

Date:	March 26, 2012
Agenda Item No.	49
Roll Call No.	[]
Communication No.	<u>12-146</u>
Submitted by:	Allen McKinley,
	Deputy City Manager

AGENDA HEADING:

Approving a five-year renewal of the 28E Agreement between the Neighborhood Development Corporation and the City of Des Moines.

SYNOPSIS:

Recommend approval of the 28E Agreement which will make available \$1 million of City funds annually, available over a five-year period, for use by the Neighborhood Development Corporation (NDC). The NDC works to create new and rehabilitated buildings for housing, small businesses and jobs to improve deteriorated neighborhoods.

FISCAL IMPACT:

Amount: \$1,000,000 annually for five years.

Funding Source: G.O. Bonds, CP051 CMO990000 MSC003 – Adopted Capital Improvement

Program – Miscellaneous Improvements (page 10).

ADDITIONAL INFORMATION:

The 28E Agreement between the City of Des Moines and the NDC is up for renewal in late 2012. In the past the 28E Agreement provided annual funding to the NDC for use in a variety of redevelopment programs within low and moderate income neighborhoods of the City of Des Moines. The new 28E Agreement expands the service area to include Designated and Charter neighborhoods. The NDC requested entering a new 5-year agreement now as opposed to later in the calendar year because in the current lending institution environment, the current 28E Agreement expiration date of November 30, 2012 raises questions regarding the long-term funding status of the NDC. By renewing the agreement now the long-term funding status is addressed.

PREVIOUS COUNCIL ACTION(S):

Date: December 17, 2007

Roll Call Number: 07-2422

<u>Action</u>: <u>Intergovernmental</u> 28E Agreement with Neighborhood Development Corporation extending the period from December 1, 2007 to November 30, 2012. (<u>Council Communication No. 07-734</u>) **Moved by Vlassis to adopt. Motion Carried 6-1.**

Date: December 16, 2002

Roll Call Number: 02-2978

<u>Action</u>: Revised Intergovernmental 28E Agreement with Neighborhood Development Corporation (NDC) to continue operation of the corporation commencing November 1, 2002 and ending September 30, 2007. (Council Communication No. 02-630). Moved by McPherson to adopt. Motion Carried 6-1. Absent: Coleman.

Date: August 17, 1998

Roll Call Number: 98-2910

<u>Action</u>: Intergovernmental 28E Agreement in conjunction with proposal to create a Neighborhood Development Corporation. (Council Communication No. 98-329). Moved by Hensley to adopt. Motion Carried 6-1. Absent: Daniels.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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