



**MEETING MINUTES**  
**FINANCE & ADMINISTRATION SUB-COMMITTEE**  
**Wednesday, December 8, 2021 - 7:00 AM**

Present: Councilmember Russ Trimble, Councilmember Greg Hudson, City Manager Tom Hadden, Deputy City Manager Jamie Letzring, Finance Director Tim Stiles, Budget Analyst Chris Hamlett, Grant and Procurement Coordinator Michelle Czarnecki, Accounting Associate Jenny Buffington, Community and Economic Director Clyde Evans, Housing Planner Christine Gordon, City Engineer Brian Hemesath, Human Resources Director Jane Dodge, Communications Specialist Lucinda Stephenson, and Secretary Katie Johnson

Guests: Scott Cutler, 111 5<sup>th</sup> Street, LLC  
Tim Rypma, 111 5<sup>th</sup> Street, LLC  
Jenna Thompson, DB Booneville, LLC

Meeting was called to order at 7:00 AM

**1. Discussion of Workforce Housing Program**

Ms. Gordon presented guidelines to create a Rental Workforce Housing Program. Under this new program, the City would provide funding in the form of a forgivable loan up to \$20,000 per residential unit that is rented to households that fall below 80% AMI for a period of 15 years.

Councilmember Trimble inquired about whether a resident in a housing unit must qualify for the State Low Income Housing tax credit to meet the program's criteria. Ms. Gordon stated that this is a separate program supported by the City so leeway is given to create our own criteria. Councilmember Trimble also asked as to locations and Ms. Gordon stated that the development needs to be done within the boundaries of an existing Residential Urban Renewal Area.

Councilmember Hudson asked for predictions on utilization of the program. Ms. Gordon said that there have already been 2 opportunities totaling approximately \$2.2 million for a total of 130 units which would be presented later in the meeting.

Councilmembers were supportive of the staff recommendations and agreed that the item should be placed on a future Council Agenda for review and consideration.

**2. Development and/or Infrastructure Agreements**

**a. DB Booneville, LLC – Workforce Housing Agreement**

Mr. Evans stated that DB Booneville, LLC, is a developer looking to construct housing and other development properties on the North side of Booneville Road, east of 88<sup>th</sup> St. They are proposing a housing development of 408 units, with 48 of those units to be workforce housing.

Councilmember Trimble questioned how many buildings would be constructed to house the units. Ms. Thompson said the current plan includes 6 buildings.

**b. Silo 9, LLC – Workforce Housing Agreement**

Mr. Evans stated that Silo 9, LLC, managed by Jerry Bussanmas, is looking to develop an area on both sides of future Stagecoach Drive between 81<sup>st</sup> and 88<sup>th</sup> Street, with 66 units of workforce housing among 498 units that would be “cottage style” single family detached rental units. Mr. Stiles mentioned that this concept has been reviewed by the Council Development & Planning Subcommittee.

Mr. Hadden asked Mr. Evans to explain the funding process for the Workforce Housing Program. Mr. Evans stated that there were 2 ways we could look at setting up the rental housing fund, but both would come from TIF proceeds. Option 1 would require amending the UR plan to list it as a project, Option 2 would be to set a certain amount per unit which works out to approximately 2 years of funding using the LMI set aside.

**c. Silo 9, LLC – Infrastructure Agreement**

Mr. Evans stated that Silo 9, LLC, is also proposing to construct Stagecoach Drive between 81<sup>st</sup> and 88<sup>th</sup> Street, with a request for the City to reimburse them using Tax Increment Financing Revenue from the taxes generated by their development.

Mr. Stiles mentioned that a main reason the City would consider this approach is because; (1) Stagecoach is an extraordinarily expensive stretch of roadway for a developer to do on their own due to topography challenges, and (2) it is a minor arterial roadway which is significant to the City’s development as a whole.

