

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date</b>	November 23, 2009
	<b>Agenda Item No.</b> <b>54</b> <b>Roll Call No.</b> <b><u>09-</u></b> <b>Communication No.</b> <b><u>09-832</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) and Metro Lofts LLC for the Metro Lofts development at 2<sup>nd</sup> Avenue and Vine Streets.

**SYNOPSIS:**

Recommend approval to enter into a MOA with the Iowa SHPO and Metro Lofts LLC on the proposed Metro Lofts project. The developer, Sherman Associates, will receive a loan guarantee from the United States Department of Housing and Urban Development (HUD) on this project. The project would involve the construction of a 4-story apartment building with 111 units and 113 underground parking stalls at an estimated cost of \$20.3 million dollars. The project is located in 13 PK 61, which is an archaeological area determined eligible for the National Register of Historic Places. The execution of an MOA will provide guidance to all parties involved as the project moves forward and ensure the project will not adversely affect historically significant resources. Further changes to the MOA may be necessary to obtain final approval by the SHPO. The proposed resolution approves the MOA subject to such further changes approved by the Legal Department as being minor in nature and to not adversely impact the City's interest.

**FISCAL IMPACT: NONE**

Amount: N/A

Funding Source: N/A

**ADDITIONAL INFORMATION:**

Sherman Associates will receive a Section 108 loan guarantee from HUD for the construction of Metro Lofts. 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 (NEPA) 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). During the consultation process, the City and SHPO have determined that due to the location of the project, there is the potential to disturb historically significant resources during excavation. The Developer, City and the SHPO are close to finalizing the terms of an agreement on the necessary steps to avoid an adverse effect, which include retaining a professional archaeologist to survey

the parcel and assess the potential impact of the project. 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 27, 2008

Roll Call Number: 08-1904

Action: SA Metro Lofts, Limited Partnership for new construction of mixed income housing at 255 Vine Street. Moved by Kiernan to adopt. Motion Carried 7-0.

Date: November 6, 2006

Roll Call Number: 06-2237

Action: Support of application by Sherman Associates Development, LLC for construction of mixed income housing at 255 Vine Street. Moved by Hensley to adopt. Motion Carried 6-0.

Date: May 8, 2006

Roll Call Number: 06-910

Action: From Sherman & Associates requesting City consideration of an amendment to the Metro Lofts project (100 2<sup>nd</sup> Avenue) to change development from approximately 70-80 condominiums with underground parking, to an estimated 105 unit apartment with underground parking similar to the Vine Street Lofts at 101 2<sup>nd</sup> Avenue. (Council Communication No. 06-270)

) Moved by Hensley to receive and file, and to authorize the City Manager to negotiate with Sherman & Associates for an amendment to the Urban Renewal Development Agreement for Metro Lofts consistent with the Council Communication, for further consideration by the City Council. Motion Carried 6-1.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).