



Roll Call Number

Agenda Item Number

46

Date March 10, 2025

An Ordinance entitled, "AN ORDINANCE ESTABLISHING THE CAPITAL CITY REINVESTMENT DISTRICT PURSUANT TO IOWA CODE CHAPTER 15J",

(Council Communication No. 25-105)

presented.

MOVED BY _____ that this ordinance be considered and given first vote for passage. SECOND BY _____.

APPROVED AS TO FORM:

(First of three required readings)

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

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

MOTION CARRIED APPROVED

Mayor

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.

City Clerk

ORDINANCE NO. _____

AN ORDINANCE ESTABLISHING THE CAPITAL CITY REINVESTMENT DISTRICT PURSUANT TO IOWA CODE CHAPTER 15J.

WHEREAS, the City of Des Moines has submitted to the Iowa Economic Development Authority ("IEDA") an application to establish a reinvestment district pursuant to Iowa Code Chapter 15J, the Iowa Reinvestment Act (the "Act" or "IRA"), and IEDA has approved said application; and

WHEREAS, the City and IEDA have entered into a Reinvestment District Contract showing an award date of October 18, 2024 (the "Contract"); and

WHEREAS, pursuant to the Act and the Contract, the City is required to establish a reinvestment district to carry out the purposes of the Act and the Contract.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, IOWA THAT: Section 1: There is hereby designated as a reinvestment district to be known as the Capital City Reinvestment District ("District") the following described real estate located in the City of Des Moines, Polk County, Iowa:

BEGINNING AT THE INTERSECTION OF THE EAST RIGHT OF WAY LINE OF 17TH STREET AND THE SOUTH RIGHT OF WAY LINE OF HIGH STREET; THENCE EAST ALONG SAID SOUTH RIGHT OF WAY LINE TO THE EAST RIGHT OF WAY LINE OF 15TH STREET; THENCE SOUTH ALONG SAID EAST RIGHT OF WAY LINE OF 15TH STREET TO THE EAST RIGHT OF WAY LINE OF 16TH STREET; THENCE CONTINUING SOUTHERLY ALONG SAID EAST RIGHT OF WAY LINE OF 16TH STREET TO THE NORTH LINE OF LOT A (FORMER MARKET STREET RIGHT OF WAY), CENTRAL DES MOINES INDUSTRIAL PARK, AN OFFICIAL PLAT; THENCE SOUTHEAST ALONG SAID NORTH LINE OF SAID LOT A TO THE EAST LINE OF SECTION 8, TOWNSHIP 78 NORTH, RANGE 24 WEST OF THE 5TH P.M.; THENCE SOUTH ALONG SAID EAST LINE OF SAID SECTION 8 TO THE SOUTH LINE OF SAID LOT A; THENCE SOUTHEAST ALONG SAID SOUTH LINE OF SAID LOT A TO THE NORTHWEST CORNER OF LOT 5 IN SAID CENTRAL DES MOINES INDUSTRIAL PARK; THENCE CONTINUING ALONG THE NORTH LINE OF SAID LOT 5 TO A POINT ON SAID NORTH LINE BEING 116.67 FEET WEST FROM THE NORTHEAST CORNER OF SAID LOT 5; THENCE SOUTHEASTERLY

