



Date May 9, 2022

RESOLUTION SETTING HEARING ON REQUEST FROM ELIA, LLC (OWNER) AND EASTER LAKE ESTATES, INC. (OWNER) TO AMEND PLANDSM FUTURE LAND USE DESIGNATION FOR PROPERTIES IN THE VICINITY OF 7221 SOUTHEAST 5TH STREET FROM MEDIUM DENSITY RESIDENTIAL TO HIGH DENSITY RESIDENTIAL

WHEREAS, the City Plan and Zoning Commission has advised that at a public hearing held on April 21, 2022, its members voted 12-0 in support of a motion to recommend **APPROVAL** of a request from Elia, LLC (Owner) and Easter Lake Estates, Inc. (Owner), both represented by Phil Watson (officer), to amend the PlanDSM: Creating Our Tomorrow future land use designation for two parcels of real property in the vicinity of 7221 Southeast 5th Street from Medium Density Residential to High Density Residential to allow development of the properties with a density greater than 17 dwelling units per acre; and

WHEREAS, the Properties are legally described as follows:

Parcel 1 (Parcel 7824-34-401-003): Beginning 21 rods (346.5 feet) South of the Northwest corner of the Southeast ¼ of Section 34, Township 78 North, Range 24 West of the 5th P.M., Iowa; running thence South 24 rods (396 feet); then East 26 2/3 rods (440 feet); thence North 24 rods (396 feet); then west 26 2/3 rods (440 feet), to place of beginning, now included in and forming a part of the City of Des Moines, Polk County, Iowa.

AND

Parcel 2 (7221 SE 5TH ST or Parcel 7824-34-401-004): The North 742.5 feet of the west ½ of the West ½ of the Southeast ¼ of Section 34, Township 78 North, Range 24 West of the 5th P.M., Des Moines, Polk County, Iowa, Except the North 330.0 feet thereof, and Except the South 396.0 feet of the West 440.0 feet thereof.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, as follows:

1. That the attached communication from the Plan and Zoning Commission is hereby received and filed.
2. That the meeting of the City Council at which the proposed amendment to the comprehensive plan future land use designation is to be considered, and at which time the City Council will hear both those who oppose and those who favor the proposal, shall be held at 5:00 p.m. on May 23, 2022 in the Council Chambers, City Hall, 400 Robert D. Ray, Drive, Des Moines.



Roll Call Number

Agenda Item Number

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Date May 9, 2022

- 3. That the City Clerk is hereby authorized and directed to cause notice of said proposal in the accompanying form to be given by publication once, not less than seven (7) days and not more than twenty (20) days before the date of hearing, all as specified in Section 362.3 and Section 414.4 of the Iowa Code.

Moved by _____ to adopt. Second by _____

APPROVED AS TO FORM:

/s/ Gary D. Goudelock
 Gary D. Goudelock
 Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
GATTO				
MANDELBAUM				
SHEUMAKER				
VOSS				
WESTERGAARD				
TOTAL				
MOTION CARRIED			APPROVED	

CERTIFICATE

I, P. Kay Cmelik, 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.

Mayor

City Clerk

May 3, 2022

Communication from the City Plan and Zoning Commission advising that at their April 21, 2022 meeting, the following action was taken regarding a request from Elia, LLC (owner), represented by Phil Watson (officer), and Easter Lake Estates, Inc. (owner), represented by Phil Watson (officer), regarding property in the vicinity of 7221 Southeast 5th Street to amend PlanDSM Creating Our Tomorrow Comprehensive Plan to revise the future land use designation from Medium Density Residential to High Density Residential to allow development of the property with a density greater than 17 dwelling units per acre.

COMMISSION RECOMMENDATION:

After public hearing, the members voted 12-0 as follows:

<u>Commission Action:</u>	<u>Yes</u>	<u>Nays</u>	<u>Pass</u>	<u>Absent</u>
Francis Boggus	X			
Dan Drendel	X			
Leah Rudolphi	X			
Dory Briles				X
Abby Chungath	X			
Kayla Berkson				X
Chris Draper	X			
Jann Freed	X			
Todd Garner	X			
Johnny Alcivar	X			
Justyn Lewis	X			
Carolyn Jenison	X			
William Page	X			
Andrew Lorentzen	X			
Emily Webb				X

APPROVAL of the request to amend the PlanDSM: Creating Our Tomorrow Comprehensive Plan to revise the future land use designation from Medium Density Residential to High Density Residential.

