



Council Communication

Office of the City Manager

Date

March 10, 2008

Agenda Item No. 39B
Roll Call No. 08-
Communication No. 08-131
Submitted by: Matt Anderson
Economic Development Administrator

AGENDA HEADING:

Resolution Approving the Rumely Housing, LLC Application for Enterprise Zone Benefits for a Housing Project in the Des Moines Gateway Enterprise Zone.

SYNOPSIS:

Recommend approval of an application from Rumely Housing, L.L.C. (Jay Trevor, Manager, 1411 W. Cornelia Avenue, Chicago, Illinois 60657) for Enterprise Zone benefits for a \$20,444,238 project that will include 66 residential apartments at 104 SW 4th Street in the Gateway Enterprise Zone.

FISCAL IMPACT:

These are State of Iowa tax credits and have no impact on the general fund of the City of Des Moines. The project is located in an area eligible for 10-year 100% tax abatement for residential housing. No additional City assistance has been requested.

Amount: \$450,000 Investment Tax Credit; \$300,000 Sales Tax Refund

Funding Source: State of Iowa Enterprise Zone Program

ADDITIONAL INFORMATION:

The proposed Rumely Housing, L.L.C. development at 104 SW 4th Street rehabilitates the historic Rumely industrial building into a LEED certified multi-family residential project with 66 units, and includes 7,000 square feet of office space. The project meets the Enterprise Zone requirements of rehabilitating or constructing a minimum of four single-family homes or one multi-family dwelling of 3 or more units. The project will be scheduled to begin in April 2008 and be completed by April 2009. The project will comply with all applicable housing quality and local safety standards.

The developer plans to construct 66 residential units. There will be 51 one bedroom units at 825 square feet, and 15 two bedroom units at 1,025 square feet. The Downtown Neighborhood Association approved the project at its February 6, 2006 meeting and has submitted a letter of support for the Enterprise Zone application.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The Enterprise Zone Commission is anticipated to meet March 12, 2008, to take action on the project and staff will forward the application to the Iowa Department of Economic Development.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.