Agenda	Item Num	ber
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Date December 21, 2009

RESOLUTION APPROVING SUPPORT AND PRELIMINARY COMMITMENT OF HOME FUNDS FOR APPLICATION TO IOWA FINANCE AUTHORITY (IFA) SUBMITTED BY OLIVE STREET BRICKSTONE, LLP REQUESTING LOW INCOME HOUSING TAX CREDITS FOR NEW CONSTRUCTION OF 20 UNITS OF LOW-INCOME FAMILY HOUSING AT 18<sup>TH</sup> STREET AND OLIVE AVENUE

WHEREAS, the City of Des Moines, Iowa, has been informed by Jack Hatch, 1312 Locust Street, Des Moines and Paul Koester, 5604 Enterprise Drive Grimes, of Olive Street Brickstone, LLP (Developer) that a Low Income Housing Tax Credit (LIHTC) application will be filed with the Iowa Finance Authority (IFA) for the development of 20 units of low income family housing to be located at 18<sup>th</sup> Street and Olive Avenue, Des Moines, Iowa with a legal description as follows:

Lots 1,2,3,4,5,6,7,8,9,13,14,15,16,17 and the East half of the vacated North/South alley right-of-way lying West of and adjoining Lots 1 through 9, Block 1; and the West half of the vacated North/South alley right-of-way lying east of and adjoining Lots 10 through 18, Block 1; and the East half of vacated 18<sup>th</sup> Street right-of-way lying South of the South right-of-way line of School Street, and North of the North right-of-way line of Olive Street and lying West of adjoining said Block 1; and the vacated West 10.0 Feet of 17<sup>th</sup> Street right-of-way lying East of and adjoining said Block 1; All in Glendale, now included in and forming a part of the City of Des Moines, Polk County, Iowa, Subject to leases, easements, covenants and restrictions of record, if any, locally know as approximately 1.39 acres of land between 17<sup>th</sup> Street and 18<sup>th</sup> Street, South of School Street and North of Olive Street, Des Moines, IA

WHEREAS, Developer's proforma shows the need for local assistance of \$250,000 in HOME funds from the City of Des Moines but the City only has \$100,000 of HOME funds that can be committed to this project for the 2010 tax credit round; and

WHEREAS, if additional HOME funds become available because LIHTC projects are not funded the City Council will consider increasing the amount of City HOME funds; and

WHEREAS, the development is in conformance with the City's Affordable Housing Policy except that it is located within a low-moderate income census tract; and

WHEREAS, the development will provide housing for families; and

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WHEREAS, the City of Des Moines is a HUD Entitlement City and will utilize its 2009 and 2010 HOME allocation for this project and is dependent upon HUD making such allocation available; and

WHEREAS, the project has support from the Sherman Hill Neighborhood Association; and

WHEREAS, the project from makes full use of an infill parcel in a neighborhood setting but is near the downtown.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that financial support in the form of \$100,000 of HOME funds is approved subject to final underwriting, compliance with HOME regulations, compliance with City ordinances, which include the Zoning and Site Plan Ordinances, and the building permit process. This resolution is effective until May 1, 2010. In the event that any of the qualifying requirements mentioned above should change prior to the issuance of a building permit, this resolution is null and void.

BE IT FURTHER RESOLVED THAT the City Manager or his designee is authorized and directed to submit the required Local Contributing Effort Form that also shows the use of tax abatement for the project and the attached Letter of Support for the project on file in the City Clerk's Office.

(Council Communication No. 09-

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rorm	Approved:	

MOVED by to adopt.

Michael F. Kelley Assistant City Attorney

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