STAFF RECOMMENDATION TO THE P&Z COMMISSION

Staff recommends approval of the request to amend the PlanDSM: Creating Our Tomorrow Comprehensive Plan to revise the future land use designation from Medium Density Residential to High Density Residential.

Written Responses

0 in Favor

0 in opposition

STAFF REPORT TO THE PLANNING COMMISSION

I. GENERAL INFORMATION

1. **Purpose of Request:** The applicant is proposing to amend the subject properties to High Density Residential which would allow redevelopment of the site to an density over 17 units per acre. A submitted site sketch indicates a courtyard-building with up to 140 units would be constructed for use as senior housing.

This Land Use Amendment request would allow any future site plan for the subject properties for multiple-household dwellings to be found in conformance with PlanDSM: Creating Our Tomorrow comprehensive plan.

2. **Size of Site:** 5.94 acres (258,746 square feet).
3. **Existing Zoning (site):** "NX2" Neighborhood Mix District.
4. **Existing Land Use (site):** Undeveloped land.
5. **Adjacent Land Use and Zoning:**

North – "NX3; and "CX"; Uses are multiple-household residential and Southridge Shopping Center.

South – "NM"; Use is Southridge Estates mobile home park.

East – "NX2"; Use is undeveloped land.

West – "P1"; Use is Fort Des Moines Park.

6. **General Neighborhood/Area Land Uses:** The subject properties are located on the east side of Southeast 5th Street and south of Southridge Shopping Center. The area consists of one-household residential, multiple-household residential, commercial, religious assembly, educational, and open space/public uses.
7. **Applicable Recognized Neighborhood(s):** The subject properties are not located within a recognized neighborhood. All neighborhood associations were notified of the public hearing by mailing of the Preliminary Agenda on April 1, 2022 and by mailing of the Final Agenda on April 15, 2022.
8. **Relevant Zoning History:** None.

9. PlanDSM: Creating Our Tomorrow Plan Land Use Plan Designation: Medium Density Residential.

10. Applicable Regulations: Taking into consideration the criteria set forth in Chapter 18B of the Iowa Code, the Commission reviews all proposals to amend the future land use map within the City of Des Moines' Comprehensive Land Use Plan. The recommendation of the Commission will be forwarded to the City Council.

In accordance with City Code Section 135-9.1.1, any future Site Plan for the property must be in accordance with the City's Comprehensive Land Use Plan, including conformance with the density of use allowed per the City's future land use map.

II. ADDITIONAL APPLICABLE INFORMATION

1. PlanDSM: Creating Our Tomorrow: The applicant is requesting that the future land use designation for the property be amended from "Medium Density Residential" to "High Density Residential." Plan DSM describes these designations as follows:

Medium Density Residential: Areas developed with mix of single family, two family and multi-family residential up to 17 dwelling units per net acre.

High Density Residential: Areas developed with primarily higher intensity multi-family housing with a minimum density over 17 dwelling units per net acre.

The subject properties are currently zoned "NX2" Neighborhood Mix District. The Zoning Ordinance describes this district as "intended for a mix of single-household houses with appropriately scaled and detailed multiple-household building types in the same neighborhood."

Staff believes that the subject site would be an appropriate location for multiple-household development given the proximity to a high-capacity corridor, amenities, and existing multiple-household uses.

- 2. Grading & Storm Water Management:** Any grading is subject to an approved grading permit and soil erosion control plan, as well as a Stormwater Pollution Protection Plan (SWPPP) approved by the Iowa DNR.
- 3. Nature Features:** The subject properties contain a number of mature trees and scrub trees. Any development of the site must comply with the Tree Removal and Mitigation Ordinance contained in Chapter 42, Article X, of the City Code.
- 4. Utilities:** Stormwater and sanitary sewers are located in Southeast 5th Street. Sanitary conduit additionally crosses the southeasternmost corner of the rear property. A 12-inch distribution water main is located in Southeast 5th Street.
- 5. Traffic/Street System:** The submitted site sketch indicates access would be through one access drive along the northern property line and one access drive along the southern property line with surface parking situated at the rear of the building and property.

