

★ Roll Call Number

10-1277

Agenda Item Number

19

Date August 9, 2010

APPROVAL OF HOME AGREEMENTS WITH HOME OPPORTUNITIES MADE EASY,  
INCORPORATED (HOME, INC.) FOR DEVELOPMENT OF SINGLE FAMILY HOMES AT  
1351 FOREST AVENUE AND 453 E. HILLSIDE AVENUE

WHEREAS, by Roll Call No. 10-927 on June 14, 2010, the City Council adopted an amended 2009 HOME Program Allocation and a 2010 HOME Program Allocation that provide for funding for two single family houses to be developed by a HUD Certified Community Development Organization (CHDO); and

WHEREAS by Roll Call 09-2191 on December 7, 2009, the City Council approved HOME, Inc. as a CHDO and forwarded all information to HUD;

WHEREAS, HOME, Inc. is a certified Community Housing Development Organization now recognized by HUD 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 HOME proceeds be used for HOME eligible activities; and

WHEREAS, the HOME contracts include language that will allow HOME, Inc. to retain the proceeds of the sale of 1351 Forest Avenue and 453 East Hillside Avenue contingent on all activities being approved by City staff and that include: 1) New construction of housing; 2) Renovation of properties acquired through the tax sale certificate process; 3) Acquisition and preparation of property suitable for single-family home construction; 4) Renovation of owner-occupied housing; 5) Holding costs during remarketing of lease-purchase properties; and 6) Holding costs of vacant land held for infill construction.

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;

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WHEREAS, the definition of low income in the HOME Agreement is 120% of median income which will allow flexibility on encouraging mixed income neighborhoods; and

WHEREAS, by Roll Call 07-1057 on June 4, 2007, the Des Moines City Council authorized the acquisition of a tax sale certificate for a vacant lot at 453 East Hillside Avenue and assigned such certificate to Home, Inc. for development of future affordable housing; and

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

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, that the Community Development Director or his designee is hereby authorized to execute on behalf of the City the HOME Agreements for \$140,000 each and any other document necessary to implement the agreement and to fund the project.

(City Council Communication No. 10-483)

MOVED BY Moore TO ADOPT.

FORM APPROVED:

[Signature]

Michael Kelley  
Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MEYER	✓			
MOORE	✓			
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