COUNCIL COMMUNICATION

CITY OF DES MOINES CITY MANAGER'S OFFICE	Number:	**26-274**	Meeting:	**August 3, 2026**
	Agenda Item:	**35**	Roll Call:	**26-0900**
	Submitted by:	**Carrie Kruse, Economic Development Administrator**		

AGENDA HEADING:

Resolution approving the first amendment to the First Amended and Restated Urban Renewal Development Agreement with Townhall Associates, LP for the historic renovation of 1601 6th Avenue into a mixed-use residential and commercial development, and the new construction of a mixed-use residential and commercial building at 1605/1609/1619 6th Avenue.

SYNOPSIS:

Townhall Associates, LP (Kuuku Saah, Ntontan Real Estate, and Frank Levy, Newbury Living) has proposed the renovation of a 4,800-square-foot historic two (2)-story building at 1601 6th Avenue, which is expected to include a coffee shop on the first floor and five (5) residential units on the upper level and first floor. The project scope also includes a new construction three (3)-story mixed-use building with commercial space facing the street on the first floor, residential units to the rear, and on the second and third floor of the building. The project is expected to be completed by November 2026.

This first amendment is intended to update the project scope for the new construction building. The original proposal included three (3) kitchen spaces, which is being updated by this first amendment to reflect one kitchen/restaurant space. This change is due to market and financing challenges associated with three separate kitchen leases.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- The project includes two (2) mixed-use buildings, totaling 29 residential units, providing affordable housing to address the community's pressing need for accessible living spaces. The rent limits of the unit mix varies, with 26 units at 60% Area Median Income (AMI) income levels, and three (3) units at 30% AMI income levels.

- The food hall concept was awarded funds from the Iowa Low Income Housing Tax Credit (LIHTC) Innovation Set Aside program from the Iowa Finance Authority (IFA), which was a competitive process with only one (1) potential recipient per round. The residential units in the historical building are eligible within this program as qualified costs/units and are therefore considered within the LIHTC scope of review. However, due to the new construction nature of the food hall building, the food hall building will not be within the State Historic Preservation Office (SHPO) scope of review. IFA is aware of the change in scope for the new construction building.

- The historic building, known as Perry and Brainard Block or North Des Moines Hall, located at 1601 6th Avenue, was built in 1888 to serve as City Hall for the former city of North Des Moines. The building served in this capacity until the city of North Des Moines was annexed into the City of Des Moines in the mid 1890's.

PREVIOUS COUNCIL ACTION(S):

Date: June 9, 2025

Roll Call Number: 25-0836

Action: First Amended and Restated Urban Renewal Development Agreement with Townhall Associates LP for the historic renovation of 1601 6th Avenue into a mixed-use residential and commercial development, and the new construction of a mixed-use residential and commercial building at 1605, 1609 and 1619 6th Avenue. (Council Communication No. 25-216) Moved by Gatto to adopt. Second by Voss. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Urban Design Review Board

Date: March 4, 2025

Resolution Number: N/A

Action: Rypma moved to approve the final design, with the following considerations requested of the Development Team: landscape adjustments to create larger canopy, encouragement of operable windows, and encouragement of indoor bike storage. Seconded by Burnham. Yes – 9; No – 0; Absent – 2; Abstain – 0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- City Council – Approval of Final Certificate of Completion to commence economic development assistance.

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