



.....  
**Date** July 28, 2010

RESOLUTION WITHDRAWING COMMITMENT OF \$100,000 OF HOME FUNDS TO  
CURLY TOP, LLC FOR NEW CONSTRUCTION OF 40 UNITS OF LOW-INCOME  
HOUSING TAX CREDIT SENIOR HOUSING AT 1900 SE 6<sup>TH</sup>

WHEREAS, by Roll Call 09-2285 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 Tim Mauro, Vice President of Curly Top, LLC, to develop a 40 unit Low Income Housing Tax Credit (LIHTC) project for seniors at 1900 SE 6<sup>th</sup> Street, with a legal description as follows:

EX BEG SE COR THN NWLY 159.66F N 61.80F E 57F  
NELY 142.28F E 50F & S 234.05F TO POB- E 165F N OF HILLSIDE AV LOT  
3 SEVASTOPOL, DES MOINES, POLK COUNTY, IOWA.

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

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 1<sup>st</sup> mortgage from a private bank; and

( continued )

**Date** July 28, 2010

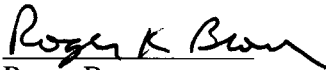
WHEREAS, the City Council continues to support the project by providing tax abatement and designation as an Enterprise Zone;

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 Curly Top, LLC, for new construction of 40 units of low-income senior housing at 1900 SE 6<sup>th</sup> be withdrawn and the Iowa Finance Authority be notified of such action.

(Council Communication No. 10- )

MOVED by \_\_\_\_\_ to adopt.

Form Approved:



Roger 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