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Date May 20, 2024

RESOLUTION OF SUPPORT FOR A WORKFORCE HOUSING TAX CREDIT BENEFIT APPLICATION TO BE SUBMITTED TO THE IOWA ECONOMIC DEVELOPMENT AUTHORITY BY HOA DEVELOPMENT, LLC FOR THE ASTON PROJECT AT 603 E 6th STREET.

WHEREAS, HOA DEVELOPMENT, LLC (the "Developer"), represented by Jenny Drake (vice president), has requested City support for its application to the Iowa Economic Development Authority ("IEDA") for State tax incentives under the Workforce Housing Tax Credit Program for the Aston Project (the "Project"); and

WHEREAS, successful completion of the Project requires funding from a number of sources, including an award of Iowa Workforce Housing Tax Credits in the amount of \$1,000,000; and

WHEREAS, the application requirements for the Workforce Housing Tax Credit program include a requirement for the submission of a resolution in support of the Project by the community where the Project will be located, which requirement is intended to be satisfied by this roll call and resolution; and

WHEREAS, a further application requirement for the Workforce Housing Tax Credit program is documentation of local matching funds pledged for the project in an amount not less than \$1,000 per housing unit; and

WHEREAS, on March 27, 2023, by Roll Call No. 23-0404, the City Council approved preliminary terms of an Urban Renewal Development Agreement (the "Agreement") with the Developer whereby the Developer agreed to undertake the Improvements specifically stated in the Agreement for an estimated cost of \$47,520,000; and

WHEREAS, the Agreement requires improvements that include, but may not be limited to: construction of multi-residential apartment building located at 603 E. 6th Street, within the Metro Center Urban Renewal Area, which is expected to contain a mix of approximately 186 efficiency, one-bedroom, and two-bedroom apartment units; and,

WHEREAS, the Agreement requires compliance by the Developer of all of its terms in exchange for which the City will provide \$9,699,212 in incentives through a combination of tax abatement and tax increment financing; and

WHEREAS, the City finds that the subject property is zoned appropriately for construction of the proposed improvements and use and a re-zoning effort will not be required for such proposal; and

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

1. The City Council of the City of Des Moines does hereby express its strong support for the application by Developer, to the IEDA in June 2023, seeking an award of Workforce Housing Tax Credit benefits in the amount of \$1,000,000.
2. The Mayor and the City Manager are hereby authorized and directed to sign any forms required by the Administrative Rules of the IEDA to evidence the City's support for the application by Developer, as described above, upon approval of the same by the City Legal Department.
3. The Office of Economic Development is directed to transmit a copy of this resolution and roll call to the Developer for submittal to the IEDA, and to conduct project compliance monitoring.
4. In the event that any of the project characteristics mentioned above should change prior to final award of tax credit benefits to Developer, then:
 - a) The City Manager or the City Manager's designee is authorized and directed to execute the applicable consent to any unsubstantial change upon receipt of a recommendation in support of such consent from the Development Services Director.
 - b) Any substantial change shall be subject to approval by the City Council after report and recommendation by the City Manager.



Roll Call Number

Agenda Item Number

28A

Date May 20, 2024

(Council Communication No. 24-222)

MOVED by _____ to adopt. SECOND by _____

FORM APPROVED:

/s/ Lisa A. Wieland

Lisa A. Wieland
Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN				
SIMONSON				
VOSS				
COLEMAN				
WESTERGAARD				
MANDELBAUM				
GATTO				
TOTAL				

CERTIFICATE

I, LAURA BAUMGARTNER, 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.

MOTION CARRIED APPROVED

Mayor

City Clerk