

Meeting Agendas/Info

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

01-110

SYNOPSIS -

AGENDA:

MARCH 12, 2001

SUBJECT:

**COLOR
CONVERTING
INDUSTRIES
SUBORDINATION
AGREEMENTS**

TYPE:

**RESOLUTION
ORDINANCE
RECEIVE/FILE**

SUBMITTED BY:

**RICHARD CLARK
DEPUTY CITY
MANAGER**

On the March 12, 2001 Council agenda is a roll call to approve new bank debt subordination agreements for Color Converting Industries, Inc. Approval of these documents will allow for a change in the company's banking relationship to LaSalle Banks N.A. The City is currently subordinate to \$18 million in bank debt, the amount of which will remain unchanged.

On April 6, 1998, by Roll Call No. 98-1048, the City Council approved a financial assistance package consisting of: State of Iowa Community Economic Betterment Account (CEBA) in the amount of \$750,000, State of Iowa Revitalizing Iowa's Sound Economy (RISE) in the amount of \$549,000, State of Iowa Railroad Economic Development (RED) in the amount of \$100,000; gave approval of the City's participation in an amount of \$348,533; and approved agreements with the developer (Airport Commerce Park West, L.L.C.) for the use of Airport Commerce Park West Urban Renewal Tax Increment Financing funds as part of the project.

The City, Polk County, and State of Iowa assistance package was subordinate to bank financing in the amount of \$18 million used to support the company's expansion and construction of its new corporate home office and manufacturing facility. Terry Vorbrich with the City' Office Economic Development is coordinating the City activities relative to this project.

FISCAL IMPACT -

Approval of the subordination agreement will not affect the general fund or the Airport Commerce Park West Urban Renewal Tax Increment Financing District.

RECOMMENDATION -

Approve the roll call approving the subordination agreement to

the City and CEBA loan agreements for Color Converting Industries, Inc. and authorize the Mayor to execute said subordination agreements upon approval of such documents by the City Corporate Counsel.

[[Council Members](#) | [Leave a Message](#) | [Meeting Agendas/Info](#) | [Recent Ordinances](#)]
[[Board/Commission List](#) | [Meeting Schedule](#) | [Request to Speak](#) | [Election/Voter Reg](#)]