



Date May 23, 2022

**RESOLUTION HOLDING PUBLIC HEARING ON THE PROPOSED TENTH AMENDMENT TO THE URBAN RENEWAL PLAN FOR THE INGERSOLL-GRAND COMMERCIAL URBAN RENEWAL AREA**

**WHEREAS**, on July 9, 2012, by Roll Call No. 12-1113, the City Council approved the Ingersoll-Grand Commercial Urban Renewal Plan (the "Urban Renewal Plan") which seeks to enhance private development within the Ingersoll-Grand Commercial Urban Renewal Area through provision of infrastructure improvements and economic development assistance that will be provided in part with tax increment financing revenues to be generated in the urban renewal area; and

**WHEREAS**, the Ingersoll-Grand Commercial Urban Renewal Area is generally located along and between Ingersoll and Grand Avenues, from Martin Luther King Jr. Parkway to 43rd Street; and

**WHEREAS**, the purpose of the proposed Tenth Amendment to the Urban Renewal Plan is to amend the Urban Renewal Area to:

- Update the Financial Condition Report incorporated in Exhibit C to reflect the new projects and material amendments to existing projects.
- Amend and update Appendix D – *Approved Public Improvement Projects* to reflect updates to the Capital Improvement Plan funded with tax increment revenues from the Ingersoll-Grand Commercial Urban Renewal Area.
  - Combined the ‘Ingersoll-Grand Streetscape Design – 31st Street to 42nd Street’ and ‘Ingersoll-Grand Streetscape Construction - MLK Jr. Parkway to 28th Street’ items included in previous amendments into one project description titled ‘Ingersoll-Grand Streetscape – MLK Jr. Parkway to 42<sup>nd</sup> Street.’
- Update Appendix E – *Approved Economic Development and Redevelopment Projects* to amend the provision of financial assistance from tax increment revenues in the Ingersoll-Grand Commercial Urban Renewal Area for the following project:
  - Terrace Hill I, L.L.C. – 2515 and 2525 Grand Avenue. The amendment to the Development Agreement provides for a revision to the economic development grant schedule.
  - Spot 515, LLC – 515 28th Street. Renovation of the existing Iowa Lithographing Company commercial building located at 515 28th Street for commercial (retail, restaurant, and/or office) uses; and

**WHEREAS**, on April 18, 2022, by Roll Call No. 22-0602, the City Council resolved that a public hearing be held on May 23, 2022, at 5:00 p.m., in the City Council Chambers; and



.....  
**Date** May 23, 2022.....

**WHEREAS**, the Urban Design Review Board reviewed the proposed Tenth Amendment at its regular meeting on April 19, 2022, and voted 9-0 in support of recommending approval of the Tenth Amendment; and

**WHEREAS**, notice of this public hearing was published in the Des Moines Register on May 11, 2022, which notice sets forth the information required by Section 403.5(3) of the Iowa Code; and

**WHEREAS**, notice was given by ordinary mail to the Des Moines Independent School District, Polk County, Des Moines Area Community College, and Des Moines Area Regional Transit Authority of a consultation meeting on the proposed Tenth Amendment held on May 4, 2022; and

**WHEREAS**, the City has received no requests from the Des Moines Independent School District, Polk County, Des Moines Area Community College, or Des Moines Area Regional Transit Authority for any modification to the division of tax increment revenues proposed by the Tenth Amendment; and

**WHEREAS**, the public hearing has now been opened and all persons and organizations desiring to be heard regarding the proposed Tenth Amendment have been given the opportunity to be heard.

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

1. The public hearing on the proposed Tenth Amendment to the Urban Renewal Plan for the Ingersoll-Grand Commercial Urban Renewal Area is hereby closed.
2. Upon consideration of the recommendations of the Urban Design Review Board and all other recommendations and statements from all other interested parties and organizations, the City Council finds that the Tenth Amendment conforms to the PlanDSM: Creating Our Tomorrow plan, as amended, for the development of the City as a whole.
3. The Urban Renewal Plan for the Ingersoll-Grand Commercial Urban Renewal Area is hereby amended as set forth in the Tenth Amendment, on file in the office of the City Clerk. The Urban Renewal Plan for the Ingersoll-Grand Commercial Urban Renewal Area, as amended by the Tenth Amendment, is hereafter in full force and effect.
4. The City Clerk is directed to cause the Tenth Amendment and a certified copy of this resolution to be recorded in the land records of the Polk County Recorder.



