



**Council
Communication**
Office of the City Manager

Date

June 19, 2006

Agenda Item No. 40

Roll Call No. 06-

Communication No. 06-352

Submitted by: Richard A. Clark, City Manager

AGENDA HEADING:

Resolution Approving Application for Enterprise Zone Benefits for Diverse Solutions Group, LLC

SYNOPSIS:

Diverse Solutions Group, LLC (Steven E. Johnson, President, 309 Court Avenue, Suite 241, Des Moines, IA 50309) is requesting approval of its application for enterprise zone benefits regarding a \$908,040 project to construct eight single-family homes at 1225 and 1226 11th Street in the Federal Enterprise Community Enterprise Zone.

FISCAL IMPACT:

Amount: There is no Fiscal Impact to the City.

Fiscal Impact to the State is not to exceed \$90,804 (Investment Tax Credit) and \$22,701 (Sales Tax Refund)

Funding Source: State of Iowa Enterprise Zone Program

ADDITIONAL INFORMATION:

The project, called Meridian Gardens, meets the Enterprise Zone requirements of rehabilitating or constructing at least four single-family units. Construction is projected to commence in July 2006 and be completed in three months. The project will comply with all applicable quality and safety standards.

Each of the eight single-family homes will be a two-story foursquare with 1,350 square feet, 4 bedrooms, and 1.5 baths. The estimated value of each home is \$144,900.

On November 2, 2005, the King Irving Neighborhood Association provided a letter of support for the project. The Enterprise Zone Commission will meet on June 20, 2006 to take action on the project.

PREVIOUS COUNCIL ACTION(S): NONE

Date:

Roll Call Number:

Action:

BOARD/COMMISSION ACTION(S): NONE

Date:

Roll Call Number:

Action:

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE