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Date November 8, 2010

APPROVAL OF A FUNDING REQUEST TO THE IOWA DEPARTMENT OF ECONOMIC DEVELOPMENT ON BEHALF OF GREEN LMT. L.C. FOR \$2,000,000 OF CDBG-DR FUNDING FOR 25 UNITS OF HOUSING AND A CITY COMMITMENT OF \$400,000 IN MATCHING FUNDING THROUGH HOME FUNDS, TAX INCREMENT FINANCING OR TAX ABATEMENT

WHEREAS, the City of Des Moines was notified on October 18th, 2010 that the State of Iowa was making available Community Development Block Grant-Disaster Relief funding for development of multi-family housing; and

WHEREAS, the funding availability has a short time frame and a complete application must be submitted to IDED by November 15; and

WHEREAS, the City staff e-mailed notice of the funding availability to local and out-of-state developers who have previously worked with subsidized rental housing in Des Moines with a deadline for submittal of noon on Monday, November 1; and

WHEREAS, the City can only submit one proposal for funding to IDED and there is no set-aside funding for Des Moines; and

WHEREAS, the City as the applicant of CDBG-DR funding must commit a 20% match for the requested CDBG-DR funds as a source of funds which can include but are not limited to Tax Abatement, HOME, or Tax Increment Financing (TIF); and

WHEREAS, seven proposals for multi-family housing were submitted by that deadline by four different developers; and

WHEREAS, staff has evaluated the seven proposals based on the city criteria of neighborhood impact by supporting the downtown, supporting a neighborhood plan, or supporting a commercial corridor, and the readiness to proceed; and

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WHEREAS, staff also evaluated the proposals using the criteria of affordability, sustainability, and need; and the project's relationship to the disasters of 2008 that were included by IDED in the Notice of funding availability; and

WHERE, staff recommends submitting an application on behalf of the Green Ltd. L.C. with John Shors as the Managing Member, c/o Davis Brown Law Firm 215 10th Street, Ste. 1300 Des Moines Iowa 50309 and

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WHEREAS, this project will develop twenty five units of housing at 322 SW 3rd Street in a building undergoing an historic rehabilitation and conversion into a mixed use commercial and residential project;

Whereas this project will support downtown housing projects and is ready to proceed in that it has been awarded State and Federal Historic Tax Credits, has owner equity in the project, has a deferred developer fee.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Des Moines, that:

The City of Des Moines will submit an application for \$2,000,000 of CDBG-DR funds for the Green Ltd, L.C. project to IDED; and

The City of Des Moines will commit approximately \$400,000 in tax abatement and TIF/HOME funds to provide a 20% match for the project.

(City Council Communication No. 10-686)

MOVED BY _____ TO ADOPT

FORM APPROVED:



Michael F. Kelley 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