**Roll Call Number**

Agenda Item Number

34

Date May 23, 2022

( Council Communication No. 22- **245** )

MOVED by \_\_\_\_\_ to adopt.

SECOND by \_\_\_\_\_

FORM APPROVED:

/s/ Lisa A. Wieland  
Lisa A. Wieland  
Assistant City Attorney

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

**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.

\_\_\_\_\_ City Clerk

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Prepared by: Katie Hernandez, Office of Economic Development, 602 Robert D. Ray Drive, Des Moines, IA 50309 Phone: 515/283-4016  
Return Address: City Clerk – City Hall, 400 Robert D. Ray Drive, Des Moines, IA 50309  
Taxpayer: No change  
Title of Document: Tenth Amendment to the Ingersoll-Grand Commercial Urban Renewal Plan  
Grantor/Grantee: City of Des Moines, Iowa

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**Tenth Amendment**  
*to the*  
**Urban Renewal Plan**  
*for the*  
**Ingersoll-Grand Commercial Urban Renewal Area**

Urban Design Review Board Action:	04/19/2022
Taxing Entities Consultation:	05/04/2022
City Council Approval:	05/23/2022

## HISTORY

The Ingersoll-Grand Commercial Urban Renewal Area contains approximately 175 acres and generally consists of the properties fronting on, or located between, Ingersoll and Grand Avenues, from Martin Luther King Jr. Parkway to 43rd Street.

The Ingersoll-Grand Commercial Urban Renewal Plan (the "Plan") was adopted on July 9, 2012, by Roll Call No. 12-1113. The Plan and prior amendments thereto have been recorded in the land records of the Polk County Recorder as follows:

<i>Amendment</i>	<i>Roll Call No.</i>	<i>Adopted Date</i>	<i>Recorded Book</i>	<i>Beginning at Page</i>
Urban Renewal Plan	12-1113	07-09-2012	14,361	930
1 <sup>st</sup> Amendment	15-1999	11-23-2015	15,827	721
2 <sup>nd</sup> Amendment	17-1297	07-24-2017	16,612	100
3 <sup>rd</sup> Amendment	18-1547	09-10-2018	17,088	242
4 <sup>th</sup> Amendment	19-0753	05-06-2019	17,327	299
5 <sup>th</sup> Amendment	19-1763	11-04-2019	17,585	335
6 <sup>th</sup> Amendment	20-0654	04-20-2020	17,810	878
7 <sup>th</sup> Amendment	20-1840	11-20-2020	18,214	021
8 <sup>th</sup> Amendment	21-0577	04-05-2021	18,483	186
9 <sup>th</sup> Amendment	21-1680	11-01-2021	18,850	653

## PURPOSE

The purpose of this Tenth Amendment to the Ingersoll-Grand Commercial Urban Renewal Plan is to:

- Update the Financial Condition Report incorporated in Exhibit C to reflect the new projects and material amendments to existing projects.
- Amend and update Appendix D – *Approved Public Improvement Projects* to reflect updates to the Capital Improvement Plan funded with tax increment revenues from the Ingersoll-Grand Commercial Urban Renewal Area.
  - Combined the ‘Ingersoll-Grand Streetscape Design – 31st Street to 42nd Street’ and ‘Ingersoll-Grand Streetscape Construction - MLK Jr. Parkway to 28th Street’ items included in previous amendments into one project description titled ‘Ingersoll-Grand Streetscape – MLK Jr. Parkway to 42<sup>nd</sup> Street.’
- Update Appendix E – *Approved Economic Development and Redevelopment Projects and Activities* to amend the provision of financial assistance from tax increment revenues in the Ingersoll-Grand Commercial Urban Renewal Area for the following projects:
  - Terrace Hill I, L.L.C. – 2515 and 2525 Grand Avenue. The amendment to the Development Agreement provides for a revision to the economic development grant schedule.

- Spot 515, LLC – 515 28th Street. Renovation of the existing Iowa Lithographing Company commercial building located at 515 28th Street for commercial (retail, restaurant, and/or office) uses.

