*	Roll	Call	Number

Agenda Item	Number
	25

Date November 17, 2025

PRELIMINARY AWARD OF \$400,000 IN HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM FUNDS TO GREATER DES MOINES HABITAT FOR HUMANITY (HABITAT) FOR 2026 AFFORDABLE HOUSING PROJECTS

WHEREAS, on December 9, 2024, by Roll Call No. 24-1570, and on June 9, 2025, by Roll Call No. 25-0863, the City Council held public hearings and approved the 2025-2029 Consolidated Plan for the U.S. Department of Housing and Urban Development (HUD);

WHEREAS, the 2025-2029 Consolidated Plan includes the use of Home Investment Partnership (HOME) Program funding for affordable housing development; and

WHEREAS, HUD has not allocated the Program Year 2026 HOME funding to the City of Des Moines; and

WHEREAS, on July 31, 2025, Habitat submitted a proposal to city staff outlining a schedule for requested funding for construction or rehabilitation of multiple housing units, which will be sold to low-income homebuyers, each program year between 2026 and 2029; and

WHEREAS, the City has a history of allocating up to \$400,000 per year for approximately 10 single-family, new construction homeownership projects completed by Habitat each year; and

WHEREAS, as the City navigates funding implications of the Citywide Housing Strategy, staff recommends a more flexible funding approach, allowing for either new construction or rehabilitation in amounts that vary with the scope of each project; 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 compliance with the HOME regulations; and

WHEREAS, final disbursement of funds to Habitat for a project is contingent on sale to an eligible homebuyer who is approved by City staff, a certificate of occupancy, and the 2026 annual HOME allocation from HUD.

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

1. The recommendation for proposed preliminary Program Year 2026 HOME funding allocation of \$400,000 to Habitat as listed above is hereby received and filed.

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2. Once the City's 2026 HUD allocation is known, Neighborhood Services staff is directed to review, underwrite, and create HOME agreements, in a form as approved by the City's Legal Department, with Habitat on the development of owner-occupied housing that is in compliance with the proposed allocation set forth above and the City's Consolidated Plan.

(City Council Communication No. 25-424)

Moved by	to adopt.
Second by	-
APPROVED AS TO FORM:	
<u>/s/ Gary D. Goudelock Jr.</u> Gary D. Goudelock Jr., Assistant	City Attorney

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	