

**CITY COUNCIL  
COMMUNICATION:**

**03-602**

**AGENDA:**

DECEMBER 22, 2003

**SUBJECT:**

COURT AVENUE  
PARTNERS II, L.P.  
ENTERPRISE ZONE  
APPLICATION – 4<sup>TH</sup>  
AND COURT  
APARTMENTS

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**SUBMITTED BY:**

RICHARD CLARK  
DEPUTY CITY  
MANAGER

**ITEM** \_\_\_\_\_

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**SYNOPSIS —**

On the December 22, 2003 Council agenda is a roll call that recommends approval of Court Avenue Partners II, L.P.'s application for Enterprise Zone benefits. Rick Tollakson is the President of Hubbell Realty Company, the Managing Member of Hubbell Properties I, L.P. (Series J), a General Partner in Court Avenue Partners II, L.P., and is authorized to sign the Enterprise Zone application. The office of Hubbell Realty is located at 6900 Westown Parkway, West Des Moines, Iowa.

The project will consist of the construction of two five-story buildings at the south corners of 4<sup>th</sup> and Court. A total of 104 apartments will be constructed.

**FISCAL IMPACT —**

Court Avenue Partners II, L.P. will be eligible for up to \$1,106,010 of investment tax credits as well as \$228,102 in sales tax refund from the State of Iowa Enterprise Zone Program.

**RECOMMENDATION —**

**Approval.**

**BACKGROUND —**

On November 21, 2003, by Roll Call No. 03-2652, the Council approved an Urban Renewal Agreement for a redevelopment project in the Court Avenue Neighborhood. A large component of the project is two apartment buildings that will be developed on parcels of land located at the southern corners of 4<sup>th</sup> and Court in downtown Des Moines. The other project components include the rehabilitation of the upper floors of the Spaghetti Works Building, the construction of 40 condominium units, the construction of approximately 17,000 square feet of retail and office space, and the rehabilitation of two existing commercial spaces into high-finish restaurant and bar space.

The total project cost for the two apartment buildings is \$16,251,605. An important source of financing is the State of Iowa Enterprise Zone Program. This project will provide a range of housing opportunities for the downtown workforce. There will be a mix of one- and two-bedroom units for residents at market rents, 60 percent area median

**CITY COUNCIL  
COMMUNICATION**

03-602

DECEMBER 22, 2003

PAGE TWO

income and 50 percent area median income. The infusion of more people living in the district will further contribute to the area's vitality and revitalization of the Court Avenue Neighborhood.

The project meets the Enterprise Zone housing program requirements of rehabilitating or constructing three multi-family units. Construction will be completed within two years from the start of construction and will meet all applicable quality and local safety standards.

The Downtown Des Moines Neighborhood Association is in support of this project.

