

Date April 21, 2008

RESOLUTION GRANTING PRIOR APPROVAL OF TAX
ABATEMENT FOR THE ADDITIONAL VALUE TO BE ADDED BY
THE RENOVATION OF PROPERTIES FOR HOUSING
(328 SW 5th Street and 104 SW 4th Street)

WHEREAS, the Iowa Urban Revitalization Act, Chapter 404, Code of Iowa (the "Act"), provides for partial exemption from property tax for the actual value added by improvements to property located in a designated Urban Revitalization Area which are consistent with the Urban Revitalization Plan for such Area; and

WHEREAS, the Act provides that persons making improvements may apply to the City Council for prior approval of eligibility for tax abatement, and the City Council shall approve the application by resolution, if it finds (a) the proposed improvements are located in a designated Urban Revitalization Area; (b) the proposed improvements are in conformance with the Urban Revitalization Plan for such area; and (c) the proposed improvements are to be made during the time the area is so designated; and

WHEREAS, J & T Development, LLC, a Kansas limited liability company, represented by Ben Washburn, proposes to renovate the building at 104 SW 4th Street for housing to be known as the Rumley Housing Project, and to renovate the building at 328 SW 5th Street for housing to be known as the Art House Lofts Project, and has made application pursuant to Iowa Code §404.4 for prior approval of the eligibility of the additional taxable value added by such renovations for tax abatement pursuant to the City-wide Urban Revitalization Plan; and,

WHEREAS, the applications have been received, reviewed and recommended for approval by City staff; NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Des Moines, Iowa that:

- 1) The applications for prior approval of eligibility for tax abatement for the taxable value added by the renovation of the building at 104 SW 4th Street for housing to be known as the Rumley Housing Project, and by the renovation of the building at 328 SW 5th Street for housing to be known as the Art House Lofts Project, are hereby received.
- 2) The City Council hereby finds that the Rumley Housing Project and the Art House Lofts Project are projects located in the City-wide Urban Revitalization Area; each project is in conformance with the Urban Revitalization Plan for the City-wide Urban Revitalization Area; and the improvements described in such applications are projected to be completed during the time the City-wide Urban Revitalization is so designated.

(continued)

Date April 21, 2008

- 3) The applications for prior approval of eligibility for tax abatement are hereby approved, provided that the projects are commenced by December 31, 2010, and are completed by December 31, 2011, in conformance with the Zoning Ordinance and applicable building codes. If the improvements to the properties each consist of three or more separate living quarters with at least seventy-five percent of the space used for residential development, the value added by the improvements shall be eligible for 10 year 100% exemption from taxation (tax abatement) under the schedule allowed by Iowa Code §404.3(4) and the corresponding provisions in the Restated Urban Revitalization Plan for the City-wide Urban Revitalization Area. As provided by Iowa Code §404.4, such prior approval shall not entitle the owners to exemption from taxation until the improvements have been completed and found to be qualified real estate.

MOVED by _____ to adopt.

FORM APPROVED:

Roger K. Brown

Roger K. Brown

Assistant City Attorney

C:\Rog\Revit\Admin\Pre-Approval\Rumley & Art House.doc

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				

MOTION CARRIED

APPROVED

Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

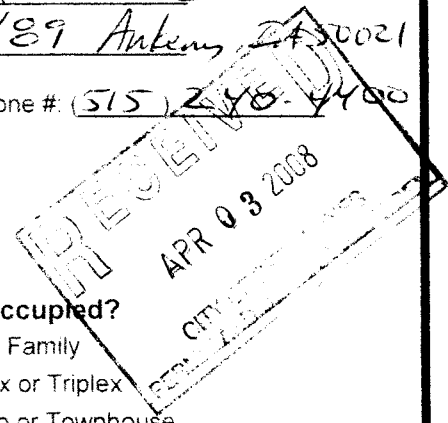
City Clerk

Pre Approval

Date Received : _____

08- _____

2008		Tax Abatement Application – Des Moines, Iowa										
Property & Owner/ Authorized Agent Info	Address: <u>328 SW 5th St.</u>											
	Legal description: <u>E 120th Lot 17 Replat of part of Factory Add. from</u>											
Use Classification	Polk Co. Assessor's District & Parcel #: <u>020</u> <u>01059-000-000</u> (Go to: http://www.assess.co.polk.ia.us/) district parcel #											
	Title holder or contract holder name: <u>Fligg Land & Cattle LLC</u>											
	Address of owner if different than above: <u>P.O. Box 489 Ankeny IA 50021</u>											
	Authorized Agent: <u>BEN WASHBURN</u> Phone #: <u>(515) 248-4400</u> if different than above											
Project Type	<input type="checkbox"/> Commercial											
	<input type="checkbox"/> Industrial											
On City Sewer	<input checked="" type="checkbox"/> Residential											
	<table border="0"> <tr> <td>Owner-Occupied?</td> <td>Renter-Occupied?</td> </tr> <tr> <td><input type="checkbox"/> Single Family</td> <td><input type="checkbox"/> Single Family</td> </tr> <tr> <td><input type="checkbox"/> Duplex or Triplex</td> <td><input type="checkbox"/> Duplex or Triplex</td> </tr> <tr> <td><input type="checkbox"/> Condo or Townhouse</td> <td><input checked="" type="checkbox"/> Condo or Townhouse</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Multi-Family</td> </tr> </table>			Owner-Occupied?	Renter-Occupied?	<input type="checkbox"/> Single Family	<input type="checkbox"/> Single Family	<input type="checkbox"/> Duplex or Triplex	<input type="checkbox"/> Duplex or Triplex	<input type="checkbox"/> Condo or Townhouse	<input checked="" type="checkbox"/> Condo or Townhouse	
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<input type="checkbox"/> Condo or Townhouse	<input checked="" type="checkbox"/> Condo or Townhouse											
	<input type="checkbox"/> Multi-Family											
Describe Improvements	<input type="checkbox"/> New structure <input type="checkbox"/> Addition <input checked="" type="checkbox"/> Renovation <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <u>Convert Warehouse to housing, ART House Lofts Project by J & T Development</u> <u>6/09</u> <input checked="" type="checkbox"/> Estimated date <input type="checkbox"/> Actual date <small>month / year</small>											
Completion Date	Your improvements will be assessed for tax abatement on Jan. 1, 2009 even if they are partially completed. This assessment will be reflected in your Sept. 2010 tax payment.											
Est/ Cost of Improvements	\$ <u>11 Million</u>											
Abatement Schedule	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4A <input type="checkbox"/> 4B See reverse side for schedule information											
Tenant Information	If project was rehabilitation of residential property, were there tenants when project started? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If you answered yes, list the tenant's name, date the tenant occupancy began and relocation benefits paid to each tenant on the reverse side of this form											



Return application to:
 City of Des Moines /
 Permit & Development Center
 602 Robert Ray Dr.
 Des Moines, IA 50309

Questions:
 Phil Poorman at 515-283-4751 or
prpoorman@dmgov.org

Filing this Application Does NOT Signify Approval

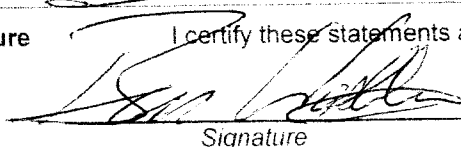
Abatement Schedule #	Use	Must increase building assessment by: <u>Residential:</u> at least 5% <u>Commercial:</u> at least 15% Amount eligible for abatement	How much of improvement's value is abated?	Improvement must qualify with applicable - zoning. - building and fire codes - and for commercial and industrial, be in an approved tax abatement area. Where?
1 (for improvements)	Residential only	Up to \$20,000	115% for 10 years	Anywhere in city, provided zoning is appropriate
2 (for new construction & major improvements)	Residential , Commercial and/or Industrial	No limit	1 st year - 80% 2 nd year - 70% 3 rd year - 60% 4 th year - 50% 5 th & 6 th year - 40% 7 th & 8 th year - 30% 9 th & 10 th year - 20%	<u>Industrial</u> permitted in Central Place & Guthrie Ave. urban renewal areas.
3 (new construction & major improvements)	Residential , Commercial Industrial	No limit	100% for 3 years	<u>Residential:</u> Anywhere in city provided zoning is appropriate. <u>Commercial and Industrial:</u> Must be in a specified tax abatement area.
4A (new construction & major improvements)	Residential & Commercial with 75% of space for residential	No limit	100% for 10 years	Must be in specified area which are generally located in the downtown and near-downtown
4B (new construction & major improvements)	Residential & Commercial with 75% of space used by residential	No limit	100% for 5 years	Anywhere in city. <u>Not</u> permitted in area generally west of the airport where public sewer is unavailable.

Tenant Relocation: If this project is rehabilitation of residential rental property, list the tenant's name, the date the tenant occupancy began and relocation benefits paid to each tenant. Attach additional paper if needed.

Tenant Name	Unit #	Date Tenancy Began	Relocation Benefits	
			Amt. Paid	Date of Paid

Signature

I certify these statements are true to the best of my knowledge.



Signature

BEN WASHBURN

Printed Name

4/3/08

Date

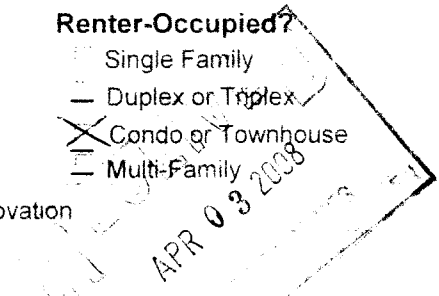
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Date Received : _____

08- _____

20

2008		Tax Abatement Application – Des Moines, Iowa										
Property & Owner/ Authorized Agent Info	Address: <u>104 SW 4TH ST.</u>											
	Legal description: <u>LT 7 & EX N 15F-LT 8 BUC 19 FF. 0.574</u>											
	Polk Co. Assessor's District & Parcel #: <u>020</u> <u>01236-001-000</u> (Go to: http://www.assess.co.polk.ia.us/) district parcel #											
	Title holder or contract holder name: <u>SECURITY FILE WRITSE LP.</u>											
	Address of owner if different than above: <u>2020 NE 102nd AVE. ANKENY, IA 5002</u>											
Use Classification	Authorized Agent: <u>BEN WASHBURN</u> Phone #: <u>(515) 240.4400</u> if different than above											
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Completion Date	<u>6/09</u> <input checked="" type="checkbox"/> Estimated date <input type="checkbox"/> Actual date											
Est/ Cost of Improvements	Your improvements will be assessed for tax abatement on Jan. 1, 2009 even if they are partially completed. This assessment will be reflected in your Sept. 2010 tax payment.											
Abatement Schedule	\$ <u>20 Million</u>											
Tenant Information	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4A <input type="checkbox"/> 4B See reverse side for schedule information											
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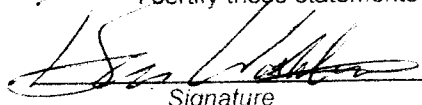
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 **BEN WASHBURN** **4/3/08**
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