


# COUNCIL COMMUNICATION

	Number:	<b>24-383</b>	Meeting:	<b>October 7, 2024</b>
	Agenda Item:	<b>26</b>	Roll Call:	<b>24-1354</b>
	Submitted by:	<b>Cody Christensen, Development Services Director</b>		

## AGENDA HEADING:

Resolution approving First Amendment to Grant Agreement between City of Des Moines, Iowa, and Alley Landing Limited Partnership dated April 18, 2023, for construction of a 40-unit housing project within the City of Des Moines.

## SYNOPSIS:

By Roll Call No. 23-0499, dated April 10, 2023, City Council approved a Grant Agreement providing \$175,000 towards Phase I of the project that will consist of 40-units of housing where one (1) unit will be made available at 40% of Area Median Income (AMI) and 39 units at 60% of AMI. In addition, six (6) of the 39 units will be set-aside for Veteran's experiencing homelessness, who shall be referred to the development by the Veteran's Administration. Construction of the project would commence in 2023 and be completed in late 2024.

The First Amendment makes the following changes:

- One (1) unit at 50% of AMI and 39 units at 60% of AMI.
- Eight (8) units will be set-aside for Veterans experiencing homelessness.
- Construction will start prior to December 2024 and be completed in late 2025.
- The Grant Agreement shall be assigned from Alley Landing Limited Partnership to Erie Ohio Capital CDFI Fund, LLC.

To assist the development team from Woda Cooper in finalizing their financial commitments, staff is proposing a First Amendment to the existing Grant Agreement dated April 18, 2023.

**FISCAL IMPACT: NONE**

## ADDITIONAL INFORMATION:

- Total project cost of \$12,700,000 with construction to begin late 2024 and completion of Phase 1 in late 2025.
- The affordable unit mix will consist of four (4) one (1)-bedroom units, 21 two (2)-bedroom units, and 15 three (3)-bedroom units.

- The affordability term for City of Des Moines American Rescue Plan Act (ARPA) affordable housing allocations is 15 years. Alternate project funding sources such as state or federal grants and other programs may have terms that extend the affordability term beyond 15 years.

**PREVIOUS COUNCIL ACTION(S):**

Date: April 10, 2023

Roll Call Number: [23-0499](#)

Action: [Authorizing](#) City Manager to negotiate and execute a Grant Agreement with Alley Landing Limited Partnership for construction of a new affordable housing project. ([Council Communication No. 23-194](#)) Moved by Gatto to adopt. Second by Voss. Motion Carried 6-1. Absent: Sheumaker.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

- Building plan approval and permits being issued.

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