## AMENDMENT

### **1. Replace Appendix C - Financial Condition Report**

The Ingersoll-Grand Commercial Urban Renewal Plan is hereby amended by replacing Appendix C, *Financial Condition Report (9<sup>th</sup> Amendment)*, with the attached Appendix C, *Financial Condition Report (10<sup>th</sup> Amendment)*.

### **2. Replace Appendix D - Approved Public Improvement Projects**

The Ingersoll-Grand Commercial Urban Renewal Plan is hereby amended by replacing Appendix D, *Approved Public Improvement Projects (8<sup>th</sup> Amendment)*, with the attached Appendix D, *Approved Public Improvement Projects (10<sup>th</sup> Amendment)*.

### **3. Replace Appendix E - Approved Economic Development and Redevelopment Projects and Activities**

The Ingersoll-Grand Commercial Urban Renewal Plan is hereby amended by replacing Appendix E, *Approved Economic Development and Redevelopment Projects and Activities 8<sup>th</sup> Amendment*), with the attached Appendix E, *Approved Economic Development and Redevelopment Project and Activities (10<sup>th</sup> Amendment)*.

## **Appendix C, Financial Condition Report** **(10<sup>th</sup> Amendment)**

The City has, by Ordinance No. 15,119, designated the Ingersoll-Grand Commercial Urban Renewal Area as an urban renewal area in which "Tax Increment Financing" as defined in Chapter 403, Code of Iowa, may be utilized. The expected financial undertakings and tax increment revenue with regard to this urban renewal area are discussed in this Financial Condition Report.

### **Introduction**

Urban renewal is one of the few ways an Iowa municipality can undertake and financially assist community revitalization and economic development. In Des Moines, especially in the older areas with limited redevelopment opportunities, urban renewal is an important way cities can assist the private sector in the creation and retention of jobs and in the development and redevelopment of blighted, vacant and underutilized parcels that would not occur without the City's assistance.

Urban renewal can provide flexibility in phasing development over a long-term period. In Iowa, a city may designate an "urban renewal area" by following the requirements specified in Chapter 403, Code of Iowa, upon finding that the area qualifies for designation as a slum area, a blighted area or an economic development area as those terms are defined in Iowa Code §403.17. The Ingersoll-Grand Commercial Urban Renewal Area was designated by the City as an urban renewal area upon a finding by the City Council that the area qualified as an economic development area appropriate for commercial use.

As part of the designation of an urban renewal area, the city council must adopt an urban renewal plan. The plan text includes a legal description and map of the area; a description of existing land uses and conditions; the actions the city proposes to undertake in the area such as public improvements, public services, the sale or purchase of property; and any conditions the city may want to impose on the development projects. On July 9, 2012, the Des Moines City Council adopted the original Ingersoll-Grand Commercial Urban Renewal Plan.

If the city wants to undertake an action not specified in the urban renewal plan, it must adopt the proposed change by an amendment to the urban renewal plan. Before the urban renewal plan or any amendment can be adopted by the city council, notice of a public hearing on the plan or amendment must be published in the newspaper.

In addition, if the urban renewal area uses tax increment financing, a consultation and comment period with other taxing entities is offered prior to the public hearing. This document has been prepared in response to this consultation requirement.

### **Tax Increment Financing**

Tax increment financing ("TIF") is a financing tool that is only available in designated urban renewal areas. It allows the use of a portion of the future property tax revenues of all taxing jurisdictions (the "Tax Increment Revenue") created by an increase in the total assessed value of all the taxable property within the urban renewal area, to be used to fund obligations incurred by the city in implementing the urban renewal plan.

The Tax Increment Revenue can only be used for the activities or items authorized in the urban renewal plan. If the Tax Increment Revenue is not used to pay eligible expenses incurred in the implementation of the urban renewal plan, the revenue is released back to general revenues of the local taxing jurisdictions. On March 24, 1997, the Des Moines City Council adopted a policy that commencing in FY1997/98, the City will use, and has used, no more than 75% of the total annual Tax Increment Revenues generated by all urban renewal areas. This assures that the local taxing entities receive the benefit of at least 25% any future growth in the valuation of taxable properties in the urban renewal areas utilizing tax increment financing.

