

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	August 27, 2012
	Agenda Item No.	22
	Roll Call No.	<u>12-1349</u>
	Communication No.	<u>12-443</u>
	Submitted by:	Phillip Delafield, Community Development Director

AGENDA HEADING:

Approve amendment to the Des Moines Community Development Block Grant--Disaster Recovery (CDBG-DR) Contract (Number 08-DHR-209) to Accept a Supplemental Award for Multi-Family Housing New Production in an amount not to exceed \$9,000,000 for three (3) projects total plus General Administration not to exceed \$180,000.

SYNOPSIS:

By Roll Call No. 12-0660, at a May 3, 2012 Special Council Meeting, the City of Des Moines authorized submittal of four (4) multi-family housing developments grant requests in response to a notification from the Iowa Economic Development Authority (IEDA) of additional funds for production of new multi-family housing units. On July 13, 2012, the City was notified that it received an allocation of \$9,000,000 for three projects: This action amends the existing Contract between IEDA and the City of Des Moines and authorizes the City to enter into contracts with each of the above projects to utilize the CDBG-DR funds.

FISCAL IMPACT:

Amount: \$9,000,000 Construction of Projects
 \$180,000 General Administrative Funds

Funding Source: The Iowa Economic Development Authority is administering the Federal Community Development Block Grant Disaster Recovery (CDBG-DR) Funds per a statewide allocation plan approved by the Department of Housing and Urban Development. Supplemental funds will be amended into existing contract Number 08-DHR-209 between the City of Des Moines and IEDA.

ADDITIONAL INFORMATION:

On May 3, 2012 the City Council reviewed six (6) multi-family housing projects for submittal for CDBG-DR funds. Of those six (6), four (4) were submitted. McKinley Crest at 1801 McKinley Avenue was submitted for funding but was not awarded funding. The following three projects received a \$3,000,000 allocation each.

Project	Address	Developer	Developer Address	Units	Aff'dable Units
Des Moines Building	405 6	Nelson Development and Foutch Brothers	1045 76th St #2000 West Des Moines	136	70
Ingersoll Square Phase II	2000 High St	Bob Caluzzi and Frank Levy	1906 Ingersoll Ave Suite #4 Des Moines	63	32
Franklin Field Senior Housing	5250 Franklin Ave	Tim and John Mauro	2611 Ingersoll Ave Des Moines	30	16

A requirement of the CDBG-DR Multi-Family Round 4 funds is that each project must have contracts signed and be under construction by November 1, 2012. Each developer is in the process of completing an Environmental Assessment required by the funds, completing city required site plan approvals, and submitting plans for grading and building permits. Staff anticipates that each project will have contracts signed and begin construction by that date.

Under CDBG-DR contract 08 DHR-09 each project must be completed by December 31, 2014.

PREVIOUS COUNCIL ACTION(S):

Date: May 3, 2012

Roll Call Number: [12-0660](#)

Action: Approving submitting four applications for housing projects to Iowa Economic Development Authority for Community Development Block Grant-Disaster Relief (CDBG-DR) funding. ([Council Communication No. 12-197](#)). Moved by Hensley to adopt. Motion Carried 5-2. Nays: Coleman and Moore.

Date: February 13, 2012

Roll Call Number: [12-0209](#)

Action: 2012 Des Moines Community Development Block Grant Disaster Recovery (CDBG-DR) Development Plan to build owner-occupied single-family homes to replace homes destroyed during the flooding of 2008 and authorizing contract extension request through December 31, 2014 (Contract number 08-DHR-209) to provide adequate time to implement the development plan. ([Council Communication No. 12-060](#)). Moved by Moore to adopt; refer to City Manager to look at placing homes in the general vicinity of where flood losses occurred. Motion Carried 7-0.

Date: April 20, 2009

Roll Call Number: [09-645](#)

Action: Iowa Department of Economic Development (IDED) Community Development Block Grant (CDBG) Housing Disaster Recovery Fund Contract (08-DHR-209). ([Council Communication No. 09-254](#)). Moved by Vlassis to approve. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

CDBG-DR Contracts for each development will be on a Council Meeting for final approval.

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