



**Roll Call Number**

15-2130

**Agenda Item Number**

31

**Date** December 21, 2015

**RESOLUTION APPROVING REVISED TERMS FOR REPAYMENT OF HOME LOAN TO SOUTH VIEW SENIOR APARTMENTS. L.L.L.P. – 504 E. HILLSIDE AVENUE**

WHEREAS, by Roll Call 06-569 on March 20, 2006, the City Council approved policies and procedures concerning City HOME funds to Low Income Housing Tax Credit (LIHTC) projects which stated that LIHTC projects may receive no more than \$250,000 of HOME funds with all the funding to be repaid to the City at a minimum 1% interest rate; and

WHEREAS, South View Senior Apartments, L.L.L.P., a single-asset Limited Liability Limited Partnership, which has a general partner of Curly Top, LLC, John Mauro President and sole owner, 3512 Ingersoll Avenue, Des Moines, IA 50312, made application for and received an allocation of 2007 Low Income Housing Tax Credits for construction of 40 units of senior housing to be located at 1720 SW 1<sup>st</sup> Street and the Iowa Finance Authority subsequently approved relocation of the LIHTC housing project to 504 E. Hillside Avenue; and

WHEREAS, by Roll Call 07-1986 on October 8, 2007, the City Council approved a \$250,000 HOME Loan Agreement, including Mortgage and Promissory Note, with South View Senior Apartments L.L.L.P, for the 504 E. Hillside Avenue LIHTC senior housing project; and

WHEREAS, revising the terms for repayment of the HOME Loan to provide for a 1% interest rate on outstanding Loan principal and discharging the interest accrued to date attributable to an interest rate above 1% interest rate in the amount of approximately \$80,000, is in conformance with Council policies and procedures for LIHTC developments as approved by Roll Call 06-569, and will improve the financial standing of the senior housing project; and

WHEREAS, the senior housing project is in compliance with all the requirements of the HOME program including its units of affordability, reporting and payments to the City of Des Moines;

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

1. The revised terms for repayment of the HOME Loan made by the City of Des Moines to South View Senior Apartments, L.L.L.P. for the senior housing project at 504 E. Hillside Avenue to provide for a 1% interest rate and discharge of unpaid interest accrued to date are hereby approved.
2. All unpaid interest accrued to date on the HOME Loan attributable to an interest rate above 1% is hereby discharged.
3. The Amended and Restated Mortgage and replacement Promissory Note to the City of Des Moines reflecting the revised terms for repayment, on file in the City Clerk's Office, and to be executed by to South View Senior Apartments, L.L.L.P. are hereby approved and the Community Development Director is hereby authorized and directed to accept and file the documents of record with the Office of the Polk County Recorder.

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- 4. The Community Development Director is hereby authorized and directed to continue to administer the HOME Loan Agreement in accordance with executed and filed documents.

(Council Communication No. 15- 652)

MOVED BY Mahaffey TO ADOPT.

FORM APPROVED:



Deputy City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GATTO	✓			
GRAY	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MOORE	✓			
TOTAL	7			

MOTION CARRIED

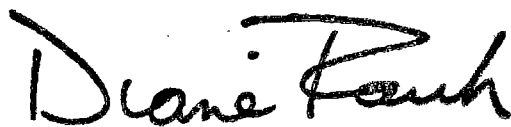
APPROVED

Y. M. Franklin 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.



City Clerk