### **Current TIF Bonding and Outstanding Indebtedness**

Overall, as of July 1, 2021, the City of Des Moines has about \$487.5 million in general obligation debt. Of this debt, approximately \$141.7 million is being serviced with tax increment revenues from specific urban renewal areas. The State of Iowa Constitutional debt-ceiling limit for general debt obligations by the City of Des Moines is about \$725.3 million. Currently the Ingersoll-Grand Commercial Urban Renewal Area has an outstanding total debt comprised of tax increment notes and bonds in this urban renewal area of about \$5.6 million.

### **Property Tax Assessments and Revenues**

The City of Des Moines first certified debt in the fall of 2015 for payment in FY2016/17 from the Ingersoll-Grand Commercial Urban Renewal Area. That action established January 1, 2014, as the base valuation date for purposes of the TIF District. The assessed base valuation is approximately \$191.7 million for the entire urban renewal area. Any future increase in the total assessed value may be "captured" for use in the TIF District by the City. The total assessed value of all taxable property within the urban renewal area on January 1, 2020, was approximately \$251.4 million, producing an incremental assessed value above the base of approximately \$59.8 million. This increment could generate a maximum Tax Increment Revenue of approximately \$2.2 million in FY2022/23.

### **Future Financial Condition**

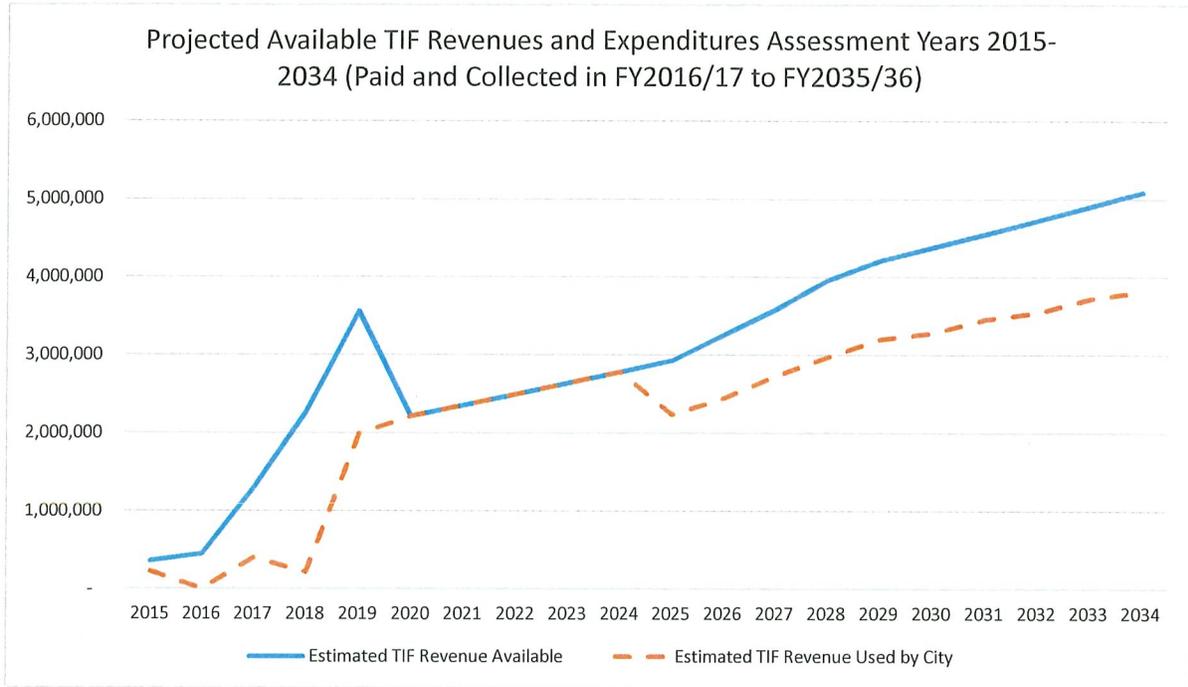
Shown below is a table that projects estimated increment valuations in the Ingersoll-Grand Commercial Urban Renewal Area. In this Financial Condition Report, the estimated Tax Increment Financing revenues are based on a property tax levy rate of \$37 / \$1,000. This levy rate reflects the tax levy rate after subtracting payment of the 'protected debt levies' (various levies not subject to allocation to Tax Increment Revenue.)

The revenue projections shown are based on increases in property tax revenues conservatively estimated with an annual growth rate of 1.5%. The "TIF Valuation Used" in the financial projection below will be updated to reflect any projects as they are approved and added to the plan.

