CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

ITEM: Redevelopment Funding Programs in Historic West Des Moines **DATE: October 29, 2018**

MOTION: Approval of F&A Subcommittee Recommendation

FINANCIAL IMPACT: No financial impact at this time.

BACKGROUND: On February 6, 2017, the City Council passed resolutions to create policies for the Property Improvement Fund (PIF) and Regulatory Compliance Fund (RCF) pilot programs. These programs were created to encourage redevelopment projects within properties in the Historic West Des Moines study area. These programs can be used together, but are mutually exclusive to the Property Tax Rebate program.

Staff has been contacted by the operator of the Justice League of Food's Commissary Kitchen at "The Foundry" about eligibility of their operation to apply for the last round of funding through the Regulatory Compliance Fund and the Property Improvement Fund. The guidelines adopted by the City Council state: "These funds {Regulatory Compliance Fund} may be used in combination with the Property Improvement Funds (PIF), but not with the Property Tax Rebate Program (PTR)".

The owner of the property in question received funding through the Property Tax Rebate Program. This would make the Commissary Kitchen's request invalid. The operator is requesting that the City Council waive this restriction.

This request was brought before the Finance and Administration Subcommittee on October 24, 2018. The recommendation from the F&A Subcommittee is the following:
Amend the regulations to allow the use of the Property Tax Rebate program with the two Valley Junction rehab programs (PIF & RCF) only if the tenant is a separate entity from the developer receiving the Property Tax Rebate program rebates. Under this model, if both programs were utilized, only the tenant would be eligible for the PIF and RCF, and the developer would be eligible for the Property Tax Rebate program.

It is important to note that all programs (PIF, RCF, PTR) are pilot programs and will expire on December 31, 2018.

OUTSTANDING ISSUES: There are no outstanding issues.

RECOMMENDATION: Approval of recommendation from Finance and Administration Subcommittee.

Lead Staff Member: Katie Hernandez, Business Development Coordinator, CED KH

STAFF REVIEWS

Department Director	Clyde E. Evans, Director, Community and Economic Development
Appropriations/Finance	
Legal	RJS
Agenda Acceptance	

PUBLICATION(S) (if applicable)

Published In	N/A
Dates(s) Published	N/A

SUBCOMMITTEE REVIEW (if applicable)

Committee	Finance & Administration		
Date Reviewed	10/24/2018		
Recommendation	Yes ☒	No ☐	Split ☐