

Date October 3, 2022

RESOLUTION APPROVING PRELIMINARY TERMS OF AN URBAN RENEWAL DEVELOPMENT AGREEMENT WITH HOYT INVESTMENTS, INCORPORATED FOR THE CONSTRUCTION OF A 47 UNIT APARTMENT BUILDING LOCATED AT 610 16TH STREET

WHEREAS, Hoyt Investments, Incorporated (“Developer”), represented by Ryan Wade (Partner), proposes to undertake construction of a 47 unit apartment building located at 610 16th Street, which will include a mix of studio, 1-bedroom, and 2-bedroom units (collectively “Improvements”) in the Metro Center Urban Renewal Area; and

WHEREAS, construction of the Improvements is anticipated to begin in the spring of 2023 with completion anticipated in summer of 2024 at an estimated total project cost of \$10,500,000.00, subject to receipt of the financial assistance identified below; and

WHEREAS, the Developer seeks reimbursement from the taxable building valuations (exclusive of land) in 95% in years 9-12, 90% in years 13-15, and 85% in years 16-18, capped at \$940,000.00, and which is estimated to comprise 8% of the total project financing; and

WHEREAS, the Developer intends to file for 10-year declining residential tax abatement on the project; 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; and

WHEREAS, the Developer has committed to:

- Providing 10% of the residential units (including one two-bedroom unit) at an affordable rent structure of 65% HOME Rent Limits and available to households earning 80% or less of the area median income (AMI) levels for the life of the development agreement,
- Five to six electric vehicle charging stations on site,
- All-electric construction, and
- Participation in MidAmerican Energy’s Commercial New Construction energy efficiency program.

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

37

Date October 3, 2022

(Council Communication No. 22-469)

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				
MANDELBAUM				
SHEUMAKER				
VOSS				
WESTERGAARD				
TOTAL				
MOTION CARRIED	APPROVED			

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.

_____ Mayor

_____ City Clerk