



Agenda Item:

33

COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 05/17/04
No.: 04-236
Agenda Item Type: Resolution
No.:

Communication

Roll Call

Submitted by: Richard Clark, Deputy City Manager

SUBJECT—

ROSE of Des Moines, LP Application for Enterprise Zone Benefits for a Project in Des Moines

SYNOPSIS—

On the May 17, 2004 Council agenda is a roll call that recommends approval of the ROSE of Des Moines, L.P.'s application for Enterprise Zone benefits. Gregory McClenahan is the President of the General Partner and is authorized to sign the Enterprise Zone application. The office of the ROSE of Des Moines, LP is 5212 Hope Street, Prior Lake, Minnesota.

The project will consist of the construction of an affordable assisted living project at 1918 Forest Avenue. Fifty (50) units will be constructed and 100% of the units will be affordable to households at or below 50% of area median income

FISCAL IMPACT—

ROSE of Des Moines, L.P. will be eligible for up to \$35,426 of investment tax credits as well as \$47,617 in sales tax refund from the State of Iowa Enterprise Zone Program

RECOMMENDATION—

Approval

BACKGROUND—

This project proposes to construct a new 50-unit affordable assisted living facility at 1918 Forest Avenue. The living units will be approximately 715 square feet with one bathroom, a kitchen and a living area.

The total project cost is \$5,912,656. At this time, there are no affordable assisted living units in the City of Des Moines. This project will meet a portion of this large unmet need and provide the opportunity to elderly neighborhood residents to remain in their neighborhoods. This project is also strategically located—it is across the street from a Polk County Senior Center, adjacent to the Polk County Health Department and a block away from the Polk County Social Services building.

As per the application submitted for Low Income Housing Tax Credits (LIHTC), the development will remain affordable housing for 50 years. The project will not be refinanced for at least 15 years, as per LIHTC regulations.

The project meets the EZ housing program requirements of rehabilitating or constructing three multi-family units. Rehabilitation and construction will be completed within two years from the start of construction and will meet all applicable quality and local safety standards.

The King-Irving Neighborhood Association has reviewed the project and is in support of the construction of the project.