



Roll Call Number

15-0308

Agenda Item Number

23

Date February 23, 2015

AUTHORIZATION FOR CITY MANAGER TO SIGN IOWA FINANCE AUTHORITY (IFA) "EXHIBIT 5S, LOCAL GOVERNMENT CONTRIBUTION" FOR 4% BOND ISSUE APPLICATION FOR R & T LOFTS, L.P.

WHEREAS, 4% Bond Financing for low income rental housing is offered for housing developments through the Iowa Finance Authority on a non-competitive basis; and

WHEREAS, the IFA application requires that a Local Government or Political Subdivision complete and execute "Exhibit 5S, Local Government Contribution", listing any contribution to the project even though it is not competing with other projects for the funding; and

WHEREAS, according to the IFA Qualified Allocation Plan, the "Local Government Contribution" from the City is defined to include the value of land or cash contribution, of tax abatement, the equity value of previously approved Enterprise Zone Credits, the equity value of Work Force Tax Credits, Tax Increment Financing, and any HOME or Community Development Block Grant funds; and

WHEREAS, on November 27, 2014 by Roll Call 14-1778, the City Council approved a development agreement with TWG Development, LLC of Indianapolis, IN (Joseph Whitsett, CEO) doing business as R & T Lofts, L.P. to raise approximately \$5.2 million from use of 4% bond financing administered through the Iowa Finance Authority (IFA) to finance 83 of 164 housing units; and

WHEREAS, the development included the City Contribution of \$3.7 million of Tax Increment Financing paid over a ten-year period, ten-year tax abatement, and Work Force Tax Credits; and

WHEREAS, a draft of the "Exhibit 5S, Local Government Contribution" for the R & T Lofts project is on file in the City Clerk's office.

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

1. The City Manager or his designee should complete and sign the "Exhibit 5S, Local Government Contribution" currently on file in the City Clerk's office.
2. In the event that any of the project characteristics mentioned above should change prior to the developer submitting an application to IFA, the Community Development Department Director or designee is authorized and directed to revise, and the City Manager is authorized and directed to execute, the applicable Exhibit for unsubstantial project changes, and the City Manager is directed to submit substantial project changes (i.e. changes to type of property tax regime requested by developer) to City Council for further consideration and approval.

★ Roll Call Number
15-0308

Agenda Item Number
23

Date February 23, 2015

(Council Communication No. 15- 096)

MOVED BY Coleman to adopt.

Form Approved:

Glenna K. Frank
Glenna K. Frank
Assistant City Attorney

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

MOTION CARRIED APPROVED
T. 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