	Council Communication Office of the City Manager	Date	December 21, 2009
		Agenda Item No. 29C Roll Call No. 09- Communication No. 09-886 Submitted by: Matthew Anderson, Economic Development Administrator	

AGENDA HEADING:

Resolution approving Issuance of Certificate of Substantial Completion for 1717 Ingersoll, LLC in the Metro Center Urban Renewal Project.

SYNOPSIS:

1717 Ingersoll, LLC (Michael Simonsen, Owner, 1717 Ingersoll, Des Moines, IA 50309) has submitted documentation required to demonstrate substantial completion of their development project located at 1717 Ingersoll, which was occupied by the former Stivers Auto Sales Center and is now the professional offices of Simonsen & Associates Architects and Gilmer & Doyle Engineering.

The Urban Renewal Development Agreement with 1717 Ingersoll, LLC requires a certificate of completion to be issued by the City Council before the economic development grant payments can begin. City staff has inspected the project and has confirmed the terms of the Agreement have been satisfied to allow approval of a certificate of substantial completion.

FISCAL IMPACT:

Amount: Not to exceed $550,000, paid in ten annual installments of $55,000. Payment of each annual installment is subject to the Developer meeting conditions contained in the development agreement. It is anticipated that the new tax increment from the project will be approximately $70,000 per year.

Funding Source: Metro Center Urban Renewal Area Tax Increment Financing District. The project will be subject to a 10 year minimum assessment agreement for $2.6 million.

ADDITIONAL INFORMATION:

The Development Agreement approved by the City Council on June 23, 2008 anticipated the redevelopment of the former Stivers Auto Sales Center at 1717 Ingersoll. Issuance of the Certificate of Substantial Completion certifies the Developer's compliance with the majority of the construction obligations provided for in the Development Agreement, pursuant to Developer's ability to seek tax increment revenue reimbursement on new tax revenues produced by the development. Sidewalk and approach improvements on High Street remain to be completed, and will be done in conjunction with the finish of the restaurant space in the building, scheduled for spring 2010.

The economic development grant payments are scheduled to commence on December 15, 2011.

PREVIOUS COUNCIL ACTION(S):

Date: June 23, 2008

Roll Call Number: 08-1106

Action: Urban Renewal Development Agreement with 1717 Ingersoll LLC, and Conceptual Development Plan for redevelopment of the former Stivers Dealership site at 1717 Ingersoll Avenue. MAP (Council Communication No. 08-382) Moved by Vlassis to adopt. Motion Carried 7-0.

Date: June 9, 2008

Roll Call Number: 08-1002

Action: Regarding preliminary terms of urban renewal development agreement with 1717 Ingersoll, LLC for redevelopment of former Stivers Dealership at 1717 Ingersoll Avenue for commercial office and restaurant uses. (Council Communication No. 08-358) Moved by Hensley to receive and file, and to direct the City Manager to proceed with negotiations toward a final agreement for further consideration by the City Council. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Date: June 17, 2008

Roll Call Number: N/A

Action: Urban Design Review Board recommended approval of the Conceptual Development Plan and financial assistance package as presented.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Certificate of Final Completion will be brought forward when the remaining improvements are completed in 2010.

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