CITY COUNCIL COMMUNICATION:

02-178

AGENDA:

APRIL 8, 2002

SUBJECT:

ROLL CALLS TO AMEND AIRPORT COMMERCE PARK SOUTH URBAN RENEWAL PLAN PROJECT AREA AND CITY-WIDE REVITALIZATION AREA

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

RICHARD CLARK
DEPUTY CITY
MANAGER

ITEM _____

OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA

SYNOPSIS -

On the April 8, 2002 Council agenda, is a roll call to amend the Development Agreement between the City of Des Moines and ABC Partners, L.P. (Richard B. Margulies, Treasurer, 2100 Westown Parkway, West Des Moines, IA 50265)

The purpose of the amendment is to expand the project area and to permit the expanded project area to be developed for commercial and industrial enterprises as a unified development.

FISCAL IMPACT -

The amendments to the Development Agreement will not result in any additional funding commitment to the Developer, ABC Partners, L.P.

RECOMMENDATION -

Approval.

BACKGROUND -

On December 2, 1996, by Roll Call No. 96-4043, the City Council approved an Urban Renewal Development Agreement with ABC Partners, L.P. The City agreed to provide economic development grants in a total amount not to exceed $2,662,500 in exchange for the Developer providing the private financing and construction of the streets, sewers and other public infrastructure necessary to permit the development of the Airport Business Park Urban Renewal Project Area.

In September, the Council expanded the Airport Business Park Urban Renewal Project Area to add additional land lying immediately east of the original area. The additional loan will be developed in

common with the original project area.

This amendment expands the project area within which the Developer can construct the necessary infrastructure and obtain reimbursement. This allows the expanded area to be developed as one large planned area, not as two smaller units.

Although the project area will expand significantly, the maximum economic development grant available to the Developer will remain the same.