


COUNCIL COMMUNICATION

	Number:	20-268	Meeting:	June 22, 2020
	Agenda Item:	50	Roll Call:	20-1032
	Submitted by:	Chris Johansen, Community Development Director		

AGENDA HEADING:

Approval of HOME Investment Partnership Program (HOME) Agreement with Central Iowa Shelter and Services (CISS), \$400,000.

SYNOPSIS:

CISS plans to construct an addition on the western side of its existing facility at 1420 Mulberry Street. The addition will provide 24 more efficiency units to house chronically homeless individuals. The City of Des Moines intends to provide \$400,000 in HOME funds in the form of a forgivable loan with a term of 20 years.

FISCAL IMPACT:

Amount: \$400,000 in HOME funds

Funding Source: US Department of Housing and Urban Development (HUD)

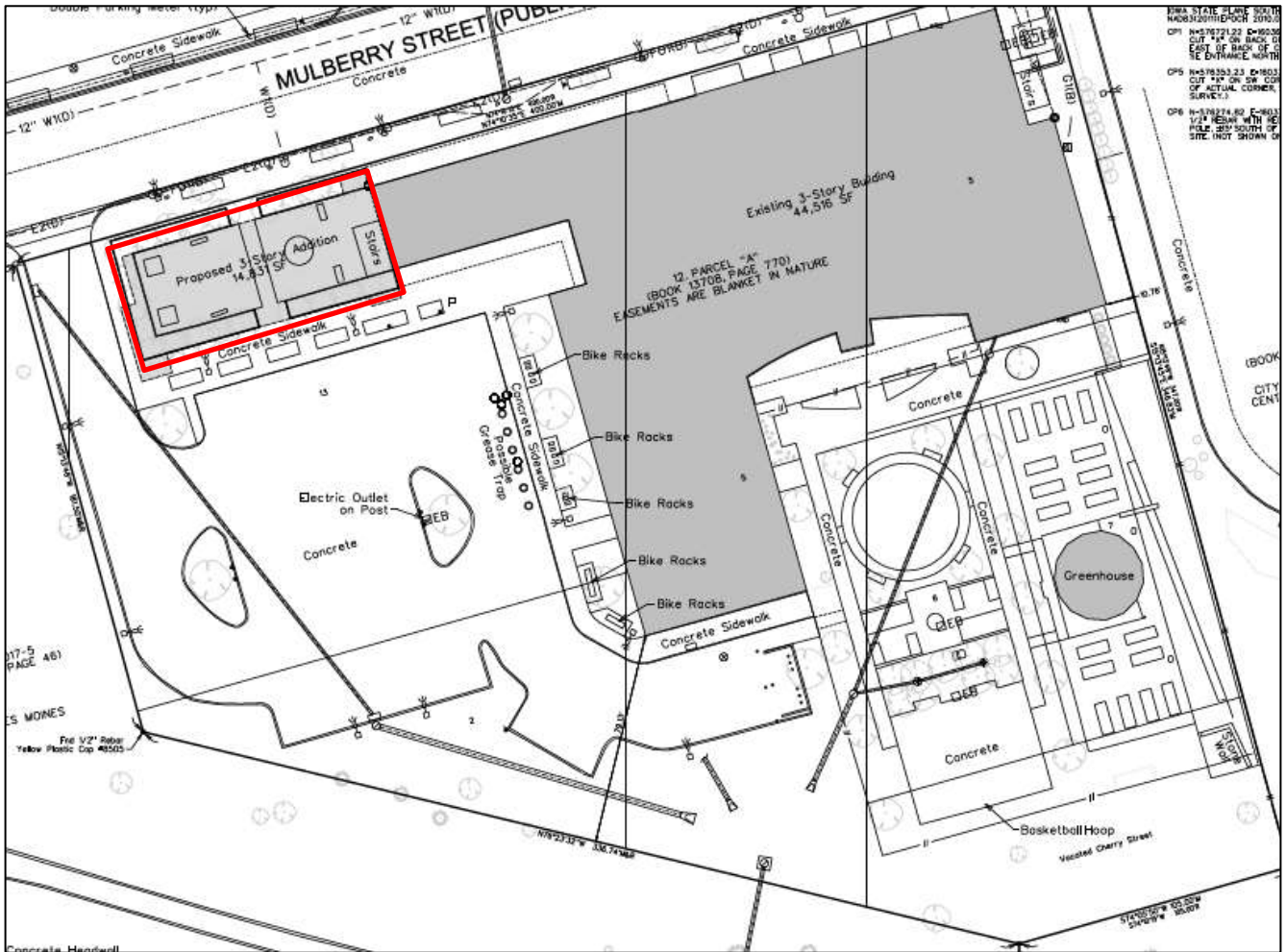
ADDITIONAL INFORMATION:

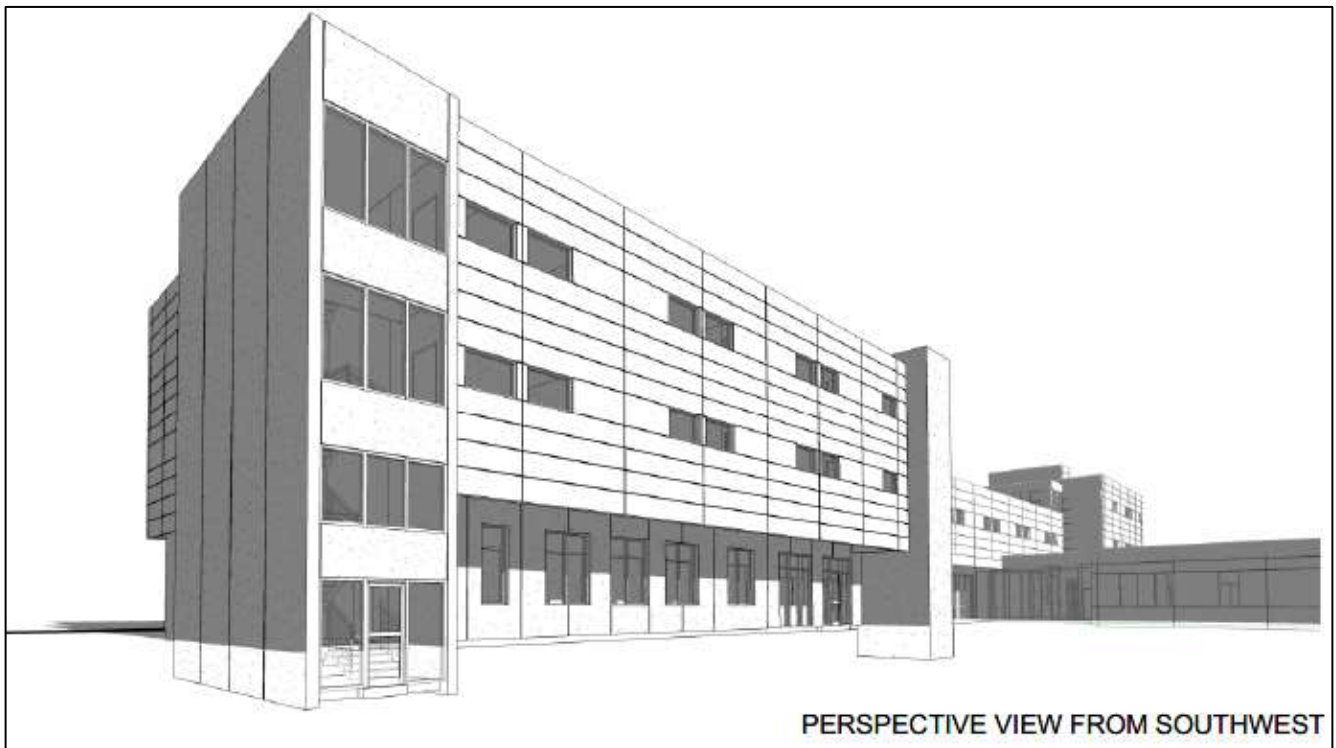
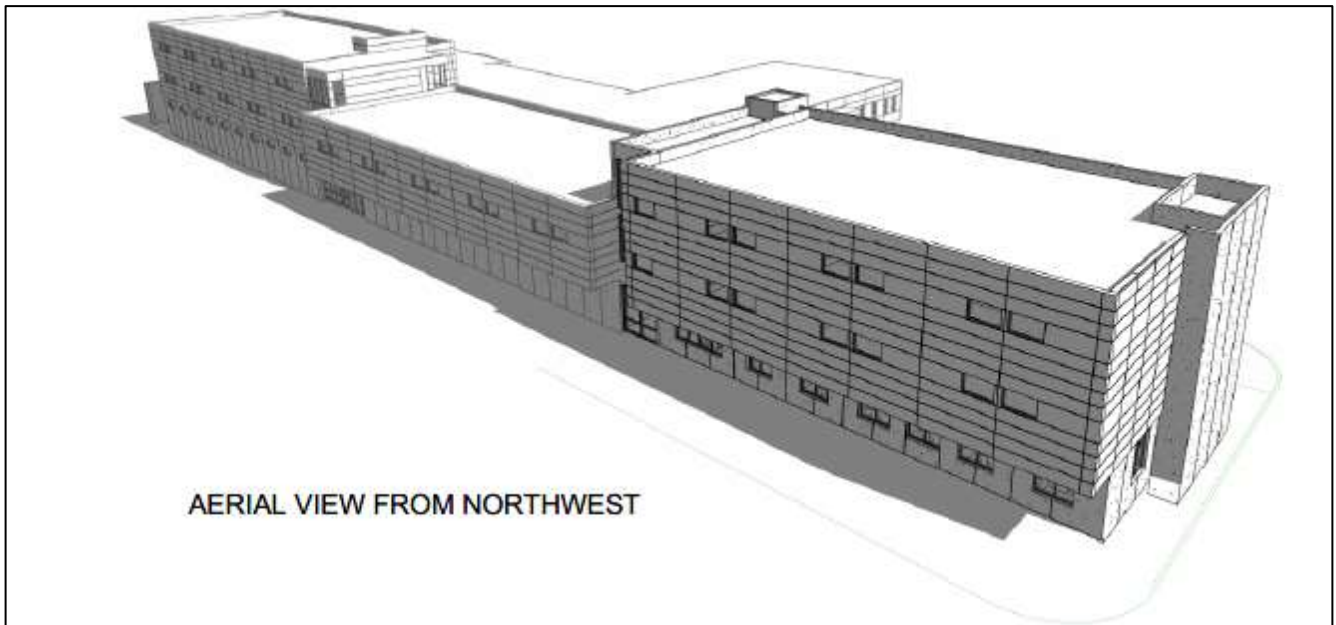
- CISS, with assistance from Kiernan Development and Hatch Development Corporation, plans to construct an addition with 24 single-room occupancy units to its current facility. Five (5) of the units will be designated as HOME units.
- The 3-story addition will be constructed on the west side of the building, which is currently a seating area with a sculpture. The first floor will be office space, and the second and third floors will be the apartment units.
- To be considered affordable units to individuals with very low or low incomes, the HOME rent amounts, including utility costs, cannot exceed \$614 per the 2019 HOME rent limits. CISS' proposed rent is \$418 per unit. All utilities will be paid by CISS.
- The HOME units must remain affordable to individuals with very low or low incomes for 20 years. Other funding sources in the project require units to remain affordable between 15 and 30 years.

