



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 05/17/04

Communication

No.: 04-234

Agenda Item Type: Resolution, Ordinance, or Receive/File

Roll Call

No.:

Submitted by: Richard Clark, Deputy City Manager

SUBJECT—

State HOME funds for the Rose of Des Moines and East Village Square.

SYNOPSIS—

The Council is asked to accept State of Iowa HOME Program grants to be used to fund the construction and/or rehabilitation of two housing projects in the City of Des Moines.

FISCAL IMPACT—

The grant amounts are as follow:

- East Village Square—\$800,000
- The ROSE of Des Moines—\$650,000

RECOMMENDATION—

Approval

BACKGROUND—

On November 21, 2003 by Roll Call Nos. 03-2657 and 03-2660, the City Council supported applications for Low Income Housing Tax Credits and State HOME Investment Partnership

Program (HOME Program) funds for East Village Square (East 4th Street and East Grand Avenue) and the ROSE of Des Moines (19th Street and Forest Avenue). It is anticipated that City HOME funds will also be utilized for these projects.

In order to facilitate pre-contract negotiations and post-contract monitoring, the State of Iowa will grant the HOME funding directly to the City of Des Moines rather than to the developers. The City will combine the State funds with the City HOME funds and administer the funds as one loan package. By accepting the transfer of funds, the City will also assume responsibility for compliance and monitoring requirements associated with the State HOME funds. As these requirements are a component of the City HOME funds, the City will not be assuming any additional responsibilities.