



Roll Call Number

Agenda Item Number

40

Date December 20, 2021

RESOLUTION AMENDING COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROJECT AGREEMENT WITH 6TH AVENUE CORRIDOR INC. (6AC) FOR REDEVELOPMENT PROJECT AT 1714 6TH AVENUE

WHEREAS, on July 11, 2016 by Roll Call No. 16-1130, 6th Avenue Corridor Inc. (6AC) entered an agreement to acquire the property at 1714 6th Avenue and utilize Community Development Block Grant (CDBG) funding to assist with the demolition of a vacant building and development of a new mixed-use building; and

WHEREAS, projects that utilize Community Development Block Grant (CDBG) funding to create dwelling units must reserve at least fifty one percent (51%) of those units for low-and-moderate-income persons; and

WHEREAS, 6th Avenue Corridor Inc. (6AC) agreed to a restrictive covenant that requires a rent limit equal to sixty five percent (65%) of the most recent HOME Investment Partnership (HOME) rent limit; and

WHEREAS, confusion with the rent limit in the restrictive covenant has grown because HOME Investment Partnership (HOME) funds are not utilized for the project at 1714 6th Avenue; and

WHEREAS, market research and financial analysis conducted by 6th Avenue Corridor Inc. (6AC) indicates an \$850 rent limit is fair and affordable for housing units reserved for low-and-moderate-income persons; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Des Moines, Iowa, that:

- 1. City staff are approved to amend the restrictive covenant with 6th Avenue Corridor Inc. (6AC) at 1714 6th Avenue to set a rent limit for affordable dwelling units at \$850.
2. The Neighborhood Services Director is hereby authorized to execute, on behalf of the City, an amendment to the restrictive covenant with 6th Avenue Corridor Inc. (6AC) at 1714 6th Avenue to set a rent limit for affordable housing units at \$850.

(Council Communication No. 21- 547)

MOVED BY _____ TO ADOPT.

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APPROVED AS TO FORM:

Judy K Parks-Kruse

Judy K. Parks-Kruse, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
GATTO				
GRAY				
MANDELBAUM				
VOSS				
WESTERGAARD				
TOTAL				

MOTION CARRIED

APPROVED

Mayor

CERTIFICATE

I, P. Kay Cmelik, 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.

City Clerk