

2024 Reinvestment District Annual Report

Recipient: City of Des Moines

Please complete charts below to comply with annual reporting requirement pursuant to 15J.4 of Iowa Code and Section 9 of your award agreement. Add lines as needed. Report is due October 1, 2024.

- a. The status of each project undertaken within the district in the previous twelve months, including whether construction has begun on any project in the district or when the start of construction is anticipated and a summary of developer spending on projects within the district.

| Project | Construction Actual or Anticipated Start Date | Estimated Budget | Expenditures to date | Actual or Anticipated Completion Date |
|--------------------------|---|------------------|----------------------|---------------------------------------|
| Iowa Events Center Hotel | Completed | \$101,677,455 | \$101,677,455 | March 15, 2018 |
| District infrastructure | Active | \$6,800,000 | \$4,623,963 | June 30, 2025 |
| Randolph Hotel | Completed | \$19,179,900 | \$19,179,900 | May 25, 2016 |
| 420 Court | Completed | \$30,362,610 | \$30,362,610 | June 8, 2017 |
| Surety Hotel | Completed | \$39,713,689 | \$39,713,689 | December 9, 2021 |
| Financial Center Hotel | Project on hold; Construction has not begun | \$0 | \$0 | N/A |

- b. An itemized list of expenditures from the municipality's reinvestment project fund (funds captured through the program) in the previous twelve months that have been made related to each project being undertaken within the district.

| Project | Expenditures from the Reinvestment Fund |
|---|--|
| City of Des Moines, IA Series UR CLN Series C | FY24 - \$ 1,089,000 principal; \$ 43,560 interest |
| IEC Hotel Corp Series D | FY24 - \$ 0 principal; \$ 325,550 interest |
| IEC Hotel Corp Series E | FY24 - \$ 0 principal; \$ 298,932 interest |
| TWELVE MONTHS TOTAL | FY24 - \$ 1,089,000 principal; \$ 668,042 interest |

- c. The amount of the total project cost remaining for each project being undertaken within the district as of the date the report is submitted.

| Project | Total Project Cost Remaining |
|-------------------------------------|--|
| Iowa Events Center Convention Hotel | \$ 0 |
| District infrastructure | Of the \$ 6,800,000 estimated in the application, \$ 2,176,037 remain (has various aspects to complete). |
| Randolph Hotel | \$ 0 |
| Fourth & Court (*fka Court) | \$ 0 |
| Surety Hotel | \$ 0 |
| Financial Center Hotel | N/A; Project hasn't started |
| TOTAL COSTS REMAINING | \$ 2,176,037 + Financial Center Hotel |

d. The amounts, types, and sources of funding used for each project described in paragraph “a.”

| Project | Funding Amount | Funding Type | Funding Source |
|---|---------------------|----------------------------|----------------|
| Iowa Events Center Convention Hotel | | | |
| See attached file for information pertaining to current financing of the Hotel. | | | |
| District Infrastructure | | | |
| 5 th & Keo Garage Stair | \$517,500 | | |
| 5 th & Keo Structural Repair | \$324,500 | | |
| 5 th & Keo Mech, Elec, & Plumbing | \$72,000 | | |
| 5 th & Keo Expansion Joint Repair | \$15,000 | | |
| 5 th & Keo Parking Garage Control Equip | \$218,019 | | |
| 5 th & Keo Garage Elevator Lobby HVAC | \$56,455 | | |
| Skywalk 4F-4J HVAC Replacement | \$48,500 | | |
| Skywalk 4J-4K replacement | \$485,198 | | |
| 5 th & Keo – Steel | \$73,012 | | |
| 5 th Street 2-Way Conversion | \$2,432,224 | | |
| 5 th & Keo Garage Surface Coatings | \$65,000 | | |
| 5 th & Keo Structural Repairs | \$187,000 | | |
| 5 th & Keo Expansion Joints | \$24,750 | | |
| 5 th & Keo Skywalk LED Light Upgrade | \$6,250 | | |
| Total (from prior years) | \$4,525,408 | | |
| 07/1/23-06/30/24 | | | |
| 5 th Street 2-Way Conversion | \$57,664 | | |
| 5 th & Keo Expansion Joint Repair | \$16,140 | | |
| 5 th & Keo – Skywalk South Door | \$13,434 | | |
| 5 th & Keo – Skywalk North Door | \$11,317 | | |
| Total (for current year) | \$98,555 | | |
| TOTAL | \$4,623,963 | | |
| Randolph Hotel | | | |
| | \$2,090,000 | Developer Equity | |
| | \$5,680,000 | First Mortgage | |
| | \$835,000 | Second Mortgage | |
| | \$2,690,000 | Third Mortgage | |
| | \$3,091,452 | Federal Historic TC Equity | |
| | \$3,903,348 | State Historic TC Equity | |
| | \$716,100 | EZ Tax Credit Equity | |
| | \$174,000 | EZ Sales Tax Rebate | |
| TOTAL | \$19,179,000 | | |