Assessment Year	Base Valuation	Total Assessed Valuation	New Increment Valuation	TIF Valuation Used	Estimated TIF Revenue Available	Estimated TIF Revenue Used by City	Percent Valuation Used
2015	207,130,850	216,113,650	8,982,800	5,539,118	357,385	220,377	62%
2016	207,130,850	218,269,250	11,138,400	-	446,446	-	0%
2017	207,130,850	238,693,240	31,562,390	9,714,651	1,290,919	397,334	31%
2018	207,130,850	262,570,840	55,439,990	5,267,663	2,270,420	215,725	10%
2019	207,130,850	294,223,440	87,092,590	48,601,140	3,560,342	1,986,813	56%
2020	191,681,050	251,444,720	59,763,670	59,763,670	2,211,256	2,211,256	100%
2021	191,681,050	255,216,391	63,535,341	63,535,341	2,350,808	2,350,808	100%
2022	191,681,050	259,044,637	67,363,587	67,363,587	2,492,453	2,492,453	100%
2023	191,681,050	262,930,306	71,249,256	71,249,256	2,636,222	2,636,222	100%
2024	191,681,050	266,874,261	75,193,211	75,193,211	2,782,149	2,782,149	100%
2025	191,681,050	270,877,375	79,196,325	60,388,114	2,930,264	2,234,360	76%
2026	191,681,050	279,700,535	88,019,485	65,999,603	3,256,721	2,441,985	75%
2027	191,681,050	288,582,691	96,901,641	73,709,796	3,585,361	2,727,262	76%
2028	191,681,050	298,691,432	107,010,382	80,219,502	3,959,384	2,968,122	75%
2029	191,681,050	305,482,451	113,801,401	86,432,094	4,210,652	3,197,987	76%
2030	191,681,050	310,064,688	118,383,638	88,734,023	4,380,195	3,283,159	75%
2031	191,681,050	314,715,658	123,034,608	93,383,919	4,552,280	3,455,205	76%
2032	191,681,050	319,436,393	127,755,343	95,755,366	4,726,948	3,542,949	75%
2033	191,681,050	324,227,939	132,546,889	100,545,689	4,904,235	3,720,190	76%
2034	191,681,050	329,091,358	137,410,308	102,988,754	5,084,181	3,810,584	75%
2035	191,681,050	334,027,728	142,346,678	107,899,314	5,266,827	3,992,275	76%
2036	191,681,050	339,038,144	147,357,094	110,390,507	5,452,212	4,084,449	75%

The graphic below shows the projected property tax revenues and expenditure estimates detailed in the table above. Note: The Tax Increment Revenue generated by the assessed value existing on any January 1st is paid and collected in the fiscal year commencing 18 months later.

This information will change as future projects, subject to the urban renewal amendment process with the individual review of each amendment and projects by the City Council and other authorities as directed by the Code of Iowa, are approved.



## **Appendix D, Approved Public Improvement Projects (10<sup>th</sup> Amendment)**

The following alphabetical listing provides a summary of projects approved by the Des Moines City Council for receipt of tax increment funding.

	FY2013/14 - FY2020/21 Actual	FY2021/22 Budget	FY2022/23 Budget	FY2023/24 Budget	FY2024/25 Budget	FY2025/26 Budget	Budget Estimate	Estimate FY2013/14 - FY2025/26
2300 Ingersoll Block Pedestrian Crossing Project	30,644	-	-	-	-	-	-	30,644
Ingersoll-Grand Beautification Program	77,601	200,000	200,000	200,000	200,000	200,000	1,000,000	1,077,601
Ingersoll-Grand SSMID	7,214	56,392	46,457	47,386	48,333	49,300	247,868	255,081
Ingersoll-Grand Streetscape - MLK Jr. Parkway to 42nd Street	5,224,263	3,420,737	2,225,000	2,725,000	3,000,000	5,600,000	16,970,737	22,195,000

### **2300 Ingersoll Block Pedestrian Crossing Project**

The 2300 Ingersoll Block Pedestrian Crossing Project includes the installation of a pedestrian crossing at the intersection of 23rd Street and Ingersoll Avenue between future bus shelter locations. The installation includes rapid flash beacon assemblies, conduit, wiring, curb ramps, bump-out and pavement markings within the Ingersoll Avenue right-of-way. This project will be 50% funded by tax increment revenues and 50% privately funded by Roers Investments and is anticipated to cost \$90,000 or less.

