



Roll Call Number

25-0445

Agenda Item Number

33

Date March 24, 2025

**APPROVAL OF HOME INVESTMENT PARTNERSHIP PROGRAM AMERICAN RESCUE PLAN (HOME-ARP) AGREEMENT FOR \$1,250,000 AND COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AGREEMENT FOR \$1,250,000 WITH GREATER DES MOINES SUPPORTIVE HOUSING FOR ACQUISITION AND REHABILITATION OF 1050 6<sup>TH</sup> AVE.**

**WHEREAS**, on March 11, 2021, President Biden signed the American Rescue Plan Act of 2021, Public Law number 117-2 ("ARP") into law, which provides over \$1.9 trillion in relief to address the continued impact of the COVID-19 pandemic on the economy, public health. State and local governments, individuals, and businesses; and

**WHEREAS**, on April 28, 2021, HUD notified the City of Des Moines ("City") that the City would receive a HOME-ARP allocation of \$3,556,317.00; and

**WHEREAS**, on October 18, 2021 by Roll Call No. 21-1563, Council approved the HOME-ARP grant agreement with HUD; and

**WHEREAS**, on July 27, 2022 HUD approved the City's HOME-ARP Allocation Plan, which allocates \$2,667,237 for the development of affordable rental housing which targets persons experiencing homelessness; and

**WHEREAS**, HOME-ARP funds must be used for individuals and families who are experiencing homelessness; are at risk of homelessness; are fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; are a part of other populations where aid would prevent homelessness; and veterans and families that include a veteran family member who meet one of the previous criteria; and

**WHEREAS**, the City's HOME-ARP program, which operates similar to the City's HOME Program, and CDBG Program are designed to provide affordable housing opportunities for low- and very low-income households through acquisition, rehabilitation, and/or new construction; and

**WHEREAS**, the use of CDBG funds to acquire property for housing is an eligible activity if it meets the national objective of the CDBG Program by benefitting low- or moderate-income residents; and

**WHEREAS**, acquisition and rehabilitation of affordable housing is consistent with the City's 2020-2024 Consolidated Plan, which was approved by City Council for submission to HUD on November 4, 2019 by Roll Call 19-1792; and

**WHEREAS**, representatives of Greater Des Moines Supportive Housing submitted a proposal to City Neighborhood Services staff and provided financial information regarding the project which will result in the acquisition and rehabilitation of the Holiday Inn Hotel located at 1050 6<sup>th</sup> Ave, Des Moines, which will result in one hundred and sixty (160) units of rental housing accessible and affordable to individuals in qualifying populations pursuant to the HOME-ARP Program regulations; and

**WHEREAS**, seven (7) of the units will be designated as HOME-ARP units; and



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WHEREAS, the Environmental Review Record has been completed; and

WHEREAS, Greater Des Moines Supportive Housing has provided all necessary documents for City staff to review and make a determination of funding, including financial projections, appraisal value, building specifications, capital needs assessment, populations served, and a supportive services work program; and

WHEREAS, Greater Des Moines Supportive Housing has received financial commitment from private donations, Polk County Housing Trust Fund Revolving Loan Program, Polk County Emergency Rental Assistance 2, and Iowa Finance Authority (state) HOME-ARP funds, and

WHEREAS, City staff has completed project due diligence and determined that HOME-ARP and CDBG funds are needed to fill a gap in the sources and uses of the development to serve the targeted income populations.

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

1. The CDBG Agreement, including the Promissory Note, Mortgage, and Restrictive Covenants, between the City and Greater Des Moines Supportive Housing for the acquisition of the Holiday Inn Hotel at 1050 6<sup>th</sup> Ave, Des Moines, IA 50309, in form on file with the City Clerk, is hereby approved.
2. The HOME-ARP Agreement, including the Promissory Note, Mortgage, and Restrictive Covenants, between the City and Greater Des Moines Supportive Housing for seven (7) units of affordable housing as part of the one hundred and sixty (160) unit rehabilitation of 1050 6<sup>th</sup> Ave. Des Moines, IA 50309, in form on file with the City Clerk, is hereby approved.
3. The Director of the Neighborhood Services Department is authorized and directed to sign said Agreement and related documents, and the Neighborhood Services Department is directed to record said Agreement and all related documents as applicable.
4. The Neighborhood Services Director and his assignees are authorized and directed to administer the HOME-ARP and CDBG Agreements and related documents in accordance with the terms therein; to approve and execute minor amendments thereto; and to present substantive amendments to the City Council for consideration and approval.

(Council Communication No. 25-117)

MOVED BY Coleman TO ADOPT. SECOND BY Mandelbaum.

FORM APPROVED:

/s/ Gary D. Goudelock Jr.
Gary D. Goudelock Jr.
Assistant City Attorney



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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN	✓			
SIMONSON	✓			
VOSS	✓			
COLEMAN	✓			
WESTERGAARD	✓			
MANDELBAUM	✓			
GATTO	✓			
TOTAL	7			

MOTION CARRIED

APPROVED

*Connie Boesen*

Mayor

CERTIFICATE

I, LAURA BAUMGARTNER, 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.

*Laura Baumgartner*

City Clerk