

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: January 9, 2012
	Agenda Item No. 10 Roll Call No. <u>12-0024</u> Communication No. <u>12-019</u> Submitted by: Terrance N. Vorbrich, Acting Economic Development Administrator

AGENDA HEADING:

Resolution approving Amended Special Warranty Deed for conveyance to Kemin Holdings, L.C., as designee for Kemin Industries, Inc.

SYNOPSIS:

On June 13, 2011, the City Council approved an Urban Renewal Development Agreement with Kemin Industries, Inc., whereby the City agreed to convey certain real estate to Kemin or its designee for an expansion of its corporate campus. After a portion of the real estate was conveyed to Kemin Holdings, L.C., the Polk County Auditor requested that the City file an Amended Special Warranty Deed to amend the legal description to conform with a Plat of Survey that was subsequently prepared for the property. This action approves the issuance of the Amended Special Warranty Deed.

FISCAL IMPACT: NONE

Amount: N/A

Funding Source: N/A

ADDITIONAL INFORMATION:

On June 13, 2011, by Roll Call No. 11-1048, after notice and public hearing, the City Council approved an Urban Renewal Development Agreement with Kemin Industries, Inc., for an expansion of the Kemin World-Wide Corporate Headquarters and Corporate Campus. The Agreement commits Kemin to expand its Des Moines facilities; a five-year capital expansion plan to be implemented under the Agreement consists of a new world-wide headquarters, new research & development facilities and six new manufacturing facilities. New construction is identified at a minimum of approximately 166,000 square feet. Kemin's investment in construction and site preparation is estimated at \$21.85 million, with an additional investment of \$6.3 million in manufacturing machinery and equipment, \$1.5 million in furniture and fixtures and \$10 million investment in new research and development. Kemin has growth plans to hire an additional 98 employees over the next five years at a projected weighted average starting wage of \$24.07, plus benefits. As of June 13th, Kemin employed 349 workers at its Des Moines location at an average wage of \$31.37 plus benefits, which it will retain in Des Moines.

The Agreement provides for the City to convey certain property to Kemin over four years beginning in 2011. The first parcels were conveyed to Kemin Holdings L.C., by a Special Warranty Deed dated July

12, 2011. Subsequent to the recording of that deed, the property was surveyed and described in a Plat of Survey recorded on October 26, 2011. The Polk County Auditor has requested that the City issue an Amended Special Warranty Deed to amend the legal descriptions used in that conveyance to conform with the Plat of Survey. City staff recommends that the City Council approve the Amended Special Warranty Deed.

PREVIOUS COUNCIL ACTION(S):

Date: June 13, 2011

Roll Call Number: [11-1048](#)

Action: [Urban](#) Renewal Development Agreement with Kemin Industries, Inc. for expansion of World-wide Corporate Headquarters and Corporate Campus, 2100 Maury Street. ([Council Communication No. 11-391](#)) **Moved by Meyer to adopt. Motion Carried 7-0.**

Date: May 23, 2011

Roll Call Number: [11-0921](#)

Action: [Hearing](#) on the proposed Urban Renewal Development Agreement with Kemin Industries, Inc.; proposed vacation of portions of Scott Avenue and SE 20th Street; proposed sale and conveyance of such vacated rights-of-way together with additional City-owned land, north of Scott Avenue between SE 20th and SE 22nd Streets to Kemin Industries, Inc.; and on the proposed rezoning of all such land together with additional land, north of Scott Avenue between SE 19th and SE 20th Streets from "M-1" (Light Industrial) to "M-2" (Heavy Industrial), for an expansion of the Kemin Home Office, Research and Manufacturing Facilities. **Moved by Meyer to adopt. Motion Carried 7-0.** [Council Communication No. 11-333](#)

Date: April 25, 2011

Roll Call Number: [11-0682](#)

Action: [Schedule Hearing on](#) proposed Urban Renewal Development Agreement with Kemin Industries, Inc. and vacation, sale and rezoning of property, (5-23-11) and approving preliminary terms of agreement. ([Council Communication No. 11-255](#)) **Moved by Hensley to adopt. Motion Carried 7-0.**

BOARD/COMMISSION ACTION(S):

Board: Plan & Zoning Commission

Date: May 19, 2011

Resolution Number: N/A

Action: Approval of recommendation for vacation of SE 20th Street right-of-way beginning at the southern SE Connector right-of-way line and extending south to the northern right-of-way line of Scott

Avenue; and approval of recommendation for rezoning the Kemin Industries project site from M-1 Light Industrial District to M-2 Heavy Industrial District.

Board: Urban Design Review Board

Date: May 3, 2011

Resolution Number: N/A

Action: Approval of recommendation on the reasonable and appropriate use of financial assistance funded from tax increment revenues to assist the expansion project.

Board: Plan & Zoning Commission

Date: November 18, 2010

Resolution Number: N/A

Action: Approval of recommendation for vacation of Scott Avenue right-of-way beginning at E 20th Street and extending to the proposed economic development project area.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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