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**Date** August 13, 2012

**AUTHORIZING CITY MANAGER TO SIGN IOWA FINANCE AUTHORITY  
FORM "5S LOCAL CONTRIBUTING EFFORT" FOR 60 UNITS OF FAMILY HOUSING TO BE  
LOCATED AT 4560 HUBBELL AVENUE UTILIZING LOW INCOME HOUSING TAX CREDITS**

WHEREAS, Anawim Housing and Hubbell Development are proposing to develop 60 units of family housing using Low Income Housing Tax Credits for financing; and

WHEREAS, Anawim Housing and Hubbell Development have an allocation of LIHTC from the 2012 Iowa Finance Authority (IFA) round which were proposed to be used at 1801 McKinley Avenue but are now proposed to be used at 4560 Hubbell Avenue; and

WHEREAS, on July 30, 2012 a meeting was held with representatives of Northeast Neighborhoods, representatives of Anawim Housing and City Council members to explain the project; and

WHEREAS, the Iowa Finance Authority (IFA) process to move the site requires that the City complete and execute Form "5S Local Contributing Effort", indicating any monetary contribution, including tax abatement, for the project;

WHEREAS, a draft of the form is on file in the City Clerk's office and staff will verify all dollar amounts by reviewing the developer's assumptions prior to the Manager's signature and submission to IFA; and

Date August 13, 2012

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

1. The City Manager or his designee should complete and sign the "Form 5S Local Contributing Effort" currently on file in the City Clerk's office for the Anawim/Hubbell project to be located at 4560 Hubbell Avenue.

(Council Communication No. 12- **437** )

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



**EXHIBIT 5S**  
**LOCAL GOVERNMENT CONTRIBUTION**  
(This form must be completed by the City/County.)

RE: Project Name McKinley Crest  
Project Address 4560 Hubbell Avenue.  
Ownership Entity Name McKinley Crest LLLP

This form will verify the local government contribution effort referenced in the Qualified Allocation Plan (QAP). A local government contribution can be provided by a qualified government entity or political subdivision. Iowa Finance Authority (IFA) rules state that the following items will constitute a local government contribution:

1. Cash contribution
2. Gift of land or building
3. Tax abatement (not tax exemption)
4. Tax increment financing
5. Enterprise zone credit (equity value)
6. Enterprise zone sales tax rebate
7. Waiver of fees
8. Below-market interest rate loan (value calculated on imputed savings)

IFA's rules provide that the agency making the local government contribution must indicate the value of its contribution. The value of the local government contribution is the value of the contribution made by the qualified government entity or political subdivision minus the value of any consideration or accommodation received by the qualified government entity or political subdivision in return for the contribution. Evidence of payment and the authority to provide the funds shall be furnished upon request of IFA.

The City/County completing this form understands that IFA will rely on these valuations to determine whether the Applicant has met the requirements of the QAP to receive points for Local Government Contribution.

**CONTRIBUTION(S) DERIVED FROM FEDERAL SOURCES (5 points – maximum)**

CASH CONTRIBUTION

Amount	Source of Cash	Name of Entity Making Contribution

GIFT OF LAND

Amount/Value	Describe How Value Was Determined	Name of Entity Making Contribution

Description of property: \_\_\_\_\_  
Is land held free and clear of encumbrances?  YES  NO  
If NO, disclose all known liens and encumbrances and explain how and when these will be satisfied. \_\_\_\_\_

GIFT OF BUILDING

Amount/Value	Describe How Value Was Determined	Name of Entity Making Contribution

Description of building(s): \_\_\_\_\_

Is land held free and clear of encumbrances?  YES  NO

If NO, disclose all known liens and encumbrances and explain how and when these will be satisfied. \_\_\_\_\_

BELOW-MARKET INTEREST RATE LOAN (value calculated on imputed savings)

Amount/Value	Market Interest Rate	Below-Market Interest Rate	Describe How Calculated Savings Was Determined	Name of Entity Making Contribution

**CONTRIBUTION(S) NOT DERIVED FROM ANY FEDERAL SOURCES (45 points – maximum)**

For scoring purposes under this category, a local government contribution to a Project provided through a certified Local Housing Trust Fund (LHTF) will be considered a qualified local government contribution only if the Applicant provides documentation from the LHTF showing the government entity or political subdivision has made contributions to the LHTF during the current fiscal year totaling at least the amount of the proposed local government contribution to the Project. The source of contributions from the government entity or political subdivision to the LHTF cannot be from any Federal resources.

CASH CONTRIBUTION

Amount	Source of Cash	Name of Entity Making Contribution

GIFT OF LAND

Amount/Value	Describe How Value Was Determined	Name of Entity Making Contribution

Description of property: \_\_\_\_\_

Is land held free and clear of encumbrances?  YES  NO

If NO, disclose all known liens and encumbrances and explain how and when these will be satisfied. \_\_\_\_\_

GIFT OF BUILDING

Amount/Value	Describe How Value Was Determined	Name of Entity Making Contribution

Description of building(s): \_\_\_\_\_

Is land held free and clear of encumbrances?  YES  NO

If NO, disclose all known liens and encumbrances and explain how and when these will be satisfied. \_\_\_\_\_

TAX ABATEMENT

Amount/Value	Mil Rate	Term of Abatement	Describe How Amount Was Determined	Name of Entity Making Contribution
\$250,312	45.98	5 year	The City of Des Moines will provide tax abatement as a matter of right for new construction of multi-family housing at this site.	City of Des Moines

TAX INCREMENT FINANCING

Amount/Value	Name of Entity Making Contribution

ENTERPRISE ZONE CREDIT (equity value)

Amount/Value	Name of Entity Making Contribution
\$114,375	State of Iowa

ENTERPRISE ZONE SALES TAX REBATE

Amount/Value	Name of Entity Making Contribution
\$58,500	State of Iowa

WAIVER OF FEES

Amount/Value	Type of Fees	Describe How Amount Was Determined	Name of Entity Making Contribution

BELOW-MARKET INTEREST RATE LOAN (value calculated on imputed savings)

Amount/Value	Market Interest Rate	Below-Market Interest Rate	Describe How Calculated Savings Was Determined	Name of Entity Making Contribution

City of Des Moines, IA  
 \_\_\_\_\_  
 Agency Name (Typed)

\_\_\_\_\_ Date

Richard A. Clark, City Manager  
 \_\_\_\_\_  
 Name of Agency Representative (Typed)

\_\_\_\_\_  
 Signature of Agency Representative