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Date November 9, 2009

**APPROVING THE TEMPLATE FORMAT OF LIEN AND MORTGAGE
DOCUMENTS TO BE USED WITHIN THE CITY OF DES MOINES JUMPSTART
HOUSING ASSISTANCE PROGRAM**

WHEREAS, the Iowa Department of Economic Development (IDED) is administering the Community Development Block Grant (CDBG) Disaster Recovery Funds per a statewide allocation plan (Action Plan) approved by the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, the Action Plan outlines the recovery activities that are taking place across the state such as Jumpstart, Infrastructure Repair, and Small Business Assistance, and an additional proposed activity is the construction of new housing units to replace units lost in the floods, for which IDED has initially allocated \$20 million statewide accessible through a competitive grant process; and

WHEREAS, on October 13, 2008, by Roll Call #08-1810, Council approved the CDBG Program Disaster Recovery Contract (Contract No. 08-HR-009) with IDED, and has thereafter approved various amendments to said Contract; and

WHEREAS, on April 20, 2009, by Roll Call #09-646, Council further authorized the submittal of two applications for supplemental CDBG disaster funds for the construction of 27 new housing units to replace the units destroyed in the flooding of 2008; and

WHEREAS, the Habitat for Humanity Scattered Site Project application authorized under the previously mentioned Roll Call # 09-646 has been approved by IDED; and

WHEREAS, on June 30, 2009, by Roll Call #09-1165, Council authorized amending the existing contract between the City and IDED (Contract No. 08-DRH-009) by adding a new activity called Single-Family Unit Production – New Construction, and adding performance targets and \$503,061.00 in CDBG disaster funds for the construction of 13 single-family Habitat for Humanity homes; and

WHEREAS, the Single-Family Unit Production – New Construction activity requires that the CDBG supplemental funds provided under the program to homebuyers be secured in the form of a five-year receding forgivable mortgage lien on the newly constructed properties, with payback required if the assisted homebuyer sells, vacates, rents or abandons the purchased property at any time within the five-year period; and

WHEREAS, due to said mortgage lien requirements, the City Neighborhood Conservation Services Division Staff have modified existing program documents to accommodate this new activity, and the revised mortgage document, attached hereto as Exhibit

★ **Roll Call Number**

Agenda Item Number

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A, will be signed by homebuyers participating in this program at the time of closing and will act as a security lien against the properties receiving funding for a period of five years.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, that the Owner/Buyer Property Lien template, attached hereto as Exhibit A, be and is hereby approved for use.

(Council Communication No. 09-194)

APPROVED AS TO FORM:

Moved by _____ to approve.

Glenna K. Frank
Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLISSIS				
TOTAL				
MOTION CARRIED			APPROVED	

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.

Mayor

City Clerk