



Date March 23, 2020

RESOLUTION REGARDING ALLOCATION OF HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) FUNDS TO HOME OPPORTUNITIES MADE EASY, INCORPORATED (HOME, INC.) FOR DEVELOPMENT OF AFFORDABLE HOUSING USING COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) SET-ASIDE FUNDS

WHEREAS, on November 4, 2019, by Roll Call No. 19-1792, the City Council approved the 2020-2024 Consolidated Plan, which includes the 2020 Action Plan, for the U.S. Department of Housing and Urban Development (HUD);

WHEREAS, the 2020-2024 Consolidated Plan includes the use of Home Investment Partnership Program (HOME) funding for housing to be owned, developed or sponsored by Community Housing Development Organizations (CHDOs); and

WHEREAS, the HOME Program requires that 15 percent of the HOME funds be allocated to a CHDO every program year; and

WHEREAS, on December 7, 2009, by Roll Call No. 09-2191, the City Council approved Home Opportunities Made Easy, Incorporated (HOME, Inc.) as a CHDO, and city staff annually recertifies HOME, Inc. as a CHDO, eligible for CHDO Set-Aside funds and operating funds; and

WHEREAS, in December 2019 HOME, Inc. submitted a proposal to city staff outlining a five-year schedule for CHDO Set-Aside funding under the HOME Program for 1) construction of at least two HOME units, which will be sold to low-income homebuyers, each program year between 2020 and 2024 and 2) down payment assistance for at least four households each program year between 2022 and 2024; and

WHEREAS, staff has evaluated the developer's capacity and history with HOME funds, and once site addresses are known, each project site will be further underwritten—which includes review of the construction schedule, budget, site plans, construction drawings, environmental characteristics, and any other documentation used to review the project's risk; and

WHEREAS, on October 24, 2016, by Roll Call No. 16-1828, the City Council annually committed at least \$250,000 to HOME, Inc. in the last Consolidated Planning cycle; and

WHEREAS, the City Manager and community development staff recommend that a portion of the City's anticipated future HOME funding be allocated to HOME, Inc. accordingly, dependent on the allocation of HOME funds to the City of Des Moines by HUD, annual certification of HOME, Inc. as a CHDO, and completion of all the federal requirements in 24 CFR 92:



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Program Year	Project Funding for Construction	Project Funding for Down Payment	Operating Funding	# of HOME Homebuyer Units Assisted
2020	\$400,000	-	\$35,000	2
2021	\$400,000	-	\$35,000	2
2022	\$300,000	Up to \$80,000	\$35,000	6
2023	\$300,000	Up to \$80,000	\$35,000	6
2024	\$300,000	Up to \$80,000	\$35,000	6

WHEREAS, the city will allow HOME, Inc. to retain proceeds from the disposition by sale of real property acquired, rehabilitated, or constructed with HOME Set-Aside funds, of which those funds will be used for additional affordable housing activities in the City of Des Moines.

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

1. The recommendation for proposed HOME funding allocations to HOME, Inc. as listed above is hereby received and filed.
2. As the city is annually notified of its HOME allocation from HUD, community development staff is directed to submit resolution(s) and agreement(s) to Council in accordance with the proposed funding allocation set forth above, and to work with HOME, Inc. on the development of owner-occupied or lease-purchase housing that is in compliance with the proposed allocation set forth above and the City's Consolidated Plan.

 **Roll Call Number**

Agenda Item Number

27A

Date March 23, 2020

(City Council Communication No. 20-**134**)

MOVED BY _____ TO ADOPT

FORM APPROVED:



 Judy K. Parks-Kruse
 Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
GATTO				
GRAY				
MANDELBAUM				
VOSS				
WESTERGAARD				
TOTAL				

CERTIFICATE

I, P. Kay Cmelik, 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