ALONG A CURVE A DISTANCE OF 206.17 TO A POINT ON THE SOUTH LINE OF SAID LOT 5, SAID CURVE HAVING A CHORD BEARING OF S24°06'44"E AND A CHORD OF 204.27 FEET; THENCE EAST ALONG SAID SOUTH LINE OF SAID LOT 5 TO THE EAST LINE OF LOT 4 IN SAID CENTRAL DES MOINES INDUSTRIAL PARK; THENCE SOUTH ALONG SAID EAST LINE OF SAID LOT 4 TO THE NORTH RIGHT OF WAY LINE OF TUTTLE STREET; THENCE EAST ALONG SAID NORTH RIGHT OF WAY LINE OF TUTTLE STREET TO THE WESTERLY LINE OF PARCEL 2019-245, SAID PARCEL BEING RECORDED IN BOOK 17675 PAGE 253 AT THE POLK COUNTY'S RECORDER OFFICE; THENCE NORTHERLY ALONG SAID WESTERLY LINE TO THE NORTHERLY LINE OF SAID PARCEL 2019-245; THENCE EASTERLY ALONG SAID NORTHERLY LINE OF SAID PARCEL 2019-245 TO THE WEST RIGHT OF WAY LINE OF SOUTHWEST 9TH STREET; THENCE SOUTHERLY ALONG SAID WEST RIGHT OF WAY LINE OF SOUTHWEST 9TH STREET TO THE SOUTH RIGHT OF WAY LINE OF TUTTLE STREET; THENCE WESTERLY ALONG SAID SOUTH RIGHT OF WAY LINE OF TUTTLE STREET TO SOUTHWEST CORNER OF LOT A IN GRAY'S STATION PLAT 2, AN OFFICIAL PLAT; THENCE NORTH ALONG THE WEST LINE OF SAID LOT A TO THE NORTH RIGHT OF WAY LINE OF TUTTLE STREET; THENCE WESTERLY ALONG SAID NORTH RIGHT OF WAY LINE OF TUTTLE STREET TO THE SOUTHWEST CORNER OF LOT 3 IN SAID CENTRAL DES MOINES INDUSTRIAL PARK; THENCE CONTINUING WEST ALONG A STRAIGHT LINE TO THE SOUTHEAST CORNER OF LOT 2 IN SAID CENTRAL DES MOINES INDUSTRIAL PARK; THENCE CONTINUING WEST ALONG THE SOUTH LINE OF SAID LOT 2 TO THE WEST LINE OF SAID LOT 2; THENCE NORTH ALONG SAID WEST LINE OF SAID LOT 2 TO THE SOUTH RIGHT OF WAY LINE OF WEST MARTIN LUTHER KING JR PARKWAY; THENCE WESTERLY ALONG SAID SOUTH RIGHT OF WAY LINE OF MARTIN LUTHER KING JR PARKWAY TO THE WEST LINE OF LOT 1 IN SAID CENTRAL DES MOINES INDUSTRIAL PARK; THENCE SOUTH ALONG SAID WEST LINE OF SAID LOT 1 TO THE SOUTHWEST CORNER OF SAID LOT 1, SAID SOUTHWEST CORNER ALSO BEING ON THE EAST LINE OF DICO PLAT NO.1, AN OFFICIAL PLAT; THENCE CONTINUING SOUTH ALONG SAID EAST LINE OF SAID DICO PLAT NO.1, A DISTANCE OF 363 FEET; THENCE WEST AND PERPENDICULAR TO SAID EAST LINE OF SAID DICO PLAT NO.1, A DISTANCE OF 530 FEET; THENCE NORTH AND PARALLEL TO SAID EAST LINE OF SAID DICO PLAT NO.1, A DISTANCE OF 371 FEET; THENCE WEST AND PERPENDICULAR TO SAID EAST LINE OF SAID DICO PLAT NO.1 TO THE WESTERLY LINE OF LOT A IN SAID DICO PLAT NO.1; THENCE NORTHERLY ALONG SAID WESTERLY LINE OF SAID LOT A TO THE MOST NORTHERLY LINE OF A PARCEL DEEDED TO THE CITY OF DES MOINES AND RECORDED IN BOOK 5048 PAGE 641 AT THE POLK COUNTY RECORDER'S OFFICE; THENCE NORTHWESTERLY ALONG SAID MOST NORTHERLY LINE TO THE EASTERLY BANK OF THE RACCOON RIVER; THENCE NORTHERLY ALONG SAID EASTERLY BANK OF THE RACCOON RIVER TO SAID SOUTH RIGHT OF WAY LINE OF MARTIN LUTHER KING JR PARKWAY; THENCE EASTERLY ALONG SAID SOUTH RIGHT OF WAY LINE OF MARTIN LUTHER KING JR PARKWAY TO A POINT THAT IS 77 FEET EAST OF THE WEST LINE OF LOT 3, BLOCK 4, CITY PLACE, AN OFFICIAL PLAT; THENCE NORTHERLY ALONG A STRAIGHT LINE TO A CORNER OF A PARCEL IN CONDEMNATION, SAID CONDEMNATION BEING RECORDED IN BOOK 8945 PAGE 23 AT THE POLK COUNTY RECORDER'S OFFICE AND SAID PARCEL BEING SHOWN ON

