

## COUNCIL COMMUNICATION

|   |               |   |            |                         |
|---|---------------|---|------------|-------------------------|
|  | Number:       | <b>20-539</b>   | Meeting:   | <b>December 7, 2020</b> |
|   | Agenda Item:  | <b>26</b>   | Roll Call: | <b>20-2015</b>          |
|   | Submitted by: | <b>Erin Olson-Douglas, Development Services Department Director</b> |            |                         |

### AGENDA HEADING:

Resolution approving the First Amendment to the Urban Renewal Development Agreement for Bridge District Level, LLC for the new construction of a 5-story, 114-unit multi-family housing project known as the Level Apartments, and 25 owner-occupied rowhomes comprising the next phase of The Banks at the Bridge District, located in the 300 block of Maple Street.

### SYNOPSIS:

On March 23, 2020, by Roll Call Number 20-0533, the Council approved the Urban Renewal Development Agreement for Hubbell Realty Company, d/b/a Bridge District Level, LLC (Kris Saddoris, Officer, 6900 Westown Parkway, West Des Moines, IA 50266), which proposes to construct a new 114-unit multi-family residential project called the Level Apartments, located on a vacant site in the 300 block of Maple Street.

The \$26.9 million apartment project contains a mix of one (1) through 4-bedroom units within five (5) stories. Parking needs will be accommodated by a combination of indoor climate-controlled parking and surface parking. Additionally, the project will contain 25 owner-occupied rowhome units, representing a portion of the next phase of The Banks townhome development, located south of the proposed Level Apartment project.

During initial site grading and installation of infrastructure work, the Developer encountered two (2) underground storage tanks on the property that appeared to predate the previous River Hills flex space development. The construction delay on this project is related to the environmental testing and remediation work necessary to safely remove the tanks. Vertical construction on the project is now anticipated to commence in the spring of 2021, with completion expected late in 2022.

The Office of Economic Development previously negotiated final terms of an Urban Renewal Development Agreement with Bridge District Level, LLC, which provides for a combination of tax increment in the form of an economic development grant from the Metro Center Tax Increment Financing (TIF) district, and increment generated by the project proposed over a 20-year period to serve as the primary means of responding to a financing gap presented by the Developer. The previously approved financial terms of the agreement have not changed, and the proposed amendment request is only related to the completion timelines for the project.

**FISCAL IMPACT: NONE**

**ADDITIONAL INFORMATION:**

- The \$26.9 million Level Apartments project will include a total of 114 dwelling units spread among a mix of one (1) through 4-bedroom units that each feature outdoor balconies, terraces or patio spaces. Amenity spaces include indoor and outdoor fitness areas, heating indoor parking, bike and kayak storage, a package concierge system, common lobby and lounge space, third and fifth floor outdoor clubhouse with rooftop patios and grilling areas. The development is expected to take advantage of view of the skyline and riverfront.
- The Development Agreement will stipulate that at least 25 newly constructed rowhomes in the next phase of The Banks project will be constructed prior to January 1, 2025. The rowhomes will be eligible to receive the Citywide 6-year declining tax abatement schedule, but the TIF grant will not be utilized as gap financing for the construction of the rowhomes.
- The Bridge District is a large redevelopment of a former low-intensity office and flex space park located on the northern end of the Historic East Village Neighborhood, bounded by I-235 on the north, Des Moines Street on the south, between the Des Moines River and East 4th Street. The 18-acre master-planned residential development is anticipated to create a total of 477 new dwelling units that includes a mix of owner-occupied and rental options, and is projected to raise the assessed value of the land from \$6.3 million to \$112 million upon full buildout.

**PREVIOUS COUNCIL ACTION(S):**

Date: March 23, 2020

Roll Call Number: [20-0533](#)

Action: [Urban](#) Renewal Development Agreement with Bridge District Level, LLC, Bridge District II Townhomes, LLC and Bridge District II, LLC for new construction of a 5-story, 114-unit multi-family housing project and 25-unit rowhome project in the 300 block of Maple Street. ([Council Communication No. 20-143](#)) Moved by Gatto to adopt. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S):**

Board: Urban Design Review Board

Date: January 21, 2020

Resolution Number: N/A

Action: Motion to recommend approval of the financial assistance as presented by Clark. Seconded by Hielkema. Motion carried. Yes = 6, No = 0, Abstain = 1, Absent = 1.

Motion to recommend approval of the final design as presented by Morgan-Huggins. Seconded by Clark. Motion carried. Yes = 6, No = 0, Abstain = 1, Absent = 1.

Board: Plan and Zoning Commission

Date: December 19, 2019

Resolution Number: N/A

Action: The Plan and Zoning Commission voted 12-0 to approve the site plan and preliminary plat subject to conditions and compliance with all administrative review comments of the City's Permit and Development Center.

Board: Urban Design Review Board

Date: December 17, 2019

Resolution Number: N/A

Action: Motion to recommend approval of the preliminary design of the Level Apartments project by Heilkema. Seconded by Weisenbach. Motion carried. Yes – 5, No – 0, Absent – 3, Abstain – 2.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Approval of Certificate of Completion when the project is finished.

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).