



25-01662

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Date May 5, 2025

RESOLUTION APPROVING FINAL TERMS OF AN URBAN RENEWAL DEVELOPMENT AGREEMENT WITH GOLDFINCH APARTMENTS, LP, LLC FOR THE MIXED-USE REDEVELOPMENT OF 3404 – 3422 INGERSOLL AVENUE

WHEREAS, GOLDFINCH APARTMENTS, LP (“Developer”), represented by Scott and Molly Cutler, Principals, proposes to undertake the construction of a new three (3)-story mixed-use development at 3404-3422 Ingersoll Avenue. This project will consist of approximately 9,250 square feet of commercial space on the ground floor with 24 one (1)-bedroom residential units and four (4) two (2)-bedroom residential units on the upper floors. The residential units will be affordable with rents ranging from 30% to 80% of the Area Median Income (AMI). (collectively “Improvements”) in the Metro Center Urban Renewal Area; and

WHEREAS, construction of the Improvements is anticipated to be commenced in Fall 2025 and completed in Fall/Winter of 2026 at an estimated total project cost of \$12,355,000.00, subject to receipt of the financial assistance identified below; and

WHEREAS, pursuant to Roll Call No. 25-0124, approved on January 27, 2025, the City Council directed the City Manager to proceed with negotiation of a Development Agreement with the Developer for the project; and

WHEREAS, the City’s Office of Economic Development has negotiated an Urban Renewal Development Agreement (the “Development Agreement”) with the Developer, whereby the Developer has agreed to construct the Improvements, in accordance with the Conceptual Development Plan, which proposed Development Agreement and Conceptual Development Plan related thereto are on file in the office of the City Clerk; and

WHEREAS, the proposed Development Agreement provides that in consideration of the Developer’s commencement and completion of the Improvements, the City will provide an economic development loan in the amount of \$300,000. The loan will be paid by tax increment generated within the Ingersoll-Grand Urban Renewal Area and will be repaid with project-generated tax increment (TIF) over the twenty-year term of the Loan; and

WHEREAS, at its meeting on April 15, 2025, the Urban Design Review Board voted 6-0 to recommend approval of final design of the Improvements as proposed by the Developer and set forth in the Conceptual Development Plan incorporated in the Development Agreement and voted 6-0 to recommend approval of financial assistance as set forth above and in said Agreement.

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

1. The City Council hereby makes the following findings in support of the proposed Development Agreement with Developer:

- a. Developer's obligations under the Development Agreement to redevelop the Property for affordable residential housing furthers the objectives of the Ingersoll-Grand Urban Renewal Plan to: (a) advance the improvement and redevelopment of the Project Area in accordance with the Urban Renewal Plan; (b) protect the health, safety, and general welfare of City residents; (c) maintain and expand taxable property values; (d) establish conditions which attract further new investments and prevent the recurrence or spread of blight and blighting conditions to the surrounding area; and (e) further the City’s efforts to retain and create job opportunities within the Project Area and surrounding area which might otherwise be lost.



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b. The economic development incentives for the development of the Project are provided by the City pursuant to the Urban Renewal Law and Chapter 15A of the Code of Iowa, and Developer's obligations under this Agreement to construct the Improvements will generate the following public gains and benefits: (i) it will encourage and assist with the redevelopment and/or removal of blighted, obsolete, and underutilized properties within the Project Area; (ii) it will facilitate the development and re-development of commercial and residential uses for the creation and retention of jobs in the City of Des Moines; and (iii) it will increase the overall tax base.

c. The construction of the Project is a speculative venture and the construction and the construction and resulting benefits would not occur without the economic incentives provided by the Development Agreement.

d. The development of the Property pursuant to the Development Agreement, and the fulfillment generally of the Agreement, are in the vital and best interests of City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements under which the Project has been undertaken, and warrant the provision of the economic assistance set forth in the Agreement.

2. The Urban Renewal Development Agreement between the City and Developer, and the Conceptual Development Plan attached thereto, both as on file in the office of the City Clerk, are hereby approved, and the Mayor and City Clerk are hereby authorized and directed to execute and attest to, respectively, the Agreement on behalf of the City of Des Moines.

3. The Development Services Director or his designee are directed to submit a copy of the fully executed Development Agreement to the Finance Department for purposes of required Electronic Municipal Market Access disclosure filings and to enable the Finance Director to make any appropriate disclosure filings in accordance with the City's adopted revised Disclosure Policy.

4. Upon requisition by the Office of Economic Development, the Finance Department shall advance the installments on the Economic Development Assistance pursuant to Article 4 of the Development Agreement.

5. The Development Services Director or designee(s) are hereby authorized and directed to administer the Development Agreement on behalf of the City, and to monitor compliance by the Developer with the terms and conditions of the Agreement. The Development Services Director is further directed to forward to City Council all matters and documents that require City Council review and approval in accordance with the Agreement.

(Council Communication No. 25-186)

MOVED BY Matts TO ADOPT. SECOND BY Voss

Form Approved:

/s/ Gary D. Goudelock Jr.
Gary D. Goudelock Jr.
Assistant City Attorney



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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN	✓			
SIMONSON	✓			
VOSS	✓			
COLEMAN	✓			
WESTERGAARD	✓			
MANDELBAUM	✓			
GATTO	✓			
TOTAL	7			

MOTION CARRIED

APPROVED

Connie Buesen

Mayor

CERTIFICATE

I, LAURA BAUMGARTNER, 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.

Laura Baumgartner

City Clerk