: Plan and Zoning Commission

Action: Recommend rezoning for 1045 19<sup>th</sup> Street from R-3 to NPC.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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