



Roll Call Number

25-0660

Agenda Item Number

31

Date May 5, 2025

APPROVAL OF HOME INVESTMENT PARTNERSHIPS PROGRAM AMERICAN RESCUE PLAN (HOME-ARP) AGREEMENT FOR \$1,000,000 WITH STARTS RIGHT HERE FOR THE REHABILITATION OF 525 E. 9TH STREET

WHEREAS, on March 11, 2021, the American Rescue Plan Act of 2021 was signed as Public Law 117-2, which provides emergency grants, lending, and investment to areas affected by the ongoing COVID-19 Pandemic; and

WHEREAS, on April 28, 2021, the US Department of Housing and Urban Development (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 up to \$3,022,869.45 for the development of affordable rental housing which targets qualifying populations; and

WHEREAS, HOME-ARP funds must be used for qualifying populations, which includes 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, is designed to provide affordable housing opportunities for qualifying populations through acquisition, rehabilitation, and/or new construction; and

WHEREAS, 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 Starts Right Here submitted a proposal to City Neighborhood Services staff and provided financial information regarding the project which will result in the rehabilitation of a former church located at 525 E 9th St, Des Moines, and it will result in eighteen (18) units of rental housing accessible and affordable to individuals in qualifying populations pursuant to the HOME-ARP Program regulations; and

WHEREAS, five (5) of the units will be designated as HOME-ARP units; and

WHEREAS, the Environmental Review Record has been completed; and

WHEREAS, Starts Right Here has provided all necessary documents—including financial projections,

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appraisal value, building specifications, capital needs assessment, populations served, and a supportive services outline—for City staff to review and make a determination of funding,; and

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

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

1. The HOME-ARP Agreement, including the Promissory Note, Mortgage, and Restrictive Covenants, between the City and Starts Right Here for five (5) units of affordable housing as part of the eighteen (18) unit rehabilitation of 525 E 9th Street, Des Moines, IA 50309, in form on file with the City Clerk, is hereby approved.
2. 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.
3. The Neighborhood Services Director and his assignees are authorized and directed to administer the HOME-ARP Agreement 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 - 182)

MOVED BY Gatto TO ADOPT. SECOND BY Voss

FORM APPROVED:

/s/ Gary D. Goudelock Jr.

Gary D. Goudelock Jr.
Assistant City Attorney

*Council Member Simonson declares a conflict of interest and abstains from voting.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN	✓			
* SIMONSON				
VOSS	✓			
COLEMAN	✓			
WESTERGAARD	✓			
MANDELBAUM	✓			
GATTO	✓			
TOTAL	6			

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