

★ Roll Call Number
08-658

Agenda Item Number
20

Date April 21, 2008

RESOLUTION GRANTING PRIOR APPROVAL OF TAX
ABATEMENT FOR THE ADDITIONAL VALUE TO BE ADDED BY
THE RENOVATION OF PROPERTIES FOR HOUSING
(328 SW 5th Street and 104 SW 4th Street)

WHEREAS, the Iowa Urban Revitalization Act, Chapter 404, Code of Iowa (the "Act"), provides for partial exemption from property tax for the actual value added by improvements to property located in a designated Urban Revitalization Area which are consistent with the Urban Revitalization Plan for such Area; and

WHEREAS, the Act provides that persons making improvements may apply to the City Council for prior approval of eligibility for tax abatement, and the City Council shall approve the application by resolution, if it finds (a) the proposed improvements are located in a designated Urban Revitalization Area; (b) the proposed improvements are in conformance with the Urban Revitalization Plan for such area; and (c) the proposed improvements are to be made during the time the area is so designated; and

WHEREAS, J & T Development, LLC, a Kansas limited liability company, represented by Ben Washburn, proposes to renovate the building at 104 SW 4th Street for housing to be known as the Rumley Housing Project, and to renovate the building at 328 SW 5th Street for housing to be known as the Art House Lofts Project, and has made application pursuant to Iowa Code §404.4 for prior approval of the eligibility of the additional taxable value added by such renovations for tax abatement pursuant to the City-wide Urban Revitalization Plan; and,

WHEREAS, the applications have been received, reviewed and recommended for approval by City staff; NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Des Moines, Iowa that:

- 1) The applications for prior approval of eligibility for tax abatement for the taxable value added by the renovation of the building at 104 SW 4th Street for housing to be known as the Rumley Housing Project, and by the renovation of the building at 328 SW 5th Street for housing to be known as the Art House Lofts Project, are hereby received.
- 2) The City Council hereby finds that the Rumley Housing Project and the Art House Lofts Project are projects located in the City-wide Urban Revitalization Area; each project is in conformance with the Urban Revitalization Plan for the City-wide Urban Revitalization Area; and the improvements described in such applications are projected to be completed during the time the City-wide Urban Revitalization is so designated.

(continued)

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- 3) The applications for prior approval of eligibility for tax abatement are hereby approved, provided that the projects are commenced by December 31, 2010, and are completed by December 31, 2011, in conformance with the Zoning Ordinance and applicable building codes. If the improvements to the properties each consist of three or more separate living quarters with at least seventy-five percent of the space used for residential development, the value added by the improvements shall be eligible for 10 year 100% exemption from taxation (tax abatement) under the schedule allowed by Iowa Code §404.3(4) and the corresponding provisions in the Restated Urban Revitalization Plan for the City-wide Urban Revitalization Area. As provided by Iowa Code §404.4, such prior approval shall not entitle the owners to exemption from taxation until the improvements have been completed and found to be qualified real estate.

MOVED by Vlassis to adopt.

FORM APPROVED:

Roger K. Brown

Roger K. Brown

Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
HENSLEY	✓			
KIERNAN	✓			
MAHAFFEY	✓			
MEYER	✓			
VLASSIS	✓			
TOTAL	7			

MOTION CARRIED

APPROVED

J. M. Franklin
Mayor

CERTIFICATE

I, DIANE RAUH, 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.

Diane Rauh City Clerk