



Roll Call Number

15-0168

Agenda Item Number

6J

Date January 30, 2015

RESOLUTION OF SUPPORT FOR A WORKFORCE HOUSING TAX CREDIT BENEFIT APPLICATION TO BE SUBMITTED TO THE IOWA ECONOMIC DEVELOPMENT AUTHORITY BY HARBACH BUILDING, LLC, FOR THE HARBACH LOFTS, A MIXED USE PROJECT AT 300 SW 5th STREET

WHEREAS, Harbach Building, LLC, represented by Kent Mauck, 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 Harbach Lofts, a mixed-use project at 300 SW 5th Street containing 62 dwelling units and 3,000 to 5,000 square feet of retail space on the first floor; and,

WHEREAS, successful completion of Harbach Lofts project requires funding from a number of sources, including an award of Iowa Workforce Housing Tax Credit Program benefits in the estimated 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 housing project by the community where the housing 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 dwelling unit; and

WHEREAS, the Harbach Lofts project is located within the City-wide Urban Revitalization Area and provided that the project is completed as planned, the taxable value added to the property by the completion of the project will qualify for a temporary exemption from property taxes (a/k/a tax abatement) under the 10-year 100% abatement schedule, providing financial assistance of approximately \$2,627,000 based upon the estimated annual abated property taxes of \$262,700.

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 Harbach Building, LLC, to the IEDA in February 2015, seeking an award of Workforce Housing Tax Credit Program 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

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application by Harbach Building, LLC, 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 Harbach Building, LLC, 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 Harbach Building, LLC, 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 Community Development Director.
 - b) Any substantial change shall be subject to approval by the City Council after report and recommendation by the City Manager.

(Council Communication No. 15- 043)

Moved by Hensley to approve, subject to the projects being required to meet all other City Requirements, including without limitation, local funding, and zoning and acknowledging that the Council had to act without the normal detailed review but did so in an effort to aid the applicants and improve the quality of life in Des Moines and, further did so with the understanding that the process will be more refined and complete prior to additional submissions for the program.

FORM APPROVED:

Roger K. Brown

Roger K. Brown

Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GATTO	✓			
GRAY	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MOORE	✓			
TOTAL	7			

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.

T. M. Franklin
Mayor

Diane Rauh
City Clerk