



**FINANCE & ADMINISTRATION SUB-COMMITTEE
MEETING MINUTES
Thursday, February 21, 2019 - 7:00 AM
West Des Moines City Hall – 4200 Mills Civic Parkway
Council Chambers**

Present: Councilmember Russ Trimble, Councilmember Jim Sandager, City Manager Tom Hadden, Deputy City Manager Jamie Letzring, City Attorney Dick Scieszinski, Finance Director Tim Stiles, Human Resources Director Jane Pauba Dodge, Community and Economic Director Clyde Evans, Business Developer Coordinator Katie Hernandez, Business Developer Coordinator Rachael Wacker, Budget Analyst Chris Hamlett, and Administrative Secretary Maureen Richmond

Guests:	Mr. Richard Hurd, Hurd Real Estate	Item 1(a), 1(b)
	Ms. Stacie Hatch, Hurd Real Estate	Item 1(a), 1(b)
	Mr. Scott Cutler, Cutler Development,	Item 1(c)

Meeting was called to order at 7:00 AM

1. Property Tax Rebate Applications

a. 4055 Westown Parkway – Hurd Real Estate

Mr. Evans and Ms. Wacker presented a Property Tax Rebate application filed on December 19, 2018, from Hurd Real Estate for the location at 4055 Westown Parkway. The developer is proposing to construct a 34,000 square foot 2-story office building, which will be occupied by an undisclosed tenant and will create no less than five (5) new positions. Construction cost of the project is estimated at \$7,150,000 and the applicant has agreed to a minimum assessment of \$6,000,000. Based upon a minimum assessment of \$6,000,000, the annual property tax rebate would be approximately \$152,924 or a total of \$764,618 over the five years of the rebate.

The project site is currently not within an urban renewal area, so staff is proposing that his parcel and project be added to the existing 4125 Westown Urban Renewal Area. This requires an amendment to the URA Plan.

The site plan for the project has yet to be approved by the City Council. The applicant is expecting to have site plan approval in the very near future, the developer would like to commence construction once approved. The applicant is requesting authorization to be able to request and receive a building permit following approval of their site plan

Councilmembers supported the Property Tax Rebate application and staff will place the item on a future City Council agenda for review and consideration.

b. 85th and Mills Civic Parkway – Hurd Realty

Mr. Evans and Ms. Wacker presented a Property Tax Rebate application filed on December 28, 2018, from Hurd Real Estate for the locations at 8550 and 8670 Mill Civic Parkway. The developer is proposing to construct a 34,000 square foot 2-story office building. The office building is to be occupied by an undisclosed tenant and will create no less than five (5) new positions. Construction cost of the project is estimated at \$7,150,000 and the applicant has agreed to a minimum assessment of \$6,000,000. Based upon a minimum assessment of \$6,000,000 and an incremental increase of valuation of \$5,384,900, the annual property tax rebate would be approximately \$111,886 or \$559,430 over the five years of the rebate.

The project site is currently within the Coachlight URA but an amendment will be required to the Plan to include this project.

The site plan for the project has yet to be approved by the City Council. The applicant is expecting to have site plan approval in the very near future, the developer would like to commence construction once approved. The applicant is requesting authorization to be able to request and receive a building permit following approval of their site plan

Councilmembers supported the Property Tax Rebate application and staff will place the item on a future City Council agenda for review and consideration.

c. 333 5th Street – Dalton Partners, LLC

Ms. Hernandez presented a Property Tax Rebate application filed on November 26, 2018, from Dalton Partners for the location at 333 5th Street. The developer is proposing to renovate an existing commercial property building. The office building is to be occupied by a restaurant undisclosed tenant and will create 12 to 16 new positions. The construction cost of the project is estimated at \$2.6 million and the applicant has proposed a minimum assessment of \$1.2 million. Based upon a minimum assessment of \$1.2 million, the annual property tax rebate would be approximately \$26,070 or \$130,350 over the five years of the rebate.

This property is currently under purchase agreement, and the closing of this property is scheduled for mid-April.

The project site is within the Historic West Des Moines Urban Renewal Area but an amendment will be needed to include this project.

The site plan for the project has yet to be approved by the City Council. The applicant is expecting to have site plan approval in the very near future, the developer would like to commence construction once approved. The applicant is requesting authorization to be able to request and receive a building permit following approval of their site plan

Councilmembers supported the Property Tax Rebate application and staff will place the item on a future City Council agenda for review and consideration.

2. Staff Updates

a. Urban Renewal Plans Amendment Costs

- Ms. Hernandez presented a request to transition to include a ceiling “not to exceed” a dollar amount generally covering eligible economic development projects involving property tax rebates. The purpose of this change to the process is to reduce the cost and time related to Urban Renewal Plan amendments. Staff has consulted with other metro communities who have adopted this process and have found it to be more efficient.

Councilmembers supported to move forward to change the process to include a general clause with “not to exceed” dollar amount to include subsequent Development Agreements.

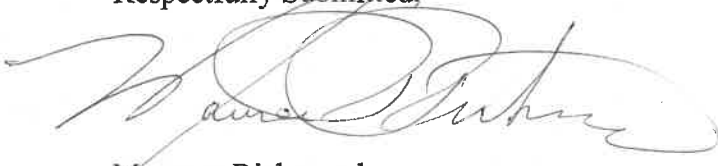
- Mr. Evans and Mr. Scieszinski noted that staff and Sammons Financial Group are finalizing the language in the development agreement. The agreement will likely be submitted for approval at the March 18 City Council meeting.

3. Other Matters

None

Meeting was adjourned at 7:35 AM.

Respectfully Submitted,



Maureen Richmond
Administrative Secretary