



Agenda Item:
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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 06/20/05
342

Communication No.: 05-

Agenda Item Type: Resolution

Roll Call No.:

Submitted by: Richard Clark, Deputy City Manager

SUBJECT—

Resolution Approving K.C. Holdings VI, L.L.C.'s Application for Enterprise Zone Benefits for a Project in Des Moines.

SYNOPSIS—

On the June 20, 2005 Council agenda is a roll call that recommends approval of the Enterprise Zone application for benefits by K.C. Holdings VI, L.L.C., Jake Christensen, Co-Manager, 4183 NW Urbandale Drive, Urbandale, Iowa.

The project will consist of the conversion and rehabilitation of the upper floors of the Liberty Building (418 6th Avenue) into 30 condominium units.

FISCAL IMPACT—

K.C. Holdings VI, L.L.C. will be eligible for up to \$630,000 of investment tax credits as well as \$271,481 in sales tax refund from the State of Iowa Enterprise Zone Program.

RECOMMENDATION—

Approval

BACKGROUND—

K.C. Holdings VI, L.L.C. will convert the upper 9 floors of the Liberty Building into 45 condominium units. The total project cost is over \$12.75 million.

The Liberty Building was constructed in 1923 and currently contains office uses and ground floor retail. Due to the soft market for Class C office space and floor plates unsuitable for most modern-day businesses, the owners of the building will convert the upper floors into residential condominium units.

The project meets the EZ 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 will review the project at their July 6, 2005. The application, Council resolution and Enterprise Commission actions will not be forwarded to the Iowa Department of Economic Development without a letter of support from the Des Moines Downtown Neighborhood Association. If the neighborhood association does not support the application, the application will be brought back before the Council for additional consideration prior to forwarding to the State of Iowa.