**d. 111 – 5th Street, LLC – Development Agreement**

Mr. Evans presented a property tax rebate request for 111 5<sup>th</sup> St. This address is within the existing Historic West Des Moines Urban Renewal plan area. There is currently a property tax rebate program for a five-year, 100% rebate, but the developer is asking for a ten-year, 100% rebate. Mr. Cutler and Mr. Rypma explained that the site is particularly challenging to redevelop, which is driving the request.

Councilmembers were supportive of each of the proposed agreements and suggested placing on a future Council Agenda for review and consideration.

**3. Creation of 92nd Street Urban Renewal Area**

Mr. Evans stated that the 9721 Ashworth Investment Group LLC is looking to develop an area at the NE corner of 98<sup>th</sup> St and Ashworth Rd as residential housing. The developer is interested in using Tax Increment Financing to assist with construct 92<sup>nd</sup> Street thru their development. The developer would be initially responsible with the eventual reimbursement of those costs by the City. A new Urban Renewal Area would need to be created since this is a residential area. Ms. Thompson was present to explain that the request was driven by the excessive roadway construction needed for 92<sup>nd</sup>, which will become a key connection through this section of the city.

Councilmembers were supportive of creating the Urban Renewal Area and placing the URA and proposed development agreement on a future Council Agenda for review and consideration.

**4. Discussion of Rental Rehabilitation Housing Program**

Ms. Gordon stated that the Rental Rehab Program was created in July 2021. However, to date there have been no applicants. She stated that there now is interest from an owner of a triplex but the program only allows dwellings of single family or a duplex. Staff recommends allowing a triplex.

Councilmember Trimble asked if changing income requirements from 60% to 80% would increase participation or were there other larger factors contributing to the lack of applications. Ms. Gordon said that that change could possibly help the program. Both Councilmembers are interested in changing those requirements.

Councilmembers were supportive of the changes and agreed to place the item a future Council Agenda for review and consideration.

## **5. Proposed Financial Contribution to Des Moines International Airport**

Mr. Stiles started by reminding the Committee that this issue was discussed at the November 3 meeting, but added that, following a full Council workshop on the same topic, Mayor Gaer suggested the discussion of funding be brought back to this Committee. Staff would like to fund the City's \$2 million contribution from Hotel/Motel tax; however, revenue is still down. He noted that optimistically, the most recent payment the City received was the 2<sup>nd</sup> highest 3<sup>rd</sup> quarter in history. Mr. Stiles said the most realistic funding would be to possibly take part of the contribution from Hotel/Motel tax funds with the remainder coming from the American Rescue Plan Act (ARPA) grant, or from the general fund if the City is unable to use ARPA funds.

Councilmembers were supportive of the recommended funding model and the item will be placed on a future City Council Agenda for review and consideration.

## **6. Participation in National Opioid Settlement**

Ms. Letzring presented a resolution for the City in support of the State being a part of the National Opioid Settlement. The City will need see a direct financial settlement but there may be a trickle-down effect in the future. The State is required to gain "sign on" from all larger cities in order to be considered in the settlement. If achieved, the State could receive \$173 million.

Councilmembers are supportive of the resolution and agreed to place the item on a future Council Agenda for review and consideration.

## **7. Proposed 2022 Meeting Schedule**

Mr. Stiles presented the proposed 2022 meeting schedule. Councilmember Hudson is supportive of keeping the meetings at the current day and time.

## **8. Staff Updates**

- Mr. Stiles introduced the new Grant and Procurement coordinator, Michelle Czarnecki.
- Ms. Gordon stated that both First Bank and West Bank will be doing check presentations at future Council Meetings recognizing their contributions to the Housing Rehab program.
- Councilmember Trimble thanked everyone for their work on the F & A Subcommittee, as this represented his last meeting.
- Ms. Letzring spoke about a lobbying services agreement with Denton that was to be on an upcoming Council Agenda.

**9. Other Items**

None

Meeting was adjourned at 8:24 AM.

Respectfully Submitted,

*Katie Johnson*

Katie Johnson  
Recording Secretary