

Date..... October 27, 2008

RESOLUTION GRANTING PRIOR APPROVAL OF TAX ABATEMENT
FOR THE ADDITIONAL VALUE TO BE ADDED BY CONSTRUCTION OF
A MEDICAL OFFICE BUILDING AT 1057 5TH AVENUE

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, subject to review by the County Assessor, if it finds (a) the improvements are located in a designated Urban Revitalization Area; (b) the improvements are in conformance with the Urban Revitalization Plan for such area; and (c) the improvements are to be made during the time the area is so designated; and

WHEREAS, Des Moines Medical Center, Inc., as titleholder, and Rock Creek Investments, LLC, as tenant under a 50-year ground lease, propose to construct a new medical office building at 1057 5th Avenue with an estimated value of \$12,900,000, and have made application pursuant to Iowa Code §404.4 for prior approval of the eligibility of such improvements for tax abatement pursuant to the City-wide Urban Revitalization Plan; and,

WHEREAS, the application has 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 application for prior approval of eligibility for tax abatement for the construction of a new medical office building at 1057 5th Avenue, to be assessed as commercial property, is hereby received.
- 2) The City Council hereby finds that the proposed new medical office building is a project located in the City-wide Urban Revitalization Area; the project is in conformance with the Urban Revitalization Plan for the City-wide Urban Revitalization Area; and the improvements described in the application is to be completed during the time the City-wide Urban Revitalization is so designated.

(continued)

Date..... October 27, 2008

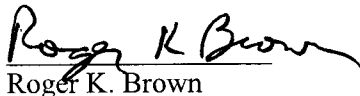
- 3) The application for prior approval of eligibility for tax abatement is hereby approved. subject to the following conditions:
- (a) Construction of the proposed new medical office building must be commenced by December 31, 2011, under authority of a properly issued building permit; and,
 - (b) The construction of such building must be substantially complete by December 31, 2012.

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.

(Council Communication No. 08- 636)

MOVED by _____ to adopt.

FORM APPROVED:



Roger K. Brown

Assistant City Attorney

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

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

MOTION CARRIED

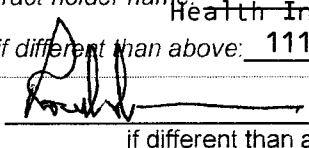
APPROVED

.....
Mayor

13
 Applicant

TAX 2008-00245

Date Received : _____ Receipt Number: _____ Not considered filed until you have a receipt number.

2008		Tax Abatement Application – Des Moines, Iowa	
Property & Owner/ Authorized Agent Info	Address: 1057 - 5th Avenue, Des Moines, IA 50314		
	Legal description: Lot 4, Block D, River Hills Plat 1, Des Moines, Iowa		
	Polk Co. Assessor's District & Parcel #: <u>030</u> <u>04241-012-000</u> (Go to: http://www.assess.co.polk.ia.us/) district parcel #		
	Title holder or contract holder name: Des Moines Medical Center, Inc. c/o Catholic Health Initiatives Iowa Corp.		
	Address of owner if different than above: 1111 - 6th Ave., Des Moines, IA 50314		
	Authorized Agent: 	Phone #: 515 490-0917	
Use Classification	<input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Industrial <input type="checkbox"/> Residential Owner-Occupied? <input type="checkbox"/> Single Family <input type="checkbox"/> Duplex or Triplex <input type="checkbox"/> Condo or Townhouse Renter-Occupied? <input type="checkbox"/> Single Family <input type="checkbox"/> Duplex or Triplex <input type="checkbox"/> Condo or Townhouse <input type="checkbox"/> Multi-Family		
Project Type	<input checked="" type="checkbox"/> New structure <input type="checkbox"/> Addition <input type="checkbox"/> Renovation		
On City Sewer	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Describe Improvements	Medical office building, surgery center and medical clinics.		
Completion Date	January 2010 <input checked="" type="checkbox"/> Estimated date <input type="checkbox"/> Actual date <small>month / year</small> 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	\$ 12,900,000.		
Abatement Schedule	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input 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 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

10/20/08

Date Received : _____

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 <i>and</i> - 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

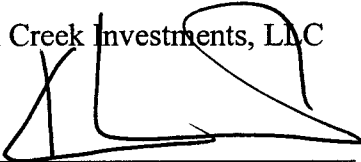
Signature _____ I certify these statements are true to the best of my knowledge.

Signature Printed Name Date

Addendum to Tax Abatement Application

The owner of the real estate is Des Moines Medical Center, Inc., which is ground leasing the real estate for a term of 50 years, with an option for another 50 years and another 20 years to Rock Creek Investments, LLC, which is constructing the improvements on the property and will be liable for the real estate taxes.

Therefore, Rock Creek Investments, LLC is also joining in this Application.

Rock Creek Investments, LLC
By: 
Title: MANAGER