RECORDED PAGES 65 AND 66 OF SAID CONDEMNATION AS EXHIBIT 8; THENCE NORTHERLY ALONG A WEST LINE OF SAID PARCEL, 9.74 FEET TO THE MOST NORTHWESTERLY CORNER OF SAID PARCEL; THENCE NORTHEASTERLY ALONG A STRAIGHT LINE TO THE SOUTHWEST CORNER OF A PARCEL IN THE NORTHEASTERLY 18 FEET OF THE ORIGINAL CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD AND SHOWN IN AFFIDAVIT THAT IS RECORDED IN BOOK 16179 PAGE 114 AT THE POLK COUNTY RECORDER'S OFFICE, SAID PARCEL BEING SHOWN ON 6TH AND 7TH PAGE (EXHIBIT R-6A) OF SAID RECORDED AFFIDAVIT; THENCE NORTHWESTERLY ALONG THE WESTERLY LINE OF SAID PARCEL ON EXHIBIT R-6A TO THE NORTHWESTERLY CORNER OF SAID PARCEL ON EXHIBIT R-6A, SAID WESTERLY LINE OF SAID PARCEL ALSO BEING THE WEST RIGHT OF WAY LINE OF 16TH STREET; THENCE CONTINUING NORTHEASTERLY ALONG SAID WESTERLY RIGHT OF WAY LINE OF 16TH STREET TO THE EAST LINE OF LOT 8, BLOCK 49, LYON'S ADDITION TO FORT DES MOINES, AN OFFICIAL PLAT; THENCE EASTERLY ALONG A STRAIGHT LINE AND ACROSS 16TH STREET RIGHT OF WAY TO THE SOUTH AND WEST RIGHT OF WAY LINE OF 15TH STREET; THENCE NORTHERLY ALONG SAID WEST RIGHT OF WAY LINE OF 15TH STREET TO THE NORTH RIGHT OF WAY LINE OF GRAND AVENUE; THENCE WESTERLY ALONG SAID NORTH RIGHT OF WAY LINE OF GRAND AVENUE TO THE EASTERLY RIGHT OF WAY LINE OF 16TH STREET; THENCE NORTHERLY ALONG SAID EAST RIGHT OF WAY LINE TO THE SOUTHWEST CORNER OF LOT 3, LINDEN, AN OFFICIAL PLAT; THENCE CONTINUING NORTHERLY ALONG THE WEST LINE OF SAID LOT 3 TO THE NORTHERN CURB LINE OF INGERSOLL AVENUE; THENCE WESTERLY ALONG SAID NORTHERN CURB LINE OF INGERSOLL AVENUE TO THE EAST RIGHT OF WAY LINE OF 17TH STREET; THENCE NORTH ALONG SAID EAST RIGHT OF WAY LINE OF 17TH STREET TO THE POINT OF BEGINNING.

Section 2: In accordance with the Contract, the commencement date for the District shall be January 1, 2028.

Section 3: The City's reinvestment project fund is hereby established pursuant to Iowa Code Section 15J.7.

Section 4: State sales tax revenues and state hotel and motel tax revenues remitted by the Iowa Department of Revenue to the City pursuant to Iowa Code Section 15J.6 ("IRA Revenues") shall be deposited into the reinvestment project fund and shall be used to fund projects within the District from which the revenues were collected.

