



Date July 28, 2010

RESOLUTION WITHDRAWING COMMITMENT OF \$100,000 OF HOME FUNDS TO CHRIST THE KING SENIOR HOUSING, LLC FOR NEW CONSTRUCTION OF 28 UNITS OF LOW-INCOME SENIOR HOUSING AT 5601 SW 9TH STREET

WHEREAS, by Roll Call 09-2283 on December 21, 2009, the City of Des Moines, Iowa, made a preliminary commitment of \$100,000 of HOME funds for an application filed by Chris Aldinger, Business Manager of Christ the King Parish, to develop a 28 unit Low Income Housing Tax Credit (LIHTC) project for seniors as a part of the Christ the King campus at 5601 SW 9th Street, Des Moines, Iowa with a legal description as follows:

The North 64 feet of Lot Nine (9) except the East 107 feet thereof and Lot Ten (10) except the East 107 feet thereof in Block "D: in CORRECTED PLAT OF THOMAS HEIGHTS, and Official Plat, now included in and forming a part of the City of Des Moines, Iowa.

Less: A part of Lots 9 & 10 Block D, THOMAS HEIGHTS CORRECTED PLAT an Official Plat, more particularly described as follows: Beginning at the Northwest Corner of said Lot 10, a distance of 26.17 Feet; Thence South 43-02'47" West, 32.47 Feet; Thence South 0.00'.00" East, 143.84 Feet; Thence South 89-27'42" West, 4.00 Feet; Thence North 0-00'00" East along the West line of said Lots 9 & 10, a distance of 167.71 Feet to the point of beginning. As surveyed and monumented in field by Michael M. Klapp licensed surveyor No. 4821. All now included in, and forming a part of the City of Des Moines, Polk County, Iowa. By survey 935 Square Feet

WHEREAS, in December the Developer's proforma showed the need for local assistance of \$250,000 in HOME funds from the City of Des Moines but the City committed only \$100,000 of HOME funds because of the limited availability of funds; and

WHEREAS, the Developer subsequently received an allocation of Low Income Housing Tax Credits, Community Development Block Grant-Disaster Relief Funds (CDBG-DR), and State HOME funds; and

WHEREAS, the provision of CDBG-DR funds was unexpected and was made available by application only one week prior to the deadline for the applications for Low Income Housing Tax Credits;

WHEREAS, HUD requires justification that any funding is necessary and the project's sources and uses and 15-yr pro forma do not show that "but for" the provision of this \$100,000 the project would not proceed; and

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WHEREAS, the City's commitment was preliminary based on final underwriting; and

WHEREAS, in reviewing the final underwriting and creating a subsidy layering analysis as required by HUD for the use of HOME dollars, the \$100,000 deficit created by the City's action could be covered by asking for additional tax credits, deferring a portion of the developer fee, or obtaining a conventional 1st mortgage from a private bank; and

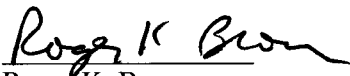
WHEREAS, the City Council continues to support the project by providing tax abatement and designation as an Enterprise Zone;

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, that the commitment of \$100,000 of HOME funds to Christ the King Senior Housing, LLC, for new construction of 28 units of low-income senior housing at 5711 SW 9th Street be withdrawn and the Iowa Finance Authority be notified of such action.

(Council Communication No. 10-)

MOVED by _____ to adopt.

Form Approved:



Roger K. Brown
Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GRIESS				
HENSLEY				
MAHAFFEY				
MEYER				
MOORE				
TOTAL				

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED

_____ Mayor

_____ City Clerk