

 <p style="text-align: center;"><b>Council</b> <b>Communication</b> Office of the City Manager</p>	<b>Date:</b> February 9, 2015
	<b>Agenda Item No.</b> 22 <b>Roll Call No.</b> <u>15-0208</u> <b>Communication No.</b> <u>15-062</u> <b>Submitted by:</b> <b>Matthew A. Anderson,</b> <b>Assistant City Manager</b>

**AGENDA HEADING:**

Resolution Approving Acknowledgment of Assignment under First Amendment Urban Renewal Development Agreement between the City of Des Moines and Liberty Building Development Group, LLC dated April 12, 2010.

**SYNOPSIS:**

On April 6, 2005, by Roll Call No. 05-0814, City Council approved the Urban Renewal Development Agreement with the Liberty Building Development Group, LLC that provided economic development assistance for the historic renovations to the Liberty Building and the development of a private parking garage associated with the project. On April 12, 2010, by Roll Call No. 10-0558, City Council approved the First Amendment to the Urban Renewal Development Agreement that removed Equitable LP as a party to the agreement, provided for a reduced economic development grant for assistance to the private parking garage, and provided for economic development financial assistance directed to the renovation of five (5) floors of the Liberty Building for a Hyatt Place Hotel.

The First Amendment to the Development Agreement contains provisions that allow the Developer to assign the economic development assistance contained therein to a third party with prior City approval. The Developer is requesting the City approve the assignment of any future assistance to be received under the Reduced Economic Development Grant as detailed in the First Amendment to the Development Agreement to the Liberty Building Historic Rehab, LLC, a related entity. City Office of Economic Development and Legal staff have reviewed the request and recommend approval.

**FISCAL IMPACT: NONE**

**ADDITIONAL INFORMATION:**

On April 6, 2005, by Roll Call No. 05-0814, the City Council approved a development agreement to assist with construction of a private parking ramp to facilitate redevelopment of the Liberty and Equitable Buildings. The parking garage was completed in 2006 and improvements made to the Liberty Building exceed the values required per the Minimum Assessment Agreement. The original development agreement was a three (3) party agreement that also included the owner of the Equitable Building, Equitable, L.P. Equitable L.P. has not followed through on development of that project and the building has been foreclosed on by its lender. No direct financial incentives were provided to Equitable, L.P. The First Amendment to the Urban Renewal Development Agreement with Liberty Building Development Group LLC Development incorporates the new hotel development and removed Equitable L.P. from the agreement.

**PREVIOUS COUNCIL ACTION(S):**

Date: March 11, 2013

Roll Call Number: [13-0408](#)

Action: [Second](#) Amendment to Urban Renewal Development Agreement with Liberty Building Development Group, LLC for the Liberty Building Rehabilitation and Parking Garage Development. ([Council Communication No. 13-125](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: August 27, 2012

Roll Call Number: [12-1389](#)

Action: [Acknowledging](#) assignment of Economic Development Grant under First Amendment to Urban Renewal Development Agreement - Liberty Building Hotel Renovation Improvements, 418 Sixth Avenue. Sponsor: Hensley. ([Council Communication No. 12-470](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: July 25, 2011

Roll Call Number: [11-1295](#)

Action: [Issuance](#) of Certificate of Completion for the Liberty Building Hyatt Place Hotel renovation improvements Metro Center Urban Renewal Project. ([Council Communication No. 11-497](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: April 12, 2010

Roll Call Number: [10-0558](#)

Action: [First](#) Amendment to Urban Renewal Development Agreement with Liberty Building Development Group LLC for a \$15 million renovation of five floors of the Liberty Building for a 95 room Hyatt Place Hotel. ([Council Communication No. 10-174](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: December 21, 2009

Roll Call Number: [09-2322](#)

Action: [Preliminary](#) Terms of Agreement with Liberty Building Development Group LLC for a \$15 million renovation of 5 floors of the Liberty Building for a 95 room Hyatt Place Hotel. ([Council Communication No. 09-873](#)) Moved by Hensley to receive, file and approve preliminary terms of agreement set forth in the Council Communication and to direct the City Manager to proceed with negotiations of formal agreements with Liberty Building Development Group LLC consistent with the terms set forth in the Council Communication. The City Manager will communicate with existing hotel operators in Des Moines to give information regarding any Economic Development assistance that is available. Motion Carried 4-3. Nays: Kiernan, Mahaffey and Vlassis.

Date: April 6, 2005

Roll Call Number: 05-0814

Action: Approving Urban Renewal Development Agreement with K.C. Holding VI, L.L.C., (Mike Nelson, Managing Member, Urbandale, IA) and Equitable, L.P., (Bob Knapp, Managing Member, WDSM, IA) for redevelopment of Liberty and Equitable Buildings and construction of privately owned parking ramp. ([Council Communication No. 05-178](#)) Moved by Hensley to adopt. Motion Carried 4-1-2. Nays: Vlassis.

**BOARD/COMMISSION ACTION(S):**

Board: Urban Design Review Board

Date: February 2, 2010

Resolution Number: N/A

Action: Recommendation to City Council for approval of project design and financial assistance as presented.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).