- Primary sources of funding for the project include:

Program/Description	Funder	Amount
National Housing Trust Fund	Iowa Finance Authority	\$2,700,000
Affordable Housing Program	Federal Home Loan Bank	\$ 999,999
HOME Funds	City of Des Moines	\$ 400,000
Development Funding	Polk County	\$ 400,000
Development Funding	Polk County Housing Trust Fund	\$ 250,000
Donated Developer Fee	Jack Hatch	\$ 204,000
Total		\$4,953,999

- Construction is planned to begin in summer 2020. Completion is anticipated in late spring or early summer of 2021. No residents will be displaced during construction. See plans below.





PREVIOUS COUNCIL ACTION(S):

Date: April 20, 2020

Roll Call Number: [20-0670](#), [20-0671](#), and [20-0672](#)

Action: [On](#) City-initiated request to rezone 1420 Mulberry Street owned by Central Iowa Shelter and Services from “P2” (Public, Civic and Institutional) to “DX2” (Downtown District) to allow expansion of the existing temporary shelter use for additional multiple household living units and area for service provision.

(A) [First](#) consideration of ordinance above.

(B) Final consideration of ordinance above, requires six votes. Moved by Mandelbaum to adopt. Motion Carried 7-0.

Date: May 6, 2019

Roll Call Number: [19-0711](#)

Action: [Letter](#) of support and preliminary commitment of Home Investment Partnership (HOME) Program funds for Central Iowa Shelter and Services (CISS). ([Council Communication No. 19-188](#)) Moved by Mandelbaum to adopt. Motion Carried 6-1.

Date: June 25, 2018

Roll Call Number: [18-1118](#) and [18-1119](#)

Action: [On](#) conveyance of excess City property located south of and adjoining 1330 and 1420 Mulberry Street to Central Iowa Shelter & Services for \$1,000. ([Council Communication No. 18-331](#)) Moved by Mandelbaum to adopt. Motion Carried 7-0.

(A) [Approving](#) letter of support for Central Iowa Shelter & Services. ([Council Communication No. 18-341](#)) Moved by Mandelbaum to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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