



Roll Call Number

08-1433

Agenda Item Number

27

Date August 11, 2008

APPROVAL OF HOME AGREEMENT WITH COMMUNITY HOUSING DEVELOPMENT CORPORATION FOR DEVELOPMENT OF A SINGLE FAMILY HOME AT 1622 FOREST AVENUE AND USE OF HOME PROCEEDS FOR AFFORDABLE HOUSING

WHEREAS, by Roll Call No. 08-881 on May 19, 2008, the City Council adopted the amended the 2007 HOME Program Allocations and the 2008 HOME Program Allocation that provides for funding for a single family house to be developed by a HUD Certified Community Development Organization (CHDO); and

WHEREAS, by Roll Call No. 06-1674 on August 21, 2006, the City Council approved an agreement with Sherry Smith to preserve the City's right to take a Tax Deed to the vacant lot at 1622 Forest Avenue intended for housing redevelopment; and

WHEREAS, by Roll Call No. 06-1585 on August 7, 2006, the City Council approved an assignment of the Tax Sale Certificate for 1622 Forest Avenue to Community Housing Development Corporation; and

WHEREAS, CHDC has an excellent record of developing affordable single family housing in the older neighborhoods of the city including King-Irving; and

WHEREAS, CHDC is a certified Community Housing Development Organization and under HOME rule, 24 CFR 92.300(a)(2), CHDOs may retain any or part of the proceeds resulting from the CHDOs investment or use of its HOME funds; and

WHEREAS, 24 CFR 92.300(a)(2) requires that CHDO HOME proceeds be used for HOME eligible activities; and

WHEREAS, the HOME contract includes language that will allow CHDC to retain the proceeds of the sale of 1622 Forest Avenue to be reused for new construction activities, rehabilitation of properties acquired through the Tax Sale Certificate Program, homeowner rehabilitation of properties located within the Forest Avenue Urban Renewal area or a maximum of 10% of the proceeds can be used for operating expenses.

WHEREAS, 24 CFR 92.300(a)(2) allows a participating jurisdiction to determine its own definition of "low-income" family for the use of CHDO proceeds;

WHEREAS, the definition of low income in the HOME Agreement is 100% of median income which will allow flexibility on encouraging mixed income neighborhoods; and



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NOW THEREFORE, BE IT RESOLVED, the Community Development Director or his designee is hereby authorized to execute on behalf of the City the Agreement and any other document necessary to implement the agreement and to fund the project.

(Council Communication No. 08- 484 )

MOVED by Hensley to adopt.

FORM APPROVED:

[Signature]

Michael F. Kelley
Assistant City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, HENSLEY, KIERNAN, MAHAFFEY, MEYER, VLASSIS, and TOTAL (7).

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.

[Signature] Mayor

[Signature] City Clerk