| 420 Court | | |
|--------------|---------------------|---------------------------------|
| | \$1,000,000 | Workforce Housing Tax Credit |
| | \$2,600,000 | New Market Tax Credit |
| | \$14,000,000 | Mortgage |
| | \$12,762,610 | Equity |
| TOTAL | \$30,362,610 | |
| Surety Hotel | | |
| | \$4,961,347 | Equity |
| | \$5,063,496 | Historic Tax Credits |
| | \$7,446,317 | State Historic Tax Credits |
| | \$400,000 | Brownfield Tax Credits |
| | \$2,869,184 | Project Generated Tax Increment |
| | \$18,9783,345 | Senior Debt Financing |
| TOTAL | \$39,713,689 | |

- e. The amount of bonds issued, or other indebtedness incurred for each project described in paragraph “a,” including information related to the rate of interest, length of term, costs of issuance, and net proceeds. The report shall also include the amounts and types of moneys to be used for payment of such bonds or indebtedness.

| Project | Debt Type | Rate of Interest | Length of Term | Costs of Issuance | Net Proceeds | Repayment Type | Repayment Amount |
|--------------------------|--|------------------|----------------|-------------------|--------------|----------------|------------------|
| Iowa Events Center Hotel | GO Bonds, Series 2017B | 2.93% | 20 yrs | \$99,967 | \$9,099,967 | Semi-Annual | \$1,855,662 |
| | GO Annual Appropriations Bonds, Series 2017C | 1.62% | 8 yrs | \$80,273 | \$5,280,273 | Semi-Annual | \$5,277,378 |
| District Infrastructure | Improvements noted in item (d) were included in City of Des Moines’ Capital Improvement Program (CIP) | | | | | | |
| Randolph Hotel | N/A. This project is fully funded with private financing; no public bonds will be issued to provide the City’s TIF incentive | | | | | | |
| 420 Court | N/A. This project is fully funded with private financing; no public bonds will be issued to provide the City’s TIF incentive | | | | | | |
| Surety Hotel | N/A. This project is fully funded with private financing; no public bonds will be issued to provide the City’s TIF incentive | | | | | | |
| Financial Center Hotel | Unknown. Project has not started yet. | | | | | | |

Reinvestment Fund Activity Summary

| Reinvestment Fund Revenue Previous 12 Months | Reinvestment Fund Revenue to-Date | Reinvestment Fund Expenditures Previous 12 Months | Reinvestment Fund Expenditures to-date |
|--|-----------------------------------|---|--|
| FY24 - \$1,971,863 | \$6,665,651 | FY24 - \$1,757,042 | \$8,586,314 |

Information provided should be the most recent that is available.

CERTIFICATION OF ACCURACY:

I hereby certify that the information presented to the Iowa Economic Development Authority on the date indicated below is fully complete, true, and correct. I understand that it is a criminal violation under Iowa law to engage in deception and knowingly make, or cause to be made, directly or indirectly, a false statement in writing for the purpose of procuring economic development assistance from a state agency or subdivision, as provided in Iowa Code section 15A.3 and other applicable law.

I further depose that the signature below is my own proper signature and that I have the authority to submit this information on behalf of the Recipient.

Prepared By:

Name: Nickolas Schaul Phone # 515-283-4540

Title: City of Des Moines – Finance Director

Signature *Nickolas Schaul* Date 9/27/2024

E-Mail Address njschaul@dmgov.org

Authorized Signatory:

Name: Matt Anderson

Title: City of Des Moines – Deputy City Manager

Signature *Matthew Anderson* Date 9/27/2024