### **Ingersoll-Grand Beautification Program**

A description of the Ingersoll-Grand Beautification Program is contained in Appendix E, Approved Economic Development and Redevelopment Projects and Activities. The Ingersoll-Grand Beautification Program provides limited financial assistance for the private construction of streetscape improvements within the rights-of-way of Ingersoll Avenue, and for improvements to private property.

### **Ingersoll-Grand SSMID**

A description of the Ingersoll-Grand SSMID Program is contained in Appendix E, Approved Economic Development and Redevelopment Projects and Activities.

### **Ingersoll-Grand Streetscape - MLK Jr. Parkway to 42<sup>nd</sup> Street**

A description of the Ingersoll-Grand Streetscape Design – MLK Jr. Parkway to 4<sup>th</sup> Street project is contained in Appendix E, Approved Economic Development and Redevelopment Projects and Activities.

## **Appendix E, Approved Economic Development and Redevelopment Projects and Activities (10<sup>th</sup> Amendment)**

The following alphabetical listing provides a summary of Economic Development and Redevelopment Projects approved by the Des Moines City Council for receipt of tax increment funding.

(Shading indicates new projects added by the 8th Amendment or existing projects to which material amendments have been made to the financial incentives provided by the 8th Amendment)

### **Ingersoll-Grand Beautification Program**

The Ingersoll-Grand Beautification Program provides financial assistance in the form of economic development grants in amounts not to exceed \$15,000 per project for qualifying projects. The Ingersoll-Grand Beautification Program is to be funded by an allocation of up to \$200,000 per year from the tax increment revenues. To qualify for assistance under the Ingersoll-Grand Beautification Program, the project must satisfy the following criteria:

1. The project must be located within the Ingersoll-Grand Commercial Urban Renewal Area.
2. The project must advance the purposes of the Ingersoll-Grand Commercial Urban Renewal Project by contributing to the beautification, improvement and redevelopment of the Ingersoll-Grand Commercial Area in accordance with the Urban Renewal Plan;
3. The total cost of any public improvements included in the project must be less than the competitive bid threshold under the Iowa Construction Bidding Procedures Act (currently \$72,000).
4. The project must fit within one of the following categories:
  - a) Construction of streetscape improvements within the Ingersoll Avenue right-of-way meeting the approved Ingersoll Avenue Streetscape standards.
  - b). Construction of streetscape improvements within the public rights-of-way or landscaping improvements on private property appropriate for the display of art for public viewing at locations.
  - c) Construction of improvements to commercial property which assists in attracting or retaining a business in the Area and the creation or retention of employment opportunities which might otherwise be lost.

### **Ingersoll-Grand SSMID**

Ingersoll Grand Self-Supported Municipal Improvement District, an Iowa not-for-profit corporation herein referred to as the "SSMID Board", was established to serve as the advisory board for the Ingersoll Grand Self-Supported Municipal Improvement District created pursuant to Iowa Code Chapter 386 and herein referred to as the "SSMID District". On December 21, 2015, by Roll Call No. 15-2133, the Des Moines City Council approved an Operating Agreement with the SSMID Board whereby the SSMID Board agreed to serve as the advisory board for the operation of the SSMID District, and to provide those Improvements and Services defined in the

petition for the creation of the SSMID District and funded by the budget for the SSMID District approved by the Des Moines City Council.

In accordance with the Operating Agreement, the City shall allocate a portion of the tax increment financing revenues attributable to the annual Combined Capital Improvement and Operation Tax levy on properties in the Ingersoll-Grand SSMID District for the services, improvements, and activities of the SSMID District which further the objectives of the Ingersoll-Grand Urban Renewal Plan.

