

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: May 9, 2011
	Agenda Item No. 29 Roll Call No. <u>11-795</u> Communication No. <u>11-290</u> Submitted by: Terrance N. Vorbrich, Acting Economic Development Administrator

AGENDA HEADING:

Resolution Approving N.D. 22 Fleming, L.L.C. Application for Enterprise Zone Benefits for a Housing Project in the City of Des Moines.

SYNOPSIS:

Recommend approval of application as follows: N.D. 22 Fleming L.L.C. (Nelson Development, L.L.C. Jake Christensen, Managing Member, 616 10th Street Avenue, Des Moines, Iowa 50309) for Enterprise Zone benefits for a \$18M project constructing 110 Apartment Units at 604 Walnut 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. All are funded by the State of Iowa Enterprise Zone program.

Amount: \$1,027.044 Investment tax credit, \$200,795 sales tax rebate

Funding Source: State of Iowa Enterprise Zone Program

ADDITIONAL INFORMATION:

The N.D. 22 Fleming, L.L.C. project will undertake the adaptive reuse of the historic Fleming Building, located at 604 Walnut, which was constructed in 1907. The building was designed by architect Daniel Burnham who also designed the Flatiron Building in Manhattan’s Madison Square. The project will provide new use and valuation to the substantially vacant 92,000 square foot building with \$1.6 million in new windows and a complete replacement of an antiquated and inefficient cooling system. It will produce additional market rate housing, add population to the downtown area and contribute to continued downtown revitalization efforts in the City of Des Moines.

PREVIOUS COUNCIL ACTION(S):

Date: June 14, 2010

Roll Call Number: 10-923

Action: [Preliminary](#) terms of agreement with ND 22 Fleming, LLC for residential redevelopment of Fleming Building at 604 Walnut Street and directing City Manager to proceed with negotiations of formal agreements. ([Council Communication No. 10-327](#)) **Moved by Hensley to receive, file and approve preliminary terms of agreement set forth in the accompanying Council Communication and to direct the City Manager to proceed with negotiations of formal agreements with ND 22 Fleming, LLC consistent with the terms set forth in the accompanying Council Communication. Motion Carried 7-0.**

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The Des Moines Enterprise Zone Commission will meet to review the application; following the meeting the application will be submitted to the Iowa Department of Economic Development.

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