

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	February 23, 2009
	Agenda Item No. 32 Roll Call No. <u>09-</u> Communication No. <u>09-126</u> Submitted by: Matthew A. Anderson Economic Development Administrator	

AGENDA HEADING:

Resolution of support for Hotel Fort Des Moines’ renovation project and new markets tax credit application.

SYNOPSIS:

Principiant Hotel Company, L.C. (Jeff Hunter, 1000 Walnut Street, Des Moines, IA) is planning to upgrade and reposition the Hotel Fort Des Moines to a Hilton brand for an estimated cost of \$36.5 million. A Property Improvement Plan (PIP) was completed by Hilton Hotels Corporation in March 2008. The renovated Fort Des Moines Hilton will have 268 rooms. Additionally, the renovation will expand the existing 4,000 square foot Ballroom just over 50 percent to a new 6,280 square foot Grand Ballroom that is divisible into 2,880 to 3,400 square foot sections. The expansion aims to recapture some of the market that has been lost for lack of capacity for larger weddings and social groups.

Principiant is working to secure new markets tax credits as a major funding source for the improvements. As part of that effort, they have asked for a resolution of City Council support to encourage potential investors that the project is viewed positively and supported by the City Council. No other City support has been requested.

FISCAL IMPACT: NONE

Amount: N/A

Funding Source: N/A

ADDITIONAL INFORMATION:

The 234-unit Hotel Fort Des Moines is an 11-story stone and brick structure that originally opened in 1919. This property is listed in the National Register of Historic Places. The hotel will be closed for approximately one year while renovations occur.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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