



Date July 18, 2022

**RESOLUTION APPROVING PRELIMINARY TERMS OF AN URBAN RENEWAL DEVELOPMENT AGREEMENT WITH ASHWORTH DEVELOPMENT LLC FOR THE CONSTRUCTION OF 4-STORY, 32 UNIT MIXED USE PROJECT LOCATED AT 1714 6<sup>TH</sup> AVENUE**

**WHEREAS**, Ashworth Development LLC (“Developer”), represented by Marquas Ashworth (President), proposes to undertake construction of a new mixed-use project located at 1714 6<sup>th</sup> Avenue, including 12,000 square feet of commercial space in addition to 32 housing units (collectively “Improvements”) in the Metro Center Urban Renewal Area; and

**WHEREAS**, the proposed project will be home to the Center at Sixth Incubator, a retail and restaurant development space specifically designed to meet the unique needs of Black, Brown and other culturally diverse entrepreneurs; and

**WHEREAS**, the building will also contain apartment units that are a mix of efficiencies, and one and two-bedroom dwelling units, 51% of which will be required to be offered at affordable rates as follows: a mix of 80% and 65% AMI (50% and 65% HOME rent limits); and

**WHEREAS**, construction of the Improvements is anticipated to commence in spring 2023 and be completed in fall 2024 at an estimated total project cost of \$10,000,000.00, subject to receipt of the financial assistance identified below; and

**WHEREAS**, the Developer seeks reimbursement of project-generated tax increment granted over a 15-year time frame in the following schedule: 80% in years 1-15 on the residential building values and 90% TIF in years 1-15 on the commercial building valuation; and

**WHEREAS**, the projected total amount of tax increment financing (“TIF”) assistance shall to be capped at \$1,250,000.00; and.

**WHEREAS**, the Developer has provided the Office of Economic Development with a financial analysis of the project, indicating a gap between actual project costs and the project appraisal and seeks this financial assistance package to be provided from project generated tax increment as more specifically described in the accompanying Council Communication.

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Des Moines, Iowa, as follows:

1. The City Council hereby approves the preliminary terms of agreement as set forth in the accompanying Council Communication; and,
2. Directs the City Manager or his designee to negotiate final terms of agreement for future consideration by the City Council.



Roll Call Number

\_\_\_\_\_

Agenda Item Number

31A

Date July 18, 2022

(Council Comm. No. 22-346)

MOVED BY \_\_\_\_\_ TO ADOPT.

SECOND BY \_\_\_\_\_.

APPROVED AS TO FORM:

/s/ Lisa A. Wieland

Lisa A. Wieland  
Assistant City Attorney

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

**CERTIFICATE**

I, LAURA BAUMGARTNER, Acting 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.

\_\_\_\_\_ Acting City Clerk