



Roll Call Number

18-1161

WITHDRAWN

Agenda Item Number

25

Date July 9, 2018

RESOLUTION IN SUPPORT OF A WORKFORCE HOUSING TAX CREDIT (WHTC) BENEFIT APPLICATION TO BE SUBMITTED TO THE IOWA ECONOMIC DEVELOPMENT AUTHORITY (IEDA) BY INDIGO DAWN, LLC FOR REDEVELOPMENT OF HOUSING AT 1124 13TH STREET AND 1311 LAUREL STREET

WHEREAS, Iowa Code Section 446.19A permits cities to acquire tax sale certificates for abandoned property assessed as residential property or as commercial multifamily property or vacant residential lots at a tax sale without paying the taxes then due, to obtain the assignment of outstanding tax sale certificates by payment to the certificate holder the amount then due to redeem the certificate, and to further assign said certificates, all for the purpose of encouraging the acquisition and rehabilitation of abandoned dwellings and lots; and

WHEREAS, on February 5, 2018, by Roll Call No. 18-0204, the City Council approved acquisition of the vacant and abandoned properties locally known as 1124 13th Street and 1311 Laurel Street (collectively "Properties") by tax sale deed and directed Community Development staff to distribute a Request for Proposal (RFP) to developers to acquire and renovate the Properties based on an approved rehabilitation plan; and

WHEREAS, on May 16, 2018, the City Community Development staff distributed a Request for Proposal (RFP) to redevelopers of single family housing in order to select a developer to complete the necessary development on the Properties for housing use; and

WHEREAS, Indigo Dawn, LLC, represented by Chaden Halfhill, President, responded to the RFP and was selected by the reviewers as the recommended developer for the purpose of said redevelopment; and

WHEREAS, Indigo Dawn, LLC 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 redevelopment of housing on the Properties; and

WHEREAS, successful completion of the Indigo Dawn, LLC project requires funding from a number of sources, including an award of Iowa Workforce Housing Tax Credit benefits in the estimated amount of \$60,000; 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, which is expected to be covered by City of Des Moines' residential tax abatement (100% tax abatement for a ten-year period); and

WHEREAS, following City acquisition of the Properties pursuant to the tax sale process, City staff will submit to City Council for consideration a recommendation to sell and convey the Properties to Indigo Dawn, LLC for the housing redevelopment project as proposed in the submitted RFP.



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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 support for the Indigo Dawn, LLC application to the IEDA, seeking an award of Workforce Housing Tax Credit benefits in the amount of \$60,000 for the above-described project.
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 application by Indigo Dawn, LLC as described above, upon approval of the same by the City Legal Department.
3. The Community Development Department is directed to transmit a copy of this resolution and Roll Call to Indigo Dawn, 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 the final award of tax credit benefits to Indigo Dawn, 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 by the Assistant City Manager.
b. Any substantial change shall be subject to approval by the City Council after report and recommendation by the City Manager.

(Council Comm. No. 18-346)

MOVED BY \_\_\_\_\_ to adopt.

FORM APPROVED:

Glenna K. Frank, Assistant City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, BOESEN, COLEMAN, GATTO, GRAY, MANDELBAUM, WESTERGAARD, and TOTAL.

MOTION CARRIED APPROVED

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.

City Clerk