



Date August 3, 2026

**RESOLUTION APPROVING PRELIMINARY TERMS OF AN URBAN RENEWAL
DEVELOPMENT AGREEMENT WITH DMCRE2 LLC FOR THE RENOVATION OF
206 8TH STREET INTO A 157 ROOM MARRIOTT LE MERIDIEN HOTEL**

WHEREAS, DMCRE2, LLC (“Developer”) represented by Jonathan Koester (Managing Partner), proposes to undertake the renovation of a vacant office building located at 206 8th Street into a boutique 157-room Marriott Le Meridien hotel (the “Improvements”) to be located in the Metro Center Urban Renewal Area; and

WHEREAS, the total project cost of the Improvements is estimated to cost \$48,000,000.00, subject to receipt of the financial assistance identified below; and

WHEREAS, the Developer seeks reimbursement from the taxable building valuations (exclusive of land) in accordance with the following schedule:

- Year 1: zero percent (0%) of the Project Generated TIF;
- Years 2-9: eighty-five percent (85%) of the Project Generated TIF;
- Years 10-11: eighty percent (80%) of the Project Generated TIF;
- Year 12-17: seventy-five percent (75%) of the Project Generated TIF;
- Years 18-21: sixty percent (60%) of the Project Generated TIF;

not to exceed \$3,900,000.00 on a net present value basis at a 4.5% discount rate; and

WHEREAS, the Developer has provided the Office of Economic Development with a financial analysis of the project, indicated a financial gap between the project appraisal and anticipated mortgage origination amount, and seeks this financial assistance package to be provided from project-generated tax increment as more specifically described in the accompanying Council Communication.

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

1. The City Council hereby approves the preliminary terms of an agreement as set forth in the accompanying Council Communication; and
2. Directs the City Manager or his designee to negotiate final terms of an agreement for future consideration by the City Council.

(Council Communication No. 26-271)

Moved by _____ to adopt. Second by _____.



Roll Call Number

Agenda Item Number

34

Date August 3, 2026

APPROVED AS TO FORM:

/s/ Emily A. Duffy

Emily A. Duffy

Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN				
SIMONSON				
VOSS				
BARRON				
WESTERGAARD				
MANDELBAUM				
GATTO				
TOTAL				
MOTION CARRIED		APPROVED		

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.

Mayor

City Clerk