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Date April 12, 2010

**APPROVAL OF CONTRACT WITH HOME OPPORTUNITIES MADE EASY, INC. (HOME, INC.)
FOR USE OF CHDO (COMMUNITY HOUSING DEVELOPMENT ORGANIZATION)
PROCEEDS FROM PROPERTY AT 1622 FOREST AVENUE DEVELOPED BY
COMMUNITY HOUSING DEVELOPMENT CORPORATION (CHDC)**

WHEREAS, the City of Des Moines is a Participating Jurisdiction as defined by HOME Investment Partnerships Program (HOME) regulations and has been so designated by the U.S. Department of Housing and Urban Development (HUD) pursuant to 24 CFR Part 92.105; and

WHEREAS, a participating jurisdiction must reserve not less than 15% of the HOME allocation for investment in housing to be developed, sponsored, or owned by Community Housing Development Organizations (CHDO's). 24 CFR 92.300(a) (2) gives participating jurisdictions the option of permitting CHDO's to retain any or part of the proceeds resulting from the CHDO's use of its CHDO set-aside funds; and

WHEREAS, on May 19, 2008 by Roll Call 08-881 the City Council amended the 2007 and adopted the 2008 HOME budget that included financing a new construction house to be built by Community Housing Development Corporation (CHDC) CHDC acting as a CHDO; and

WHEREAS, on August 11, 2008 by Roll Call 08-1433, the City of Des Moines approved a contract with CHDC for use of CHDO funds to build and sell a house at 1622 Forest Avenue and to use any proceeds from the sale of the house for development of additional affordable housing; and

WHEREAS, the house at 1622 Forest Avenue has been built and has a pending offer which will net approximately \$110,000 in CHDO proceeds; and

WHEREAS, on December 7, 2009 by Roll Call 09-2193 CHDC communicated with City Council that it will no longer continue as a CHDO and on December 7, 2009 by Roll Call 09-2191, Home Opportunities Made Easy, Inc. (HOME, Inc.) was designated as meeting the CHDO requirements under the requirements of 24 CFR 92.2 and that information was forwarded to HUD; and

WHEREAS, this action transfers any CHDO proceeds from CHDC to HOME, Inc. for uses to be approved by City staff but that include: 1) new construction of housing; 2) renovation of properties acquired through the tax sale certificate process; 3) acquisition and preparation of property suitable for single-family home construction; 4) renovation of owner-occupied housing; 5) holding costs during remarketing of lease-purchase properties; and 6) holding costs of vacant land held for infill construction.


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NOW THEREFORE BE IT RESOLVED by the City Council of the City of Des Moines, that the CHDO Proceeds contract with Home, Inc. now on file in the City Clerk's Office is hereby approved and the Community Development Director is authorized and directed to sign the contract on behalf of the City.

(City Council Communication No. 10-176)

MOVED BY _____ TO ADOPT

FORM APPROVED:


 Michael Kelley
 Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GRIESS				
HENSLEY				
MAHAFFEY				
MEYER				
MOORE				
TOTAL				

MOTION CARRIED APPROVED

CERTIFICATE

I, DIANE RAUH, 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.

_____ Mayor

_____ City Clerk