



**Roll Call Number**

21-0989

**Agenda Item Number**

38

**Date** June 28, 2021

**RESOLUTION OF SUPPORT FOR A WORKFORCE HOUSING TAX CREDIT  
BENEFIT APPLICATION TO BE SUBMITTED TO THE IOWA ECONOMIC  
DEVELOPMENT AUTHORITY BY TREE HOUSE PARTNERS, LLC  
(TIM RYPMA, PAUL COWNIE AND JEREMY CORTRIGHT), FOR THE  
GRAND TREES PROJECT AT 2315 GRAND AVENUE**

**WHEREAS**, Tree House Partners, LLC (the "Developer"), represented by Tim Rypma of Rypma Properties, Paul Cownie, and Jeremy Cortright (Development Members), 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 Grand Trees Project (the "Project"); and

**WHEREAS**, successful completion of the Project requires funding from a number of sources, including an award of Iowa Workforce Housing Tax Credits in the 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 Project by the community where the 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 \$4,942,000; and

**WHEREAS**, on February 22, 2021, by Roll Call No. 21-0278, the City Council approved an Urban Renewal Development Agreement (the "Agreement") with the Developer whereby the Developer agreed to undertake the Improvements specifically stated in the Agreement for an estimated project cost of \$16,859,500; and

**WHEREAS**, the Agreement requires improvements that include, but may not be limited to: historic renovation of three existing multi-residential apartment buildings located at 2315 Grand Avenue, within the Ingersoll Grand Commercial Urban Renewal Area, which is expected to contain a mix of approximately 93 efficiency, one-bedroom, and two-bedroom apartment units, as well as construction of approximately 73 surface parking stalls and an outdoor dog run and amenity space; and

**WHEREAS**, the Agreement requires compliance by the Developer of all of its terms in exchange for which the City will provide \$2,400,000 (cash basis) in incentives; and

**WHEREAS**, the Project is located within the City-wide Urban Revitalization Area and provided that the Improvements are completed as planned and a proper application is filed, the taxable value added to the property by the completion of the Improvements will qualify for tax abatement under the residential abatement schedule, providing financial assistance of approximately \$2,542,000 based upon the estimated annual abated property taxes.

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



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1. The City Council of the City of Des Moines does hereby express its strong support for the application by Developer, to the IEDA in June 2021, seeking an award of Workforce Housing Tax Credit 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 application by Developer, 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 the Developer 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 Developer, 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. 21- 306 )

MOVED by Gatto to adopt.

**FORM APPROVED:**

/s/ Glenna K. Frank  
Glenna K. Frank  
Assistant City Attorney

\* Mayor Cownie abstains from voting based on an appearance of a

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
*COWNIE				
BOESEN	✓			
GATTO	✓			
GRAY	✓			
MANDELBAUM	✓			
VOSS	✓			
WESTERGAARD	✓			
<b>TOTAL</b>	<b>6</b>			

conflict of interest.

**CERTIFICATE**

I, P. KAY CMELIK, 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. Frank Cownie  
Mayor

P. Kay Cmelik  
City Clerk