



Date November 18, 2013

AUTHORIZATION FOR CITY MANAGER TO SIGN IOWA FINANCE AUTHORITY FORM "5S LOCAL GOVERNMENT CONTRIBUTION" FOR EACH OF TEN (10) LOW INCOME HOUSING TAX CREDIT PROJECT APPLICATIONS TO BE SUBMITTED FOR FUNDING IN THE 2014 ROUND, WHICH INCLUDES:

- 1) A PRELIMINARY COMMITMENT OF \$200,000 OF CITY HOME FUNDS FOR 6TH AVENUE FLATS AND \$200,000 OF CITY HOME FUNDS FOR CHRIST THE KING SENIOR HOUSING II; AND,
2) A LETTER TO THE AUTHORITY REGARDING THE REQUEST BY YEADER VILLAGE FOR STATE HOME FUNDS

WHEREAS, applications for Low Income Housing Tax Credits (LIHTC) are due to the Iowa Finance Authority (IFA) on December 9, 2013; and,

WHEREAS, the IFA application requires that a Local Government complete and execute "Form 5S, Local Government Contribution" that indicates any monetary contribution by the Local Government for the LIHTC project; and,

WHEREAS, according to the IFA Qualified Allocation Plan, "Local Government Contribution" includes the value of tax abatement, the equity value of Enterprise Zone Credits, the value of Enterprise Zone Sales Tax Rebate, Tax Increment Financing, and any HOME or Community Development Block Grant funds; and,

WHEREAS, developers for 10 LIHTC projects in the City of Des Moines have requested a Form 5S be completed and executed by the City, and have submitted information to the City regarding their project's financing and physical development; and,

WHEREAS, these developments consist of the following projects with the following types of contribution from the City of Des Moines:

Table with 6 columns: Project, Project Address, Type, Affordable Units, Market Units, Local Government Contribution. Rows include Forest Avenue Apartments, Christ the King Senior Housing II, Hilltop II, and Melbourne IV Senior.

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Project	Project Address	Type	Affordable Units	Market Units	Local Government Contribution
McKinley Manor	1801 McKinley	Senior	60	0	5 Yr. Tax Abatement
Gray's Landing	406 SW 9th Street	Family	90	14	10 Yr. Tax Abatement and Enterprise Zone
Oaks on First	1405 SE 1st Street	Family	56	0	10 Yr. Tax Abatement and Enterprise Zone
Yeader Village	4315 SE 14th	Family	24	0	5-Yr. Tax Abatement and Enterprise Zone
6th Avenue Flats	1230 6th, 6th & Forest (7 buildings)	Family	44	0	10 Yr. Tax Abatement, Enterprise Zone, and \$200,000 HOME Below Market Rate Interest Loan
South Ridge Senior	SE 5th S of Army Post	Senior	48	0	5 Yr. Tax Abatement

WHEREAS, drafts of the “5S Form Local Government Contribution” for each project are on file in the City Clerk’s office; and,

WHEREAS, the developers of Christ the King Senior Housing II and 6<sup>th</sup> Avenue Flats have each requested City HOME funds as a below market rate interest loan and staff has reviewed the draft applications and found that the projects are in areas that complement other city initiatives and also are in conformance with the HOME program regulations 24 CFR 92; and,

WHEREAS, by Roll Call 13-1717 on November 4, 2013, the City Council set a date of public hearing to sell a city owned parcel at 4315 SE 14<sup>th</sup> to Anawim Housing for development of the Yeader Village affordable housing project; and,

WHEREAS, Anawim Housing is requesting State HOME funds for the Yeader Village affordable housing project.

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

1. The City Manager or his designee are hereby authorized and directed to complete and sign the “Form 5S, Local Government Contribution” currently on file in the City Clerk’s office for the 10 projects submitting applications for Low Income Housing Tax Credits to the Iowa Finance Authority as identified above.



**Roll Call Number**

13-1810

**Agenda Item Number**

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2. The preliminary commitment of City HOME funds in the form of a \$200,000 Below Market Rate Interest Loan for Christ the King Senior Housing II project at 5602 SW 9th is hereby approved and such approval shall be included in the Form 5S for such project.

3. The preliminary commitment of City HOME funds in the form of a \$200,000 Below Market Rate Interest Loan for the 6<sup>th</sup> Avenue Flats project consisting of seven buildings in the vicinity of 1230 6th Avenue and 6th and Forest Avenues, is hereby approved and such approval shall be included in the Form 5S for such project.

4. The application by Anawim Housing, as the developer of the Yeader Village project at 4315 SE 14th, for State HOME funds is hereby approved, and the City Manager or his designee are hereby authorized and directed to sign the letter to IFA regarding the project currently on file in the City Clerk's office.

5. In the event that any of the project characteristics mentioned above should change prior to the issuance of a building permit, the dollar amounts on the Local Contributing Effort Form should be re-evaluated.

(Council Communication No. 13-570)

MOVED by Coleman to adopt.

**FORM APPROVED:**

Roger K. Brown

Roger K. Brown,

Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MOORE	✓			
TOTAL	6			

MOTION CARRIED

APPROVED

T. M. Franklin Cownie Mayor

**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.

Diane Rauh

City Clerk