

Date September 24, 2007

APPROVING FORM OF AGREEMENT AND AUTHORIZING EXECUTION OF
CONTRACT DOCUMENTS FOR A \$250,000 LOAN FOR NEW CONSTRUCTION OF 42
UNITS OF LOW INCOME FAMILY HOUSING LOCATED AT 1815 HIGH STREET WITH
STOCKBRIDGE L.P.

WHEREAS, the City of Des Moines, Iowa, has been informed by Robert Mickle, President of the Neighborhood Investment Corporation the general partner of Stockbridge, L.P., that a 42-unit family housing development located at 1815 High Street received an allocation of low income housing tax credits for 2007; and

WHEREAS, the City is desirous of a development for low income families on this site and supported the application to the Iowa Finance Authority by Roll Call 06-2240 on November 6, 2006; and

WHEREAS, the project has a gap in its financing because the project did not receive the full amount of tax credits for which it was eligible and construction costs have increased from when the costs were originally projected in November of 2006; and

WHEREAS, on July, 23, 2007 by Roll Call 07-1404 the City council authorized staff to negotiate with Stockbridge, L.P. for a \$250,000 HOME loan to be used in construction of the development; and

WHEREAS, staff has analyzed the construction and operating pro forma of the loan and performed a subsidy layering review as required by the HOME regulations; and

WHEREAS, the developer has submitted a letter from the Iowa Department of Economic Development stating that organization is unable to assist with this project because of the time of its application round for 2008 and because all multi-family housing funds for 2007 have been exhausted, and

WHEREAS, staff has prepared a form of HOME Agreement attached hereto as Exhibit A and by this reference made a part hereof.

(continued)

Date September 24, 2007


NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, that the Form of Agreement attached hereto as Exhibit A is hereby approved.

BE IT FURTHER RESOLVED, that upon acquisition of the land by Stockbridge, L.P. and final review of the Agreement by City Legal Department, the Community Development Director or his designee is hereby authorized to execute the Agreement on behalf of the City of Des Moines and to fund the project.

(Council Communication No. 07- 569)

MOVED by _____ to adopt.

Form Approved:


 Michael F. Kelley
 Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				

MOTION CARRIED

APPROVED

.....
 Mayor

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.

 City Clerk