

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b>	August 24