


COUNCIL COMMUNICATION

	Number:	26-171	Meeting:	May 4, 2026
	Agenda Item:	25	Roll Call:	26-0564
	Submitted by:	Carrie Kruse, Economic Development Administrator		

AGENDA HEADING:

Resolutions in support of Workforce Housing Tax Credit (WHTC) benefit applications to be submitted to the Iowa Economic Development Authority (IEDA) for City of Des Moines projects.

SYNOPSIS:

Recommend approval of four (4) resolutions of support for WHTC benefits to the IEDA for projects proposed in the City of Des Moines.

\$17.5 million is available this year to be awarded through the WHTC program by IEDA to large cities in Iowa's 11 most populated counties. A resolution of support from the City Council and an identification of the local match for each project at a minimum of \$1,000 per unit is required for submission of applications to the WHTC Program.

In February of 2026, IEDA released guidance stating they will now accept no more than four (4) resolutions of support from any one community. A multidisciplinary group of staff members have met and reviewed the applications across several criteria including but not limited to: community need, density, quality, access to job centers, proximity to public transport, project readiness, neighborhood context, and market conditions.

The projects propose adding an estimated total of 259 new housing units, providing a variety of residential options that are proximate to employment centers, shopping, restaurants, schools, and transportation. These units will provide homes for many sectors of the population within the City of Des Moines, including entry-level workforce, students, seniors, persons with disabilities, and families. The total combined construction cost of all four projects is approximately \$93 million.

Additional information on each project is below. The resolutions will be submitted to IEDA by the project representatives along with the formal program application, due by June 10, 2026.

FISCAL IMPACT:

The WHTC Program offers State of Iowa tax credits and requires identification of a minimum local match of \$1,000 per housing unit awarded. Information on the project applications and local match funding sources are detailed below.

Amount: WHTC benefits estimated at \$1,940,119 (listed by project below)

Funding Source: State of Iowa WHTC Program, to be matched by local match through qualified by-right tax abatement, tax increment financing (TIF) economic development grants, or other grants approved by City Council (see project descriptions below).

- A. Carpenter Row, JJR Holdings LLC – \$240,000 estimated WHTC Benefit; local match of \$16,000 provided from the Brownfield Revolving Loan Fund.
- B. Kingman Place Townhomes, Kingman Place Townhomes, LLC – \$450,000 estimated WHTC benefit; local match of \$340,000 provided from City of Des Moines HOME funds.
- C. Mezzo on Walnut, LawMark L.P. – \$1,000,000 estimated WHTC Benefit; local match estimated at \$10,000,000 provided from TIF economic development rebates.
- D. University of Commerce Historic Renovation, 615 Euclid LLC – \$250,119 estimated WHTC benefit; local match estimated at \$28,250 from tax abatement.

ADDITIONAL INFORMATION:

The WHTC Program provides for a refund of state sales, service, or use taxes paid during construction, and a state investment tax credit up to a maximum of 10% of the investment directly related to construction of the project.

- A. Carpenter Row – JJR Holdings LLC (JJR Holdings LLC, 8519 NW 23rd Ct, Ankeny, IA 50023) for a \$3,343,000 investment to construct a two-story, 16-unit residential project at 1245 21st Street.
- B. Kingman Townhomes – Kingman Place Townhomes, LLC (HOME, Inc, 1618 6th Avenue, Des Moines, IA 50314) for a \$7,099,120 project developing a 20-unit residential townhome project at 3125 Kingman Boulevard.
- C. Mezzo on Walnut – Lawmark L.P. (LawMark Capital, 666 Walnut, Des Moines, IA 50309) for a \$77,000,000 project constructing 209 units at 606 Walnut Street.
- D. University of Commerce Historic Renovation – 615 Euclid LLC (Sonar Multifamily Fund, 114 51st Street, Des Moines, IA 50312) for a \$5,768,814 project constructing 14 units at 615 Euclid Avenue.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Office of Economic Development (OED) staff will provide resolutions to project representatives for submittal with WHTC Program applications to the IEDA. Award announcements are anticipated in September 2026.

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 second floor of T.M. Franklin Cownie City Administration Building, 1200 Locust Street. 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.