Section 5: Approved projects to be undertaken in the District are projected to be financed

in the following manner:

Stadium Project – 6300-seat stadium built for soccer, as well as a hosting venue year-round

Funding Sources:

Kyle & Sharon Krause	\$23,000,000
Corporate/Private Giving/Grants	\$14,400,000
IRA Bridge Loan	\$13,000,000
Polk County	\$10,500,000
IEDA – Destination Iowa Grant	\$ 5,000,000
Additional Fundraising	As needed
	\$65,900,000

Global Plaza – Four-acre public plaza featuring public seating, landscaping, lighting, and a futsal court. Potential location for festivals that are currently held on downtown streets.

Funding Sources:

Polk County	\$6,500,000
City of Des Moines	<u>\$1,500,000</u>
	\$8,000,000

Stadium Hotel – 150-key select-service hotel that will feature an activated rooftop with skyline, river, and stadium views

Funding Sources:

Third Party Debt	\$23,496,000
Equity	\$ 6,987,098
TIF/Forgivable Loan	\$ 4,449,514
	\$34,932,613

Convenience Store – one-of-a-kind convenience store located at the gateway of the stadium

Funding Sources:

Third Party Debt	\$4,637,681
Equity	\$3,570,717
TIF/Forgivable Loan	\$ 332,923
	\$8,541,321

Entertainment Venue – smaller scale special event venue

Funding Sources:

Third Party Loan	\$16,971,429
TIF	\$ 4,534,070
Equity	<u>\$ 5,376,375</u>
	\$26,881,874

Western Gateway Hotel – 125-key hotel to serve the hospital, nearby employers, and the Western Gateway, in general

Funding Sources:

Third Party Debt	\$19,996,115
Equity	\$ 5,640,281
TIF	<u>\$ 2,565,006</u>
	\$28,201,402

Gray's Landing Grocery – an essential service provider for a walkable, high density development

Funding Sources:

First Mortgage	\$4,603,311
Owner Equity	\$2,298,133
TIF	<u>\$ 759,000</u>

\$7,660,444

Sherman Hotel – 98-key hotel on an existing brownfield site

Funding Sources:

First Mortgage	\$ 9,284,000
Equity	\$ 6,866,215
TIF	<u>\$ 1,650,000</u>
	\$17,800,215

Tier II Retail – 840,000 sq ft mixed-use node for 14 projects

Funding Sources:

Building A Third Party Debt	\$2,660,230
Building A Developer Equity	\$ 840,073
Building A TIF	\$ 700,061
Building B Third Party Debt	\$1,084,456
Building B Developer Equity	\$ 342,460
Building B TIF	\$ 285,383
Building C Third Party Debt	\$1,098,247
Building C Developer Equity	\$ 346,815
Building C TIF	\$ 289,012
Building D Third Party Debt	\$2,179,056
Building D Developer Equity	\$ 688,123
Building D TIF	\$ 573,436
Building E Third Party Debt	\$2,234,060
Building E Developer Equity	\$ 705,493
Building E TIF	\$ 587,892
Building F Third Party Debt	\$2,071,590
Building F Developer Equity	\$ 654,187
Building F TIF	\$ 545,156
Building G Third Party Debt	\$3,308,644
Building G Developer Equity	\$1,044,835
Building G TIF	\$ 870,696
Building H Third Party Debt	\$2,912,807
Building H Developer Equity	\$ 919,833
Building H TIF	\$ 766,528
Building I Third Party Debt	\$5,413,967
Building I Developer Equity	\$1,709,674
Building I TIF	\$1,424,729
Building J Third Party Debt	\$3,282,370
Building J Developer Equity	\$1,036,538
Building J TIF	\$ 863,782
Building K Third Party Debt	\$6,090,703
Building K Developer Equity	\$1,923,380
Building K TIF	\$1,602,817
Building L Third Party Debt	\$6,726,546
Building L Developer Equity	\$2,124,172
Building L TIF	\$1,770,144
Building M Third Party Debt	\$2,538,817
Building M Developer Equity	\$ 801,732
Building M TIF	\$ 668,110
Building N Third Party Debt	\$5,487,735
Building N Developer Equity	\$1,734,069
Building N TIF	<u>\$1,444,141</u>
	\$74,351,399

