

Date December 19, 2011.....

AUTHORIZING EXECUTION OF HOME INVESTMENT PARTNERSHIP (HOME) CONTRACT DOCUMENTS WITH CAPITOL CITY DUPLEXES, LLLP FOR A \$198,040 LOAN FOR ACQUISITION AND REHABILITATION OF 16 UNITS OF SCATTERED-SITE FAMILY RENTAL HOUSING

WHEREAS, by Roll Call 11-0387 on February 28, 2011 the Des Moines City Council authorized City staff to negotiate with Capitol City Duplexes, LLLP on HOME funds for a Low Income Housing Tax Credit Project (LIHTC); and

WHEREAS, the City of Des Moines, Iowa, was informed by the Iowa Finance Authority (IFA) in May of 2011 that Capitol City Duplexes, LLLP received an allocation of LIHTC and a \$593,995 HOME loan from State funds; and

WHEREAS, the developer of Capitol City Duplexes, LLLP is Community Housing Initiatives, Inc., (Doug LaBounty President, 500 East Locust, Des Moines, IA 50309), an experienced tax credit developer in Des Moines; and

WHEREAS, the rehabilitated units are to be located at the following sites legally and locally described as:

- | | |
|-----------------------------------|--|
| 343-345 E. Creston | West 65 Feet of Lot 116 Crawford Place; |
| 922-924 SW Emma | Lot 2 Ruby Ann Manor |
| 428-430 E. Leach Avenue | West 71.75 F E 221.75F S112F Lot 9 Sunnycrest Plat 2 |
| 1170-1172 9 th St. | Except E 11F-SE ¼ Lot 13 OP NE FRL ¼ NW FRL ¼ Sec.4-78-24 |
| 1176-1178 9 th St. | Except W 8F & Ex E 11 F – NE ¼ Lot 13 OP NE FRL ¼ NW FRL ¼ Sec.4-78-24 |
| 3600-3602 SE 11 th | Lot 5 Merlin Place |
| 5910-5912 SW 12 th ST. | Lot 16 Wilhite Place Plat 1 |
| 5918-5920 SW 12 th St. | Lot 15 Wilhite Place Plat 1 |

WHEREAS, this project involves rehabilitation of existing low-income family duplex housing to be purchased from the Des Moines Municipal Housing Agency;

WHEREAS, by Roll Call 11-0997 on June 13, 2011 the City Council authorized \$198,040 of HOME funds for the Capitol City Duplexes LLLP with additional review by the Neighborhood Revitalization Board and contract documents to return to City Council for final approval

WHEREAS, final terms for the project were reviewed by the Neighborhood Revitalization Board at its December 7, 2011 meeting; and

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WHEREAS, the City's loan will be at 1% with a variable payback over 15 years with a balloon payment in year 16 or refinance of the remaining debt. The payments to the City will range from \$3500 to \$1800 annually; and

WHEREAS, the City's funds will be used for rehabilitation of ten of the sixteen units;

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

1. The HOME Investment Partnerships (HOME) Agreement between the City of Des Moines and Capitol City Duplexes, LLLP is hereby approved; and
2. The Community Development Director of the City of Des Moines is authorized to execute all City HOME contract documents on behalf of the City in such form as approved by the Legal Department.

(Council Communication No. 11- 748)

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