

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b> February 25, 2013
	<b>Agenda Item No.</b> 24 <b>Roll Call No.</b> <u>13-0315</u> <b>Communication No.</b> <u>13-101</u> <b>Submitted by:</b> Matthew A. Anderson, Assistant City Manager

**AGENDA HEADING:**

Resolution approving an application for Enterprise Zone Benefits to be referred to the Des Moines Enterprise Zone Commission and the Iowa Economic Development Authority.

**SYNOPSIS:**

Recommend approval to refer an application for Enterprise Zone benefits for the 739 17<sup>th</sup> Street housing project (Developer-Tech Construction Corp, Julian Caselli, President, 6350 Coachlight Drive #1208, West Des Moines, Iowa 50266) proposed in the Drake Park/Sherman Hill/Woodland Heights Enterprise Zone to the Des Moines Enterprise Zone Commission and the Iowa Economic Development Authority.

The project will rehabilitate a historic property in the Sherman Hill Neighborhood, renovating five residential units on the perimeter of the Central Business District. The project will provide an attractive redesign of the building, which is currently in need of improvements and new investment. The units will be proximate to transportation, employment, education centers and services. The potential market for the units is intended to be urban workers and graduate students.

**FISCAL IMPACT:**

Enterprise Zone benefits are State of Iowa tax credits and have no fiscal impact on the City of Des Moines general fund. Information on the project applications is detailed below.

Amount: \$25,000 Investment Tax Credit; \$10,680 Sales Tax Rebate

Funding Source: State of Iowa Enterprise Zone Program

**ADDITIONAL INFORMATION:**

The rehabilitation project is located in the Drake Park/Sherman Hill/Woodland Heights Enterprise Zone, which was approved by City Council and the Iowa Economic Development Authority in 2008. The Enterprise Zone approval allows for program benefits to assist new construction, rehabilitation and redevelopment projects in these neighborhoods. With a number of properties in need of significant rehabilitation, this benefit has been and will continue to be an essential layer of financing for housing projects within this Enterprise Zone.

Construction is anticipated to begin on the rehabilitation late winter-early spring of 2013, with completion in 2014.

**PREVIOUS COUNCIL ACTION(S): NONE**

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

The Des Moines Enterprise Zone Commission will meet and review the application in March. Following review, the application will be forwarded to the Iowa Economic Development Authority.

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 first 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](mailto:cityclerk@dmgov.org).