Traffic and Transportation staff has indicated a 5-foot wide sidewalk would be required along Southeast 5th Street.

- 6. Planning and Design Ordinance:** Any development must comply with all applicable site plan and design regulations of the Planning and Design Ordinance. Should the future land use amendment be approved, the applicant would be required to prepare a Site Plan and building elevations for review before the property can be occupied by the proposed use.

SUMMARY OF DISCUSSION

Abby Chungath asked if any member of the public or commission desired to speak on the item. No one requested to speak.

COMMISSION ACTION:

Todd Garner made a motion for approval of the request to amend the PlanDSM: Creating Our Tomorrow Comprehensive Plan to revise the future land use designation from Medium Density Residential to High Density Residential.

Motion passed: 12-0

Respectfully submitted,



Jason Van Essen, AICP
Planning & Urban Design Administrator

JMV:tjh

32

Elia, LLC, 7221 SE 5th Street

ZONG-2022-000021



Updated on: 4/4/2022

0 35 70 140 210 280 Feet

City of Des Moines, Information Technology

1 inch = 137 feet



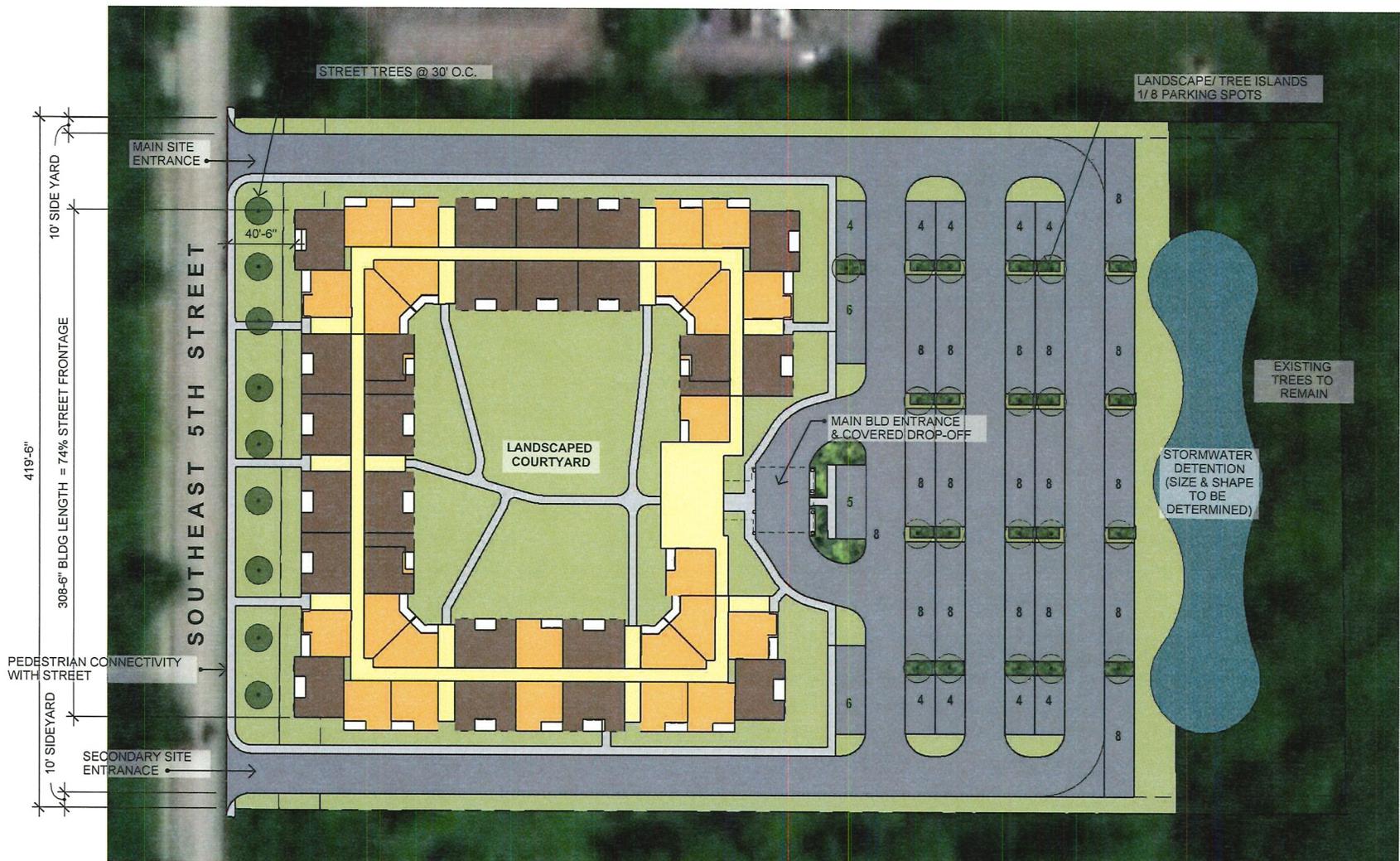






32





SITE AREAS

DESCRIPTION	SF
TOTAL SITE AREA (5.94 acres)	258,746
PAVEMENT	86,238
SIDEWALK	11,499
BLDG FOOTPRINT	58,648
TOTAL	156,385

- SITE PLAN ANALYSIS**
- IMPERVIOUS SURFACE AREA
= 60% OF SITE AREA < 65% ALLOWED
 - MAXIMUM BLDG COVERAGE
= 23% OF SITE AREA < 45% ALLOWED
 - PARKING SPACES
= 189 SURFACE SPACES
(1.31 SPACES / DWELLING UNITS)

DWELLING UNITS SUMMARY

UNIT	LGND	FL1	FL2	FL3	TOTAL
1BR	[Orange Box]	24	24	24	72
2BR	[Brown Box]	24	24	24	72
TOTAL					144

KCG
DESIGN SERVICES
9311 N. Meridian
St.
