



Roll Call Number

08-1908

Agenda Item Number

59I

Date October 27, 2008

RESOLUTION WAIVING JUDGMENTS FOR DEMOLITION COSTS AND APPROVING SUPPORT AND A PRELIMINARY COMMITMENT OF HOME FUNDS FOR AN APPLICATION TO THE IOWA HOUSING FINANCE AUTHORITY SUBMITTED BY MLK BRICKSTONE, L.L.C. REQUESTING LOW INCOME HOUSING TAX CREDITS FOR NEW CONSTRUCTION OF 54 UNITS OF HOUSING BETWEEN 19<sup>TH</sup> AND 18<sup>TH</sup> STREETS, ATKINS AND THE FREEWAY

WHEREAS, the City of Des Moines, Iowa, has been informed by Hatch Development of 1312 Locust Street, Des Moines, Managing Partner of MLK Brickstone, L.L.C., that a Low Income Housing Tax Credit (LIHTC) application will be filed with the Iowa Finance Authority for the development of 54 units of low income family housing between 18<sup>th</sup> and 19<sup>th</sup> Streets, Atkins and the Freeway, Des Moines, Iowa with a legal description as follows:

South 10 F Lot 5 and all Lots 6 and 7 Butlers Addition, Lots 36, 37, 38, 39, 40 and 41 Butlers Addition; an official plat included in and forming a part of Des Moines, Iowa

WHEREAS, the Developer's proforma shows the need for local assistance of \$250,000 in HOME funds from the City of Des Moines and the need to waive two judgments for demolition costs against the parcels located at 1049 and 1051 19<sup>th</sup> Street; and

WHEREAS, the development is in conformance with the City's Affordable Housing Policy except that it is located within a low-moderate income census tract; and

WHEREAS, the development supports the previously adopted City Council goal of utilizing an infill parcel and is by a developer who has several successful projects in the city with designs that complement the neighborhood; and

WHEREAS, the City of Des Moines is a HUD Entitlement City and will utilize its 2009 HOME allocation for this project and is dependent upon HUD making such allocation available;

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, that financial support in the form of \$250,000 of HOME funds and release of liens is approved subject to final underwriting, compliance with HOME regulations, compliance with City ordinances, which includes the Zoning and Site Plan Ordinances, and the building permit process. This resolution is effective until August 31, 2009. In the event that any of the characteristics mentioned above should change prior to the issuance of a building permit, this resolution is null and void.

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BE IT FURTHER RESOLVED, by the City Council of the City of Des Moines, Iowa, that the judgments, including demolition costs, against the parcels located at 1049 19<sup>th</sup> Street (\$10,310.89) and 1051 19<sup>th</sup> Street (\$16,003.93) are hereby waived subject to the developer entering into a HOME agreement with the City of Des Moines.

BE IT FURTHER RESOLVED THAT, the City Manager, or his designee should complete and sign the attached Local Contributing Effort Form that shows the use of tax abatement and Enterprise Zone Credits for the project and the attached Letter of Support for the project.

(Council Communication No. 08- 650 )

MOVED by Kiernan to adopt.

Form Approved:

  
Michael F. Kelley  
Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
HENSLEY	✓			
KIERNAN	✓			
MAHAFFEY	✓			
MEYER	✓			
VLASSIS	✓			
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.

MOTION CARRIED APPROVED  
T. M. Franklin Mayor

Diane Rauh City Clerk