



Date October 7, 2024

PRELIMINARY COMMITMENT OF \$700,000 IN CDBG (COMMUNITY DEVELOPMENT BLOCK GRANT) FUNDS FOR VARSITY LOFTS RESULTING IN SIX (6) TOTAL AFFORDABLE RESIDENTIAL RENTAL UNITS

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

WHEREAS, one of the primary components of the 2020-2024 Consolidated Plan is the increase of affordable housing stock; and

WHEREAS, representatives of Des Moines Film submitted a proposal to City Neighborhood Services staff and provided financial information regarding the project which will result in six (6) residential rental units affordable to those at or below 60% Area Median Income (AMI) at a 1213 and 1215 25th St, Des Moines, Iowa; and

WHEREAS, the use of CDBG funds to rehabilitate housing is an eligible activity if it meets the national objective of the CDBG Program by benefitting low- or moderate-income residents; and

WHEREAS, the Environmental Review is complete; and

WHEREAS, this project has received or is expected to receive additional funding from a standard mortgage and Invest DSM; and

WHEREAS, a preliminary commitment is required at this time, in lieu of a full agreement, because exact loan terms have not been agreed upon and outstanding documents are still needed in order to complete the underwriting process.

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

1. The City of Des Moines preliminarily commits \$700,000 in CDBG funds for Varsity Lofts, conditional to agreed-upon loan terms and completion of project underwriting.
2. The Director of the Neighborhood Services Department is authorized and directed to sign said preliminary commitment letter as attached.



Roll Call Number

Agenda Item Number

24

Date October 7, 2024

Moved by _____ to adopt.

Second by _____.

FORM APPROVED:

/s/ Gary D. Goudeock Jr.

Gary D. Goudeock Jr.
Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN				
SIMONSON				
VOSS				
COLEMAN				
WESTERGAARD				
MANDELBAUM				
GATTO				
TOTAL				

MOTION CARRIED

APPROVED

Mayor

CERTIFICATE

I, LAURA BAUMGARTNER, 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.

City Clerk