Suite 100
Indianapolis, IN
46260
(317) 759-7252

PRELIMINARY
DESIGN

PROJECT
Akona Hills
7221 SE 5th Street
Des Moines, IA

ISSUE
2022 03-09
RE-ISSUE

PROJECT NO.
IA 22.000
DEV
CU

DESCRIPTION
Site Plan
SCALE
1" = 100'-0"

Scheme
B
01
SHEET NO.



PERSPECTIVE VIEW - AERIAL

KCG

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 9311 N. Meridian
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 Suite 100
 Indianapolis, IN
 46260
 (317) 759-7252

PRELIMINARY
 DESIGN

PROJECT
Akona Hills
 7221 SE 5th Street
 Des Moines, IA

ISSUE
 2022_03-09
 REVISION

PROJECT NO.
 IA 22.000
 DEV

DESCRIPTION
 Aerial Perspective
 SCALE
 NTS

Scheme
B

02
 SHEET NO.



03 SHEET NO.	B Scheme	DESCRIPTION Development Plan	PROJECT NO. TX 22,000	ISSUE 2022 03-09 RE-ISSUE <input type="checkbox"/>	PROJECT Akona Hills 7221 SE 5th Street Des Moines, IA	PRELIMINARY DESIGN	KCG DESIGN SERVICES 9311 N. Meridian St., Suite 100 Indian Wells, IN 46050 (317) 755-7252
		SCALE 1" = 100'-0"	DEV C	<input type="checkbox"/>			

- A. Owner: Knudsen Properties
- B. Owner: Polk County Government
- C. Owner: MKC Properties Holdings LLC
- D. Owner: YES Companies Exp WFC LLC
- E. Owner: Southridge Apartments Partners LP
- F. Owner: Macerich Southridge Mall LLC
- G. Owner: Macerich Southridge Mall LLC



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PROJECT NO.
TX 22,000
DEV
C

DESCRIPTION
Development Plan
SCALE
1" = 100'-0"

Scheme

B

04
SHEET NO.

32



3/8/2022

Nicholas Tarpey
Planning & Zoning Department
City of Des Moines
400 Robert D Ray Drive
Des Moines, IA 50309

Re: Pre-Application Meeting Request – New Affordable Housing Development on 5.94 acres of vacant land at 7221 SE 5th Street in Des Moines, IA

