



Roll Call Number

23-0734

Agenda Item Number

31E

Date May 22, 2023

RESOLUTION OF SUPPORT FOR A WORKFORCE HOUSING TAX CREDIT BENEFIT APPLICATION TO BE SUBMITTED TO THE IOWA ECONOMIC DEVELOPMENT AUTHORITY BY WADE INVESTMENTS, LLC (RYAN WADE) FOR THE HIGH STREET LOFTS II PROJECT AT 1613 HIGH STREET

WHEREAS, Wade Investments, LLC (the "Developer"), represented by Ryan Wade (partner), has requested City support for its application to the Iowa Economic Development Authority ("IEDA") for State tax incentives under the Workforce Housing Tax Credit Program for the High Street Lofts II (the "Project"); and

WHEREAS, successful completion of the Project requires funding from a number of sources, including an award of Iowa Workforce Housing Tax Credits in the amount of \$1,000,000; and

WHEREAS, the application requirements for the Workforce Housing Tax Credit program include a requirement for the submission of a resolution in support of the Project by the community where the Project will be located, which requirement is intended to be satisfied by this roll call and resolution; and

WHEREAS, a further application requirement for the Workforce Housing Tax Credit program is documentation of local matching funds pledged for the project in an amount not less than \$1,000 per housing unit; and

WHEREAS, the Developer is proposing to undertake rehabilitation of existing warehouse and converting into housing units at 1613 High Street, at an estimated project cost of \$10,500,000, and

WHEREAS, the Project is located within the City-wide Urban Revitalization Area and provided that the improvements are completed as planned and a proper application is filed, the taxable value added to the property by the completion of the improvements will qualify for tax abatement under the ten-year declining abatement schedule, providing financial assistance of approximately \$1,400,000 based upon the estimated annual abated property taxes.

WHEREAS, the City finds that the subject property is zoned appropriately for construction of the proposed improvements and use and a re-zoning effort will not be required for such proposal; and

WHEREAS, the City finds that the subject property meets the definition of a Grayfield site, as defined in Iowa Code Section 15.352 and Iowa Administrative Code 261.48.3(15), as the site has been developed and has infrastructure in place but the property's current use is outdated or prevents a better or more efficient use of the property, including vacant, blighted, obsolete, or otherwise underutilized property; the property's improvements and infrastructure are at least



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twenty-five years old; and one or more of the following conditions exists: (1) Thirty percent or more of a building located on the property that is available for occupancy has been vacant or unoccupied for a period of twelve months or more, (2) The assessed value of the improvements on the property has decreased by twenty-five percent or more, (3) The property is currently being used as a parking lot, or (4) The improvements on the property no longer exist. The structure at 1613 High Street has been vacant for more than 12 months, and the assessment value of the improvements on the property has decreased by more than twenty-five percent.

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

1. The City Council of the City of Des Moines does hereby express its strong support for the application by Developer, to the IEDA in June 2023, seeking an award of Workforce Housing Tax Credit benefits in the amount of \$1,000,000.
2. The Mayor and the City Manager are hereby authorized and directed to sign any forms required by the Administrative Rules of the IEDA to evidence the City's support for the application by Developer, as described above, upon approval of the same by the City Legal Department.
3. The Office of Economic Development is directed to transmit a copy of this resolution and roll call to the Developer for submittal to the IEDA, and to conduct project compliance monitoring.
4. In the event that any of the project characteristics mentioned above should change prior to final award of tax credit benefits to Developer, then:
 - a) The City Manager or the City Manager's designee is authorized and directed to execute the applicable consent to any unsubstantial change upon receipt of a recommendation in support of such consent from the Community Development Director.
 - b) Any substantial change shall be subject to approval by the City Council after report and recommendation by the City Manager.

(Council Communication No. 23- 267)

MOVED by Gatto to adopt. SECOND by Borson

FORM APPROVED:

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

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
BOESEN	✓			
GATTO	✓			
MANDELBAUM	✓			
SHEUMAKER				✓
VOSS	✓			
WESTERGAARD	✓			
TOTAL	6			1

MOTION CARRIED APPROVED

A. W. Franklin Cownie
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.

Laura Baumgartner
City Clerk