



Date June 3, 2019

APPROVAL OF HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) AGREEMENT WITH HOME OPPORTUNITIES MADE EASY, INC. (HOME, INC.) TO CONSTRUCT TWO HOMEOWNERSHIP UNITS AT 210 AND 215 WATSON AVENUE USING COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) SET-ASIDE FUNDS

WHEREAS, the City has entered into an Agreement with the United States Department of Housing and Urban Development ("HUD") for funding of its Home Investment Partnership (HOME) Program pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act; and

WHEREAS, the City's HOME Program is designed to provide affordable rental and home ownership opportunities for low- and very-low income households through acquisition, rehabilitation, and new construction; and

WHEREAS, the construction of new affordable housing is consistent with the City's 2015-2019 Consolidated Plan, which was approved by City Council for submission to HUD on November 3, 2014 by Roll Call 14-1730; and

WHEREAS, on December 7, 2009, by Roll Call No. 09-2191, the City Council approved Home Opportunities Made Easy (HOME), Inc. as a Community Housing Development Organization (CHDO) and forwarded all information to HUD, and the City annually recertifies and contracts with HOME, Inc. as a CHDO eligible for HOME set-aside funds and operating funds, including most recently on March 19, 2018 by Roll Call No. 18-0474; and

WHEREAS, on October 26, 2015, by Roll Call No. 15-1811, the City Council authorized the sale and transfer of four properties, including 210 Watson Avenue, in the Birdland Area to HOME, Inc. for the construction of new housing; and

WHEREAS, HOME, Inc. has requested to use \$150,000.00 of HOME funds per unit for two units, for a total amount of \$300,000.00, to construct new single-family homes at 210 and 215 Watson Avenue; and

WHEREAS, HOME, Inc.'s proposal—which included the construction schedule, budget, site plans, construction drawings, and any other documentation used to review and underwrite the project—have been reviewed by the City's Community Development Department, which administers the HOME Program, and it has been determined that HOME, Inc. meets all the project and developer eligibility requirements; and

WHEREAS, City staff has determined that HOME funds are needed to fill a gap in the sources and uses of the proposed HOME, Inc. development to serve the targeted income populations; and

WHEREAS, City staff and HOME, Inc., as a CHDO, have negotiated HOME Agreements on file in the office of the City Clerk, whereby the City will provide a total of \$300,000.00 of HOME Program funding for the development of two single-family homes for income-qualified households pursuant to HOME Program Regulations; and



32

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WHEREAS, HOME, Inc. has an excellent record of developing affordable single-family housing in the older neighborhoods of the City.

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

- 1. The HOME Agreements, whereby the City will provide to HOME, Inc. a total of \$300,000 in the form of forgivable loans, equaling \$150,000 for each property, to develop two (2) new single-family homes to house two (2) income qualified households at 210 and 215 Watson Avenue at the following addresses, are hereby approved:

Address: 210 Watson Avenue

Legal Description: Lots 57, 58 and 59, Block 4, OLD ORCHARD BEACH, an Official Plat, all now included in and forming a part of the City of Des Moines, Polk County, Iowa

Address: 215 Watson Avenue

Legal Description: Lots 7, 8 and 9, Block 5, OLD ORCHARD BEACH, an Official Plat, now included in and forming a part of the City of Des Moines, Polk County, Iowa

- 2. The Community Development Director or his designee is hereby authorized to execute, on behalf of the City, said HOME Agreements following approval as to form by the Legal Department; to execute, record, and administer said Agreements and any other documents necessary to implement the Agreements and to fund the above-described project; and to approve any minor amendments to said Agreements and related documents and return any substantive amendments to City Council for consideration.

(Council Communication No. 19-252)

MOVED BY _____ TO ADOPT

FORM APPROVED:

Glenna K. Frank, Assistant City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, BOESEN, COLEMAN, GATTO, GRAY, MANDELBAUM, WESTERGAARD, and 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