



**Roll Call Number**

26-D748

**Agenda Item Number**

31

**Date** June 29, 2026

**RESOLUTION APPROVING FINAL TERMS OF AN URBAN RENEWAL DEVELOPMENT AGREEMENT WITH THRESHING WAREHOUSE, LLC FOR THE RENOVATION OF AN EXISTING TWO-STORY WAREHOUSE BUILDING INTO OFFICE SPACE AND APPROVING CONCEPTUAL DEVELOPMENT PLAN**

**WHEREAS**, Threshing Warehouse, LLC (“Developer”), represented by Tim Rypma, Managing Member, proposes to undertake the historic renovation and conversion of the existing two-story warehouse building located at 108 SE 4<sup>th</sup> Street into office space (collectively “Improvements”) in the Metro Center Urban Renewal Area; and

**WHEREAS**, construction of the Improvements is anticipated to be completed in December 2027 at an estimated total project cost of \$13,700,000, subject to receipt of the financial assistance identified below; and

**WHEREAS**, pursuant to Roll Call No. 26-0618, approved on May 18, 2026, 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 economic development incentive payments representing 95% of the tax increment generate on the building valuation for a period of 20 years, not to exceed \$1.75 million on a net present value basis at a 4.5% discount rate; and

**WHEREAS**, the Developer has further agreed, as stated in the Development Agreement, to participate in Mid-American Energy’s Commercial New Construction Energy Efficiency Program; and

**WHEREAS**, at its meeting on June 16, 2026, the Urban Design Review Board voted 7-0 with 2 members abstaining and 2 members absent 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 7-0 with 2 members abstaining and 2 members absent to recommend approval of financial assistance as set forth above and in said Agreement.



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**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 complete construction and renovation of the Improvements, further the objectives of the Metro Center Urban Renewal Plan to encourage and facilitate high quality commercial, mixed use and residential uses and the associated employment opportunities and slum and blight elimination within the Plan area; foster economic prosperity and stability by retaining existing businesses; further Des Moines' revitalization efforts to improve the strength, stability, and vitality of the Project Area; and protect Des Moines' historic and cultural assets that contribute to neighborhood and community identity.
- 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, mixed use and residential uses for the creation and retention of jobs in the City of Des Moines; (iii) it will increase the overall tax base; and (iv) it will maximize the return on past investment in road and public utility networks.
- c. The construction of the Project is a speculative venture and the construction and the 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.



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3. As soon as reasonably possible following execution by the Mayor and attestation by the City Clerk, the City Clerk is directed to submit a copy of the fully executed Development Agreement to the Finance Department to determine whether disclosure or filing is required for Electronic Municipal Market Access.

4. Upon requisition by the Office of Economic Development, the Finance Department shall advance the installments on the Economic Development Assistance pursuant to Article VIII 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. 26-229)

Moved by Gatto to adopt. Second by Voss.

Approved as to form:

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

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include BOESEN, SIMONSON, VOSS, BARRON, WESTERGAARD, MANDELBAUM, GATTO, and TOTAL.

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.

Connie Boesen Mayor

Laura Baumgartner City Clerk