



**Roll Call Number**

17-0872

**Agenda Item Number**

29

**Date** May 22, 2017

**APPROVAL OF COMMUNITY DEVELOPMENT BLOCK GRANT AGREEMENT  
WITH DES MOINES HERITAGE TRUST FOR ACQUISITION OF THE HISTORIC  
UNION RAILWAY PASSENGER DEPOT, 120 E. 5<sup>TH</sup> STREET**

**WHEREAS**, on November 3, 2014, by Roll Call No. 14-1730, the City Council approved the 2015-2019 Five (5) Year Des Moines Strategic Plan and First Year (2015) Action Plan for the U.S. Department of Housing and Urban Development (HUD) Consolidated Plan; and

**WHEREAS**, the 2015-2019 Strategic Plan includes the use of Community Development Block Grant (CDBG) funding for purchase and rehabilitation of properties to further neighborhood revitalization efforts by eliminating blight and restoring historic buildings; and

**WHEREAS**, the elimination of blight within an area documented to have slum and blight conditions and included in an adopted Urban Renewal Plan Area is an eligible National Objective for the CDBG Program; and

**WHEREAS**, the Union Railway Passenger Depot site ("Depot"), located at 120 E. 5<sup>th</sup> Street, is within the boundary of the Metro Center Urban Renewal Project, and the Restated Urban Renewal Plan for Metro Center includes goals for the East Village area of eliminating blight by acquiring and improving underused buildings; and

**WHEREAS**, the Depot has been minimally occupied for a number of years and is in poor condition as documented by the Polk County Assessor and City staff; and

**WHEREAS**, on March 20, 2017, by Roll Call No. 17-0485, the City Council preliminarily committed \$250,000 to Des Moines Heritage Trust (DMHT) and authorized and directed staff to negotiate a CDBG Agreement for City Council consideration and approval with conditions that included proof of additional funding for acquisition and short-term maintenance, completion of an Environmental Review Record and Authorization for Use of Funds, completion of an independent appraisal, completion of City-required CDBG support documents for the agency showing organization capacity, and review by the City's Urban Design Review Board; and

**WHEREAS**, DMHT, an Iowa non-profit corporation, has an accepted purchase offer for the Depot with Two Brothers Holdings, LLC and has approached the City for funding to help with the \$500,000 cost of acquisition; and

**WHEREAS**, the DMHT has a \$3,500,000 development plan for the Depot which involves historical renovation of the original depot building for office and museum space, construction of a new building for community space, and installation of parking and landscaping improvements as reviewed by the Urban Design Review Board on April 25, 2017; and



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WHEREAS, the proposed allocation of CDBG funds was reviewed and recommended by the Neighborhood Revitalization Board (NRB) at its March 1, 2017 meeting;

WHEREAS, the Polk County Board of Supervisors has allocated \$150,000 toward purchase of the Depot and additional funds have been raised and deposited with the Des Moines Community Foundation acting as the Fiscal Agent for the DMHT; and

WHEREAS, the City has received an Authorization to Use Grant Funds, dated May 12, 2017, from the HUD Omaha Field Office for the project.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa that the Community Development Block Grant (CDBG) Agreement between the City and Des Moines Heritage Trust, in form on file in the office of the City Clerk, providing \$250,000 for acquisition of the Union Railway Passenger Depot, 120 E. 5th Street, is hereby approved; the City Manager is authorized and directed to execute said Agreement; and the Community Development Director or designee is authorized and directed to administer said Agreement in accordance with its terms, to approve and execute minor amendments thereto, and to return any substantial amendment to City Council for consideration and approval.

(Council Communication No. 17-437)

MOVED BY Gatto TO ADOPT.

FORM APPROVED:

Glenna K. Frank, Assistant City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, GATTO, GRAY, HENSLEY, MOORE, WESTERGAARD, and TOTAL (7).

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