

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: March 23, 2015
	Agenda Item No. 24 Roll Call No. <u>15-503</u> Communication No. <u>15-131</u> Submitted by: Phillip Delafield, Community Development Director

AGENDA HEADING:

Approving Amendment to Des Moines Community Development Block Grant Disaster Recovery (CDBG-DR) Contract 08-DRH-209 with the Iowa Economic Development Authority (IEDA) reducing the number of required residential units at the Wilkins Building at 713 Walnut, awarding additional funding for storm water management for “The Edge at Gray's Landing” at 406 SW 9th and extending the completion date for the contract.

SYNOPSIS:

On February 9, 2015, by Roll Call No. 15-0207, the City Council approved an amendment to the Des Moines Community Development Block Grant – Disaster Recovery (CDBG-DR) contract Number 08-DRH-209 to accept a supplemental award for multi-family housing new production for the Edge at Gray’s Landing, LLC in an amount not to exceed \$3,000,000 plus general administration not to exceed \$61,224 and additional funding for storm water management. The IEDA has been able to increase the amount of funding for storm water for the project to \$750,000.

The Edge is developed by George Sherman Associates, George Sherman Associates, 223 Park Avenue S, Suite 201, Minneapolis, MN, 55415). It is currently working through the Environment Review Requirements for the CDBG-DR funding. Construction is scheduled to begin in late April.

On December 3, 2012, by Roll Call No. 12-1883, the City Council approved executing CDBG-DR agreements for \$3,000,000 with the Alexander Company for the Younkers project at 713 Walnut. The IEDA amendments to the original award for the Wilkins Building Project (Formerly Younkers) are as follows: the number of housing units is adjusted from 120 to 60 in the remaining building, 31 affordable units, and Davis-Bacon wage and labor requirements for the project are re-instituted. Construction will begin immediately.

The Wilkins Building is developed by The Alexander Company, Joe Alexander, President, 145 E. Badger Road, Madison, WI 53713.

The contract end date is amended to March 15, 2016. The total funding amount the City will receive under contract 08-DRH-209 is \$22,519,125.

FISCAL IMPACT:

Amount:

The Edge at Gray’s Landing

- \$3,000,000 CDBG-DR award

- \$61,224 City Administration
- \$750,000 Storm water management funds

The Wilkins Building

- \$3,000,000 CDBG-DR award

Funding Source: IEDA – The funding is reimbursed to the City.

ADDITIONAL INFORMATION:

On April 20, 2009, by Roll Call No. 09-0645, the Iowa Department of Economic Development (IDED now IEDA) entered into a contract with the City of Des Moines to award CDBG Housing Disaster Recovery Funds, (08-DRH-209). The contract has been amended 20 times in order to add or delete funding for owner-occupied and rental development and adjust requirements of individual projects.

The contract has included construction of single-family houses as well as the following multi-family projects: Allen Village, 2201 Forest Avenue, The Des Moines Building Apartments, 405 6th Avenue, Franklin Field Senior Apartments, 5250 Franklin Avenue, Ingersoll Square Phase II, 2005 High Street, 350 East Locust Apartments, 350 E. Locust Street, Wilkins Building, 713 Walnut Street, and The Edge at Gray's Landing 406 SW 9th Street.

PREVIOUS COUNCIL ACTION(S):

Date: February 9, 2015

Roll Call Number: [15-0207](#)

Action: [Amendment](#) to Des Moines Community Development Block Grant Disaster Recovery (CDBG-DR) Contract for additional funding for the Edge at Gray's Landing Project. ([Council Communication No. 15-064](#)) Moved by Gatto to adopt. Motion Carried 7-0.

Date: August 25, 2014

Roll Call Number: [14-1327](#)

Action: [Submittal](#) of two applications for multi-family housing projects to the IEDA for CDBG-DR Round VI Funding. ([Council Communication No. 14-426](#)) Moved by Gatto to adopt and to select the following projects for submittal to the IEDA for approval of CDBG-DR Round VI funding: 1st Priority, Eagle View Lofts project by Hansen Real Estate Services. Motion Carried 7-0. 2nd Priority, The Edge at Gray's Landing project by Sherman and Associates was moved by Moore to adopt. Motion Carried 5-2. Nays: Gatto and Hensley.

Date: November 8, 2010

Roll Call Number: [10-1849](#)

Action: [Major](#) Amendment No. 4 to Community Development Block Grant Housing Disaster Recovery (CDBG-DR) Fund Contract with Iowa Department of Economic Development (IDED) adding funds for Anawim/Hubbell Project in 2200 block of Forest Avenue and Younkens Building/Alexander Company projects. ([Council Communication No. 10-675](#)) Moved by Hensley to approve. Motion Carried 7-0.

Date: June 28, 2010

Roll Call Number: [10-1096](#)

Action: Submittal of Multi-Family New Construction Applications for Community Development Block Grant Disaster Recovery (CDBG-DR) funds to the Iowa Department of Economic Development (IDED) for the following: ([Council Communication No. 10-391](#))

- (B) [Redevelopment](#) of 140 rental units at 713 Walnut (Former Younkens Building), \$3,060,000. Moved by Griess to approve. Motion Carried 7-0.

Date: April 20, 2009

Roll Call Number: [09-0645](#)

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

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Approval of Contract documents for The Edge at Gray's Landing with Environmental Review is completed.

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