Dear Nicholas and P&Z Team,

KCG Development, LLC (“KCG”) appreciates the opportunity to meet with City Staff to discuss our planned development of Akona Hills. This community would feature 144 new rental units design and for senior residents, utilizing the State of Iowa’s 4% Housing Tax Credit Program. The 5.94 acres site is zoned NX2 and the proposed community design would be an allowed use in the current zoning. This submission to request an Amendment to the Future Land Use Plan is so the community can have a slightly higher density than the 17 units per acre allowed in “medium density areas” as defined by the FLU Plan. The project does not require or request a change to the zoning of the site.

Thanks to the extremely dedicated and experienced individuals that make up our team, KCG has become one of the most active and successful firms in the affordable housing space nationally. We have consistently been ranked among the top 30 national affordable housing developers thanks to our community-centric, creative approach to the challenges of development and alignment with the specific socioeconomic needs of each community we serve. We take pride in the countless public-private partnerships we have championed – without which our community investments would be fruitless and unsustainable.

We are long term owner-investors in our communities. Rather than developing housing to stabilize and sell for a profit, we build to operate with a minimum hold period of 30 years. This approach aligns our goals as an organization with the long term success and growth of the neighborhoods within which we invest. We take pride in this alignment and will work from day one to prioritize community input and goals in the development of this community.

It is our passion to create equitable, community enhancing housing options for all that has struck our interest in this site and we look forward to working with the people of Des Moines to build better lives through better communities.

Following this cover letter please find an overview of the proposed development and the KCG team that will oversee the build out and operations of the community for years to come.

Thank you,

CJ Linthier
Development Director
KCG Development, LLC

Development Narrative

KCG is proposing the new construction of approximately 144 senior housing rental units on 5.94 acres at 7221 SE 5th Street. NX2 zoning in place allows for multifamily development and the amendment to the FLU Plan being requested in this package would allow for the density being pursued. The higher density is being pursued to serve an established need for more senior rental units in the immediate area. Additionally, the higher unit count will allow for a more vibrant community to be built. More units allows us to spread fixed costs of development over a larger number of units, leaving more room in our budget to build a higher quality product with more appealing finishes and unit interiors designed specifically to the needs of our residents.

A preliminary concept site plan and large scale development plan have been submitted with this package. The design features a “flat building” style as defined by City Code, which complies with the NX2 standards. Due to a narrow road frontage, the building frontage is at 74% just shy of the 80% sought under NX2 – requiring a Type I Design Alternative once this project gets to Site Plan Approval.



Otherwise, all elements of the building as proposed will comply in full with the design requirements of NX2 and for residential development generally in the code.



The residential building will be separated by firewalls periodically but will otherwise be conjoined and wrap around the site perimeter as shown with an interior courtyard space to enhance resident privacy and decrease noise pollution from traffic on SE 5th. The design features 3 story elevator served buildings with expansive unit interiors and common spaces designed specifically for seniors. The clubhouse will be a part of the larger residential building and will

be located on the rear of the site as shown above, so that the entrance and elevator is easily accessible from the parking lot. The clubhouse area will feature space for arts and crafts, health and wellness programming, a library and business center, screened in patios and more. KCG plans to maximize useable greenspace and walkability of the site, leveraging the existing trees to create natural walkways and a sense of privacy and home for residents with community gardens and other outdoor activities programmed into our operations. The property will be connected with local health, social and mental wellness resources to ensure our residents are able to age in place and with independence while maintaining connections with the larger community. KCG is actively discussing our plans with over 30 local nonprofit organizations.

KCG Development

9311 North Meridian Street Suite 100 | Indianapolis, IN | 46260 | (317) 759-7252

www.kcgcompanies.com



Sustainable building features – efficient lighting, plumbing, windows, HVAC and more – will be integrated into the design. User-friendly technology integration – controlled building access, smart thermostats, built-in USB ports, smart-lighting in common areas, etc – will also be incorporated. KCG has begun actively seeking city staff and community input to ensure what is built is maximally responsive to what our future neighbors and residents want to see added to the city's housing inventory.

