



Council Communication

Office of the City Manager

Date

August 25, 2008

Agenda Item No. 29
Roll Call No. ~~08-~~
Communication No. 08-520
Submitted by: Matthew A. Anderson,
Economic Development Administrator

AGENDA HEADING:

Resolution approving an amendment to the existing Enterprise Zone agreement for the Nelson Development 15, LLC project at 300 East Grand.

SYNOPSIS:

Recommend approval of the an amendment to the existing Enterprise Zone agreement for the Nelson Development 15, LLC project located at 300 East Grand Ave. This project was approved for Enterprise Zone benefits in 2007 for the construction of 75 apartment units as part of a mixed use development project.

The project has changed scope through the design process, and there has been an increase to the size and the cost of the structure. The total number of apartment units has increased from 75 to 79. A modification to the investment tax credit and the sales tax refund are being requested.

FISCAL IMPACT:

These are State of Iowa tax credits and have no impact on the general fund of the City of Des Moines.

Amount: \$1,106, 000 Investment Tax Credit; \$216,040 Sales Tax Refund

Funding Source: State of Iowa Enterprise Zone Program

ADDITIONAL INFORMATION:

The amendment is necessary to clarify that the total number of units has changed and that the amounts of the investment tax credit and sales tax credit have changed. The intent of the project to add market rate housing to the downtown area on a previously vacant site remains the same.

PREVIOUS COUNCIL ACTION(S):

Date: October 8, 2007

Roll Call Number: 07-1953

Action: Nelson Development 15, L.L.C. application for Enterprise Zone Benefits, 300 E. Grand Avenue, in Gateway Enterprise Zone. (Council Communication No. 07-598) Moved by Hensley to approve. Motion Carried 7-0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The Enterprise Zone Commission will review the amended application at their August 28, 2008 meeting.

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.