#### **Ingersoll-Grand Streetscape - MLK Jr. Parkway to 42<sup>nd</sup> Street**

This project provides for constructing a streetscape and reconstructing the roadway along Ingersoll Avenue from MLK to 28th Street. Roadway reconstruction along with elevated cycle-track modifications will be made from 28th Street to 31st Street. This project will be constructed in four phases:

- Phase 1: North Half of Ingersoll Avenue from MLK Jr. Parkway to 24th Street (completed in 2021)
- Phase 2: North Half of Ingersoll Avenue from 24th Street to 28th Street (will be completed in spring 2022)
- Phase 3: South Half of Ingersoll Avenue from MLK Jr. Parkway to 28th Street (planned for 2023-2024)
- Phase 4 (reconstruction only): Ingersoll Avenue from 28th Street to 31st Street (planned for 2024-2025)

The streetscape and roadway reconstruction is planned to continue between 31st Street and 42nd Street. This project will complete the remaining streetscape elements along the corridor. This project will also reconstruct the roadway pavement. The project will be funded by Tax Increment Funding whereas the district was developed to invest in the Ingersoll Corridor

#### **Reagan House, LLC – 2801 Grand Avenue**

Historic renovation of the three (3) existing multi-family apartment buildings at 2801 Grand Avenue and the inclusion of fifty percent, or at least twenty-four (24), low-to-moderate income affordable housing units in accordance with an Urban Renewal Development Agreement between the City and Reagan House, LLC, approved by the City Council on August 5, 2020 by Roll Call No. 20-1248. The Development Agreement provides economic development assistance in the form of a forgivable loan, in total amount not to exceed \$1,395,000, to be advanced in biannual installments in project years 1-13 from the tax increment generated by the Ingersoll-Grand Commercial Urban Renewal Area and to be used for the affordable low-to-moderate income housing units included in the improvements.

#### **Terrace Hill I, L.L.C. – 2515 and 2525 Grand Avenue**

Renovation of the existing 3,400-square-foot building at 2515 Grand Avenue for commercial and retail uses and a historic renovation of the existing 37,000-square-foot building at 2525 Grand Avenue back to its original use as an 81-room hotel. The Urban Development Agreement between the City and Terrace Hill I, L.L.C. was approved by the City Council on December 16, 2019 by Roll Call No. 19-2016 and was amended by a First Amendment approved by the City Council on March 6, 2022 by Roll Call No. 22-0336. The amended Development Agreement provides for an economic development grant in a total amount not to exceed \$2,500,000 on a net-present-value to

be paid as follows: (1) semi-annual installments in years 1-12 in amounts equal to 100 percent of, and to be paid from, the tax increment revenue generated by the Improvements, subject to the terms set forth in the Development Agreement; and, (2) semi-annual installments in years 7-12 up to and not to exceed \$150,000, to be paid from non-project generated tax increment revenue.

**Tree House Partners, LLC – 2315 Grand Avenue**

Historic renovation of the three existing multi-residential apartment buildings located at 2315 Grand Avenue, which is expected to contain approximately 93 efficiency, one-bedroom, and two-bedroom apartment units, as well as the construction of 73 surface parking stalls, an outdoor dog run and an amenity space, in accordance with an Urban Renewal Development Agreement between the City and Tree House Partners, LLC, approved by the City Council on February 22, 2021 by Roll Call No. 21-0278. The Development Agreement provides for an economic development forgivable loan in a total amount of \$2,400,000.00 (cash basis; \$1,887,015.00 on a net present value basis at a four percent (4%) discount rate), to be paid in semi-annual installments of \$100,000.00 per installment in project years 1-12 (December 2024 through June 2036) from the tax increment generated by the Project Area for the duration of any tax abatement received by the Developer for the Improvements and thereafter generated by the Improvements, and to be used for the affordable (low-moderate income) housing units included in the Improvements.

**Spot 515, LLC – 515 28<sup>th</sup> Street**

Renovation of the existing Iowa Lithographing Company commercial building located at 515 28<sup>th</sup> Street for commercial (retail, restaurant, and/or office) uses, in accordance with an Urban Renewal Development Agreement between the City and Spot 515, LLC, approved by the City Council on December 21, 2020 by Roll Call No. 20-2116. The Development Agreement provides for an economic development grant from the tax increment generated by the Improvements in twenty-six semi-annual installments, in the amount of ninety-five percent (95%) of project-generated TIF in project years 1-5, eighty-five percent (85%) of project-generated TIP in project years 6-9, and seventy-five percent (75%) of project-generated TIF in project years 10-13, in an estimated total amount of \$887,105.00 (cash basis; \$634,283.00 on a net present value basis at a four-and-a-half percent (4.5%) discount rate).