

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: July 26, 2010
	Agenda Item No. 34 Roll Call No. <u>10-1225</u> Communication No. <u>10-472</u> Submitted by: Matthew Anderson, Economic Development Administrator

AGENDA HEADING:

Resolution approving issuance of a Certificate of Completion for Nelson Development 25 SW 5th, LLC’s rehabilitation and conversion of a warehouse building into seventy apartment units located at 328 S.W. Fifth Street.

SYNOPSIS:

On May 18, 2009, by Roll Call No. 09-863, the City Council approved an Urban Renewal Development Agreement with Nelson Development 25 SW 5th, LLC (“Nelson Development”) whereby Nelson Development agreed to construct the following Improvements in accordance with the Development Agreement and an approved Preliminary Development Plan:

1. Rehabilitate and renovate the building into approximately seventy (70) residential apartment units.
2. Upgrade the exterior appearance of the building.
3. Construct underground and covered parking improvements.

Pursuant to the Development Agreement, Nelson Development has now completed the rehabilitation of the building, in substantial compliance with the approved Preliminary Development Plan, and has requested the City issue a Certificate of Completion as evidence of satisfaction of Nelson Development’s construction obligations.

FISCAL IMPACT:

Amount: No new funds are committed pursuant to this action. Issuance of the Certificate of Completion will cause payment of the previously approved economic development incentives. Upon request by the City Manager or his designee, the Finance Department is hereby authorized to pay and release to Nelson Development 25 SW 5th, LLC the first of ten installments of the Economic Development Grant in the amount of \$161,788 pursuant to Section 52 of the Development Agreement. Payment is to be made within ten (10) business days of the issuance of the Certificate of Completion.

Funding Source: Metro Center Urban Renewal Area tax increment financing proceeds. Fund SP371, CMO990000, TIF027, FY2010-11 Recommended Operating Budget, page 56.

ADDITIONAL INFORMATION:

Nelson Development has completed its \$11.6 million conversion of the AP Lofts property at 328 SW 5th Street, formerly known as the Hawkeye Transfer Building. This rehabilitation converted a historic warehouse to 70 market-rate apartment units with 57 underground and covered parking spaces.

PREVIOUS COUNCIL ACTION(S):

Date: April 26, 2010

Roll Call Number: [10-615](#)

Action: [Amendments](#) correcting Urban Renewal Development Agreement with ND 25 SW 5th LLC for renovation of 328 SW 5th Street. ([Council Communication No. 10-211](#)) Moved by Coleman to adopt and approve the proposed amendments to the Urban Renewal Development Agreement and the Declaration of Covenants between the City of Des Moines, Iowa and ND 25 SW 5th, LLC. Motion Carried 7-0.

Date: May 18, 2009

Roll Call Number: [09-863](#)

Action: [Urban](#) Renewal Development Agreement with ND 25 SW 5th L.L.C. for redevelopment of property at 328 SW 5th Street, (Hawkeye Transfer Lofts). ([Council Communication No. 09-317](#)) Moved by Kiernan to adopt. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S):

Date: March 17, 2009

Roll Call Number: N/A

Action: Urban Design Review Board held a TIF review of the project and recommended 6-0 approval of the public financial assistance to the project

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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