



Date September 29, 2025

APPROVAL OF HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) AGREEMENT FOR \$100,000 AND COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AGREEMENT FOR \$650,000 TO BEACON OF LIFE, THE BEACON VILLAGE, LLC, AND THE BEACON VILLAGE PHASE II, LLC FOR THE BEACON VILLAGE PHASE II RENOVATION OF 1348 E EUCLID AVE FOR 32 UNITS

WHEREAS, the City has entered into an Agreement with 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 Community Development Block Grant (CDBG), authorized under title I of the Housing and Community Development Act of 1974, as amended; and

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

WHEREAS, adaptive reuse and renovation of existing buildings into affordable housing is consistent with the City's 2025-2029 Consolidated Plan, which was approved by City Council for submission to HUD on June 9, 2025 by Roll Call 25-0863; and

WHEREAS, representatives of Beacon of Life, sole owners of The Beacon Village, LLC, submitted a proposal to City Neighborhood Services staff and provided financial information regarding the project which will result in the rehabilitation of the Village Inn Motel located 1348 E Euclid Ave, Des Moines and creation of thirty two (32) efficiency units of rental housing accessible and affordable to residents earning 50% area median income (AMI) or less; and

WHEREAS, the rehabilitation project is expected to occur in two phases and will include land owned by and work performed by or on behalf Beacon Village, LLC and Beacon Village Phase II, LLC (these parties, along with Beacon of Life, will be collectively referred to herein as "Developer"); and

WHEREAS, one (1) of the units will be designated as a HOME and CDBG unit; and

WHEREAS, sixteen (16) of the units will be designated as CDBG units; and

WHEREAS, two (2) of the units will be units built to the standards of the Americans with Disabilities Act (ADA), and one (1) of the units will be for the visual or hearing impaired; and

WHEREAS, on August 15, 2025, the City completed the required environmental review and determined no significant impact; and

WHEREAS, Developer has provided all necessary documents for City staff to review and make a determination of funding, including financial projections, appraisal value, building specifications, developer



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financials, populations served; and

WHEREAS, Developer has been awarded a \$1,300,000 grant from Polk County, and

WHEREAS, City staff has completed project due diligence and determined that HOME and CDBG funds are needed to fill a gap in the sources and uses of the development to serve the targeted income populations.

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

1. The CDBG Agreement, including the Promissory Note, Mortgage, and Restrictive Covenants, between the City and Developer for the renovation and adaptive reuse of the Village Inn Motel at 1348 E Euclid Ave, Des Moines, IA 50316, for seventeen (17) units of affordable housing, in form on file with the City Clerk, is hereby approved.
2. The HOME Agreement, including the Promissory Note, Mortgage, and Restrictive Covenants, between the City and Developer for the renovation and adaptive reuse of the Village Inn Motel at 1348 E Euclid Ave, Des Moines, IA 50316 for one (1) unit of affordable housing that will be designated as a HOME and CDBG unit such that the total City HOME and CDBG designated units will be seventeen (17), in form on file with the City Clerk, is hereby approved.
3. The Director of the Neighborhood Services Department is authorized and directed to sign said HOME and CDBG Agreements and related documents, and the Neighborhood Services Department is directed to record said Agreements and all related documents as applicable.
4. The Neighborhood Services Director and his assignees are authorized and directed to administer the HOME and CDBG Agreements and related documents in accordance with the terms therein; to approve and execute minor amendments thereto; and to present substantive amendments to the City Council for consideration and approval.

(Council Communication No. 25 - 356)

MOVED BY _____ TO ADOPT. SECOND BY _____

APPROVED AS TO FORM:

/s/ Gary D. Goudelock Jr.
Gary D. Goudelock Jr.
Assistant City Attorney



Roll Call Number

Agenda Item Number

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

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.

Mayor

City Clerk