This community will be developed utilizing the State of Iowa's 4% Housing Tax Credit Program, which allows for the development of modern, sustainably built housing inventory to serve households at a variety of income levels. Extremely high demand for labor nationally, coupled with supply chain issues for key components of residential construction, leaves cities like Des Moines at a disadvantage when it comes to providing new housing inventory. This leaves many renters in the community – recent college graduates and young professionals, older adults, civil-servants, educators and others – often stuck over-paying and burdened by the cost of housing. The Housing Tax Credit Program allows communities to close the gaps in their housing needs – providing market-rate quality housing options at rentals rates dictated by local income data. This means housing options that provide earners at all income levels a place to call home that's also within budget.

The development of the community will be overseen from start to finish and throughout operations for years to come by the KCG team. KCG is a vertically integrated firm with Development, Design, Construction and Property Management all in-house. This approach allows us to ensure the commitments we make on the front end with City Staff and members of the community are not only translated into what we build but into how the property is operated for decades to come. Our team's ability to follow through on front-end commitments is what has allowed us to take a place in the list of the nation's top 30 affordable housing developers the past 3 years running.



KCG Development

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Key Project Information

Property Name: Akona Hills

Ownership Entity: KCG Development, LLC or a related special purpose entity

Tenancy: Senior Housing

Address: 7221 SE 5th Street Des Moines, IA 50315

Polk GIS Map Geo-Parcel Info: 2 Parcels → 12007392003000 & 12007392002000

Current Zoning: NX-2 → no zoning change requested

Requested FLU Plan Amendment: KCG is requesting an amendment to allow for a high density product than the 17 units per acre allowed in medium density zones of the FLU Plan

Unit Mix: 1 and 2 bedroom units, approximately 144 total

Contemplated Building Sustainability Features

- Energy Star Lighting
- Energy Start Appliances
- Energy Start Windows
- WaterSense Low-Flow Plumbing Fixtures

Contemplated Technology Integration

- Smart outlets with USB plugs
- Controlled key-card access
- Smart common-area lighting
- Property Wide Fire Monitoring & Sprinkler System

Anticipated Amount of Tax Credits Requested from Iowa Finance Authority

- \$15,000,000 in 4% Federal Tax Credits

Contemplated Development Timeline

- February to March – initial diligence and site review
- March – submit FLU Plan Amendment application
- April - hold community meetings and public hearings, etc
- May – receive approval or denial of FLU Plan Amendment, draft & submit Site Plan for review
- June – submit tax credit funding application to State
- August – begin plan review and permitting process with City Staff
- December 2022 - construction commencement
- December 2023 – first units online
- June 2024 – construction completion
- September 2024 – 100% leased up

KCG Development

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www.kcgcompanies.com

Who is KCG Companies?

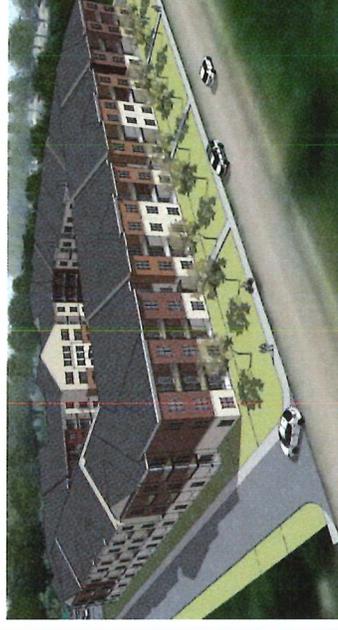


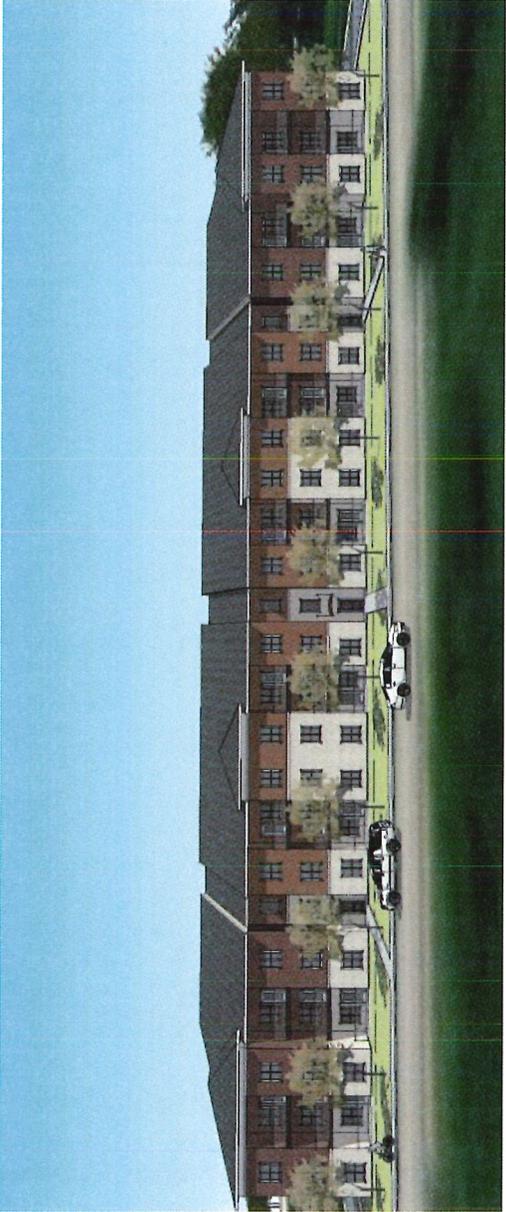
- Founded in 2015 to build better lives through better communities
- Consistently ranked among Top 20 Affordable Housing Developers by Affordable Housing Finance
- 20 communities spread among 7 states
- Development + Design + Construction + Property Management
- Variety of Construction Types for Variety of Tenancies
- Long term community investors



Akona Hills – 7221 SE 5th Street

- 146 Units, Senior Tenancy (55+)
- 3 Story Elevator Served Building with Interior Courtyard
- Financed via 4% LIHTC Program through IFA
- Unit rents set to 60% AMI levels
- Contemplated Amenity Selections
 - Secured entry
 - Swimming pool
 - Fitness Center
 - Dog Park
 - Gazebos, BBQ Grills, Picnic Tables
 - Lighted pathways
 - Library
 - Free Wifi in Clubhouses/Common Areas
 - Partnerships with local Social Services groups for activities, health & social resources, etc
- Request for P&Z
 - Amendment to FLU Plan to re-classify site from Medium to High Density Residential

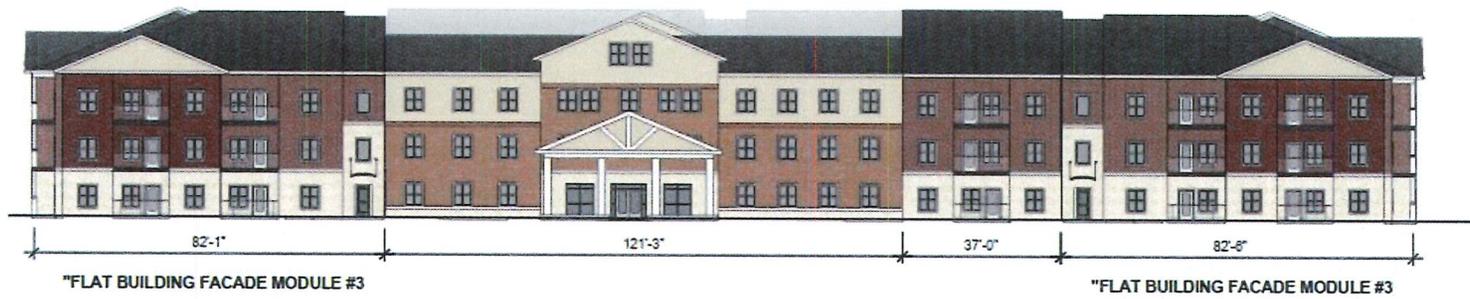








BUILDING ELEVATION - EAST
 (MAJOR FACADE = 100% STONE & BRICK VENEER)



BUILDING ELEVATION - WEST
 (MINOR FACADE = 60% STONE & BRICK VENEER - 40% VINYL SIDING)

Elia, LLC, 7221 SE 5th Street

ZONG-2022-000021



1 inch = 137 feet