



Date October 24, 2022

**APPROVAL OF HOME INVESTMENT PARTNERSHIP PROGRAM
(HOME) AGREEMENT WITH STAR LOFTS, LLC (CUTLER DEVELOPMENT)
(\$350,000; 2701 INGERSOLL AVENUE)**

WHEREAS, the City has entered into an Agreement with United States Department of Housing and Urban Development (HUD) for funding of its Home Investment Partnership (HOME) Program pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act; and

WHEREAS, the City's HOME Program is designed to provide affordable rental and home ownership opportunities for low- and very-low income households through acquisition, rehabilitation, and new construction; and

WHEREAS, the construction of new affordable housing is consistent with the City's 2020-2024 Consolidated Plan, which was approved by City Council for submission to HUD on November 4, 2019, by Roll Call 19-1792; and

WHEREAS, representatives of Cutler Development submitted a proposal to City Neighborhood Services staff and provided financial information regarding the building which will result in 20 new units of housing affordable to those from 30%-80% Area Median Income (AMI) at 2701 Ingersoll Ave, Des Moines, Iowa; and

WHEREAS, two of the units set at 30% AMI will be City funded HOME units; and

WHEREAS, Star Apartments will be built with mass timber to be a carbon-neutral building on the site of the Star Gas Station, of which sale between the two businesses has already transacted and plans for remediation of existing underground tanks are in place as a part of the construction; and

WHEREAS, the Environmental Review Record has been completed; and

WHEREAS, Cutler Development has received multiple funding awards and sources for the project, including Federal Home Loan Bank Affordable Housing Program, United States Department of Agriculture Forest Service: Wood Innovations Grant; Polk County Housing Trust Fund: Rental Program, Iowa Finance Authority HOME Program, Softwood Lumber Board: Mass Timber Competition Grant, private debt, and cash equity; and

WHEREAS, City staff has completed project due diligence, and determined that HOME funds are needed to fill a gap in the sources and uses of the development to serve the targeted income populations.

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

1. The HOME Agreement, including the Promissory Note, Mortgage, and Restrictive Covenants, between the City and CISS for 2 units of affordable housing as part of the development project 2701 Ingersoll Ave., in form on file with the City Clerk, is hereby approved.



Roll Call Number

Agenda Item Number

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Date October 24, 2022

- 2. The Director of the Neighborhood Services Department is authorized and directed to sign said Agreement and related documents, and the Neighborhood Services Department is directed to record said Agreement and all related documents as applicable.
- 3. The Neighborhood Services Director and his assignees are authorized and directed to administer the HOME Agreement and related documents in accordance with the terms therein; to approve and execute minor amendments thereto; and to present substantive amendments to the City Council for consideration and approval.

(Council Communication No. 22 -491)

MOVED BY _____ TO ADOPT

SECOND BY _____.

FORM APPROVED:

/s/ Gary D. Goudelock Jr.
 Gary D. Goudelock Jr.
 Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
GATTO				
MANDELBAUM				
SHEUMAKER				
VOSS				
WESTERGAARD				
TOTAL				
MOTION CARRIED			APPROVED	
_____ Mayor				

CERTIFICATE

I, LAURA BAUMGARTNER, 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