


COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	23-194	Meeting:	April 10, 2023
	Agenda Item:	30	Roll Call:	23-0499
	Submitted by:	Matthew A. Anderson, Deputy City Manager		

AGENDA HEADING:

Resolution approving an American Rescue Plan Act (ARPA) Affordable Housing Allocation and authorizing City Manager to negotiate and execute a grant agreement with Alley Landing Limited Partnership (Woda Cooper).

SYNOPSIS:

Alley Landing Limited Partnership (Woda Cooper) is proposing the construction of a new 80-unit residential development at 2710 Douglas Avenue, the former Plaza Lanes location. The project will be a two (2)-phase development with 40 residential units in each phase, for a total of 80 residential units.

The developer has committed to providing 100% of the units at an affordable rent structure with one (1) unit at 40% of Area Median Income (AMI), 39 units at 60% of AMI. Six (6) of the 39 units at 60% will be set-aside for Veteran's experiencing homelessness and will be referred to Woda Cooper by the Veterans Administration.

A link to the 2022 Polk County AMI requirements can be found at the following link:

https://www.huduser.gov/portal/datasets/homedatasets/files/HOME_IncomeLmts_State_IA_2022.pdf.

FISCAL IMPACT:

Amount: \$175,000 paid upon completion of and issuance of certificate of occupancy for Phase 1.

Funding Source: American Rescue Plan Act funding, affordable housing designated funds

ADDITIONAL INFORMATION:

- Total project cost of \$12,700,000 with construction to begin late 2023 and completion of Phase 1 in late 2024.
- The affordable unit mix will consist of four (4) one (1)-bedroom units, 21 two (2)-bedroom units, and 15 three (3)-bedroom units.

- The affordability term for City of Des Moines ARPA affordable housing allocations is 15 years. Alternate project funding sources such as state or federal grants and other programs may have terms that extend the affordability term beyond 15 years.
- Polk County will need to add 57,170 net new housing units by 2038 simply to accommodate net new workers in the region (2018 Workforce Housing Study for Downtown, Virginia Tech Center for Housing Research {VCHR}, pg. 39).
- Employment-driven housing demand forecasts suggest a need for 23,577 new rental units over the 2018 to 2038 period to accommodate net new working households. More than three-quarters (77.5 percent of all rental units, or 18,264 units) will need to have rents below \$1,250 (VCHR, pg. 40).
- The largest share of net new working households—47.4 percent or more than 27,100 households—will have incomes between \$25,000 and \$49,999 (VCHR, pg. 2).

Vicinity map





PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Approval of the site plan and determination of any necessary Type II design waivers.

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