

COUNCIL COMMUNICATION

	Number:	26-010	Meeting:	January 12, 2026
	Agenda Item:	25	Roll Call:	26-0069
	Submitted by:	Chris Johansen, Neighborhood Services Department Director		

AGENDA HEADING:

Forgiveness and release of Community Development Block Grant – Disaster Recovery (CDBG-DR) Program recorded documents against 350 East (E) Locust.

SYNOPSIS:

In 2013, the City loaned \$3,000,000 in CDBG-DR Program funds to construct multi-family housing units at 350 E Locust Street owned by East Village Growth Partners, LLC. The CDBG-DR Program requirements have expired, and all affordability and long-term monitoring conditions have been fulfilled. The recommendation is to fully release the loan pursuant to the agreement terms.

FISCAL IMPACT:

Amount: \$3,000,000

Funding Source: CDBG-DR Program from the U.S. Department of Housing and Urban Development (HUD)

ADDITIONAL INFORMATION:

- The project consists of 20 apartments and was contingent on a \$3 million award of CDBG-DR funding from the Iowa Economic Development Authority (IEDA). The City was notified of the funding award on behalf of East Village Growth on June 19, 2013, and the City executed an amendment to accept the \$3 million for the project on July 15, 2013.
- The agreement, signed on September 25, 2013, states that there are to be no repayments required on the \$3,000,000 CDBG-DR loan if all affordability and long-term monitoring conditions have been fulfilled.
- All affordability and long-term monitoring conditions have been fulfilled.
- The Period of Affordability was for 10 years and the end date for the Period of Affordability has passed and affordability restrictions for the CDBG-DR funded units have expired.

PREVIOUS COUNCIL ACTION(S):

Date: September 23, 2013

Roll Call Number: [13-1476](#)

Action: [Approving](#) CDBG-DR Loan and Contract Documents with East Village Growth Partners, LLC for development of Locust House at 350 E Locust (Tim Rypma, Manager), \$3,000,000. ([Council Communication No. 13-489](#)) Moved by Meyer to adopt. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.