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Date September 23, 2013

APPROVAL OF \$3,000,000 COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY LOAN AND CONTRACT DOCUMENTS WITH EAST VILLAGE GROWTH PARTNERS, LLC FOR DEVELOPMENT OF LOCUST HOUSE AT 350 EAST LOCUST (TIM RYPMA, MANAGER.)

WHEREAS, by Roll Call 09-645 on April 20, 2009, the City of Des Moines, Iowa entered into Contract 08-DRH-209 with the Iowa Department of Economic Development (Now Iowa Economic Development Authority (IEDA)) for use of Community Development Block Grant-Disaster Recovery (CDBG-DR) Funds; and

WHEREAS, by Roll Call 13-0267 on February 20, 2013, the City submitted an application for additional CDBG-DR funds to IEDA for a multi-family housing development to be located at 350 E. Locust Street and developed by East Village Growth Partners, LLC; and

WHEREAS, City was notified on June 19, 2013 that the City was awarded \$3,000,000 in funds for use by East Village Growth Partners, LLC for development of 20 units of housing, eleven (11) of which will be affordable to households below 80% of median income and have restricted rents; and

WHEREAS, on July 15, 2013 by Roll Call 13-1105 the City of Des Moines amended CDBG-DR Contract 08-DRH-209 between IEDA and the City to accept the award for the 350 E. Locust Street Project; and

WHEREAS, the City will now enter into a loan agreement with the East Village Growth Partners, LLC for use of the \$3,000,000 for construction subsidy for the housing units at 350 E. Locust Street; and

WHEREAS the loan agreement is to be structured as a non-receding lien for a period of ten years at which point it will be forgiven in full if all the construction and long term monitoring requirements of the funding are met in compliance with the requirements of Community Development Block Grant Disaster Recovery Contract (08-DRH-209); and

WHEREAS, East Village Growth Partners, LLC is registered with the Secretary of State and includes Tim Rypma as a Manager, (515) 419-1445, and has an address of 2404 Forest Avenue, Des Moines IA, 50312,

WHEREAS, the development will include a first floor of retail space, three floors of residential, and a top floor of office space, with 20 total units, eleven (11) of which are reserved for households below 80% of median income for a period of ten years with rents at or below the 65% HOME program rents.

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NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Des Moines, Iowa that the Council approves the CDBG-DR loan and the contract documents on file in the City Clerk's office subject to any changes approved by the Legal Department and authorizes the execution of such documents by the Director of the Community Development Department

(City Council Communication No. 13- 489)

MOVED BY _____ TO ADOPT

FORM APPROVED:



Michael F. Kelley
Assistant City Attorney

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

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.

MOTION CARRIED APPROVED

Mayor

City Clerk