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Date June 10, 2013

**APPROVAL OF HOME REHABILITATION LOAN FOR 1428 CAPITOL AVENUE
WITH COMMONBOND COMMUNITIES AND EXECUTION OF DOCUMENTS**

WHEREAS, by Roll Call 12-0788 on May 21, 2012 the City Council approved general categories for expenditures of City HOME funds that included funds for rental rehabilitation; and

WHEREAS, the development consists of ten (10) 2-bedroom units constructed in 1993 under the Low Income Housing Tax Credit Program (LIHTC).

WHEREAS, the housing has reached the end of its 15-year LIHTC Initial "Compliance Period" but it is still in the "Extended Use Period" required by the LIHTC program during which the units must continue to be rented to low income households (below 60% of median income) with rent limitations.

WHEREAS, after the 15-year initial compliance period, the original developer can sell the housing to a new owner, but the new owner has to be approved by the Iowa Finance Authority;

WHEREAS, the new owner of 1428 Capitol will be Stewart Park Townhomes, LLLP, a subsidiary of CommonBond Communities, 328 Kellogg Boulevard West, St. Paul, Minnesota, 55102, Ellen Higgins Vice President,

WHEREAS, CommonBond has requested rehabilitation assistance of the ten units all to be rented to households below 60% of median income with HOME rent limits; and

WHEREAS, the rehabilitation of Stewart Square Park for low income households was reviewed and supported by the Capitol East Neighborhood Association in 2011; and

WHEREAS, the City's HOME loan will be for \$125,000 and will be forgiven at the end of a fifteen year compliance period; and

WHEREAS, other funding sources for purchase and rehab include the State HOME loan program and Polk County Housing Trust Fund;



Roll Call Number

Agenda Item Number

27

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

1. The HOME Investment Partnerships (HOME) Agreement between the City of Des Moines and Stewart Park Townhomes 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.

(Council Communication No. 13- 292)

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				
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