


COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	23-355	Meeting:	August 7, 2023
	Agenda Item:	32	Roll Call:	23-1089
	Submitted by:	Cody Christensen, Development Services Director		

AGENDA HEADING:

Resolution approving grant agreement with 13th and Mulberry, LLC for an affordable housing project at 1301 Mulberry.

SYNOPSIS:

Mulberry Multifamily, LLC is proposing to construct, as phase two (2) of a downtown development, a new mixed-use building at 1301 Mulberry with a minimum of five (5)-stories, 81 apartment units, and 3,000 square feet of commercial retail space.

The existing development agreement required that eight (8) units be provided at affordable rents, and this grant agreement will increase the number of affordable units to 30 for a period of fifteen (15) years. Twelve (12) units will be provided at/below 60% or less of the Area Median Income (AMI) for initial occupancy, and 18 units shall be restricted to households earning 80% or less of the AMI, with AMI determined by household size, as established annually by the Department of Housing and Urban Development (HUD) for Polk County, Iowa, and published by the Iowa Finance Authority (IFA).

FISCAL IMPACT:

Amount: \$300,000 paid upon project completion and issuance of certificate of occupancy

Funding Source: American Rescue Plan Act funding, affordable housing designated funds

ADDITIONAL INFORMATION:

On October 24, 2023, by Roll Call No. 21-1646, the City Council approved a first amendment to terms of an urban development agreement with 13th & Mulberry, LLC and 13th and Mulberry Multifamily, LLC (Josh Aberson and Byron Schafersman of Green Acre Development, Lloyd Companies, and Tim Rypma of Rypma Properties, Owners and Developers, 230 S Phillips Avenue, #205, Sioux Falls, SD 57107) for a \$22.7 million project occurring over two (2) phases. The first phase was a historic renovation of the existing one (1)-story, approximately 15,000-square-foot building located at 213 13th Street for commercial office uses with approximately 30-underground parking spaces. Phase 1 was completed in 2022.

PREVIOUS COUNCIL ACTION(S):

Date: October 24, 2022

Roll Call Number: [22-1646](#)

Action: [First](#) Amendment of an Urban Renewal Development Agreement with 13th & Mulberry, LLC (Josh Aberson, Byron Schafersman and Tim Rypma) and 13th and Mulberry Multifamily, LLC for the constructions of a five (5)-story mixed-use building on adjacent lot northwest of 13th and Mulberry. ([Council Communication No. 22-498](#)) Moved by Gatto to adopt. Second by Boesen. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Urban Design Review Board

Date: September 19, 2022

Resolution Number: NA

Action: Motion to recommend approval of the final design of the Phase 2 Multifamily Project as presented noting Board comments including secured bicycle parking by Hielkema. Seconded by Nagel. Motion carried. Yes = 6, No = 0, Abstain = 0, Absent = 3.

Motion to recommend approval of the financial incentive structure as presented by Hielkema. Seconded by Garrison. Motion carried. Yes = 6, No = 0, Abstain = 0, Absent = 3.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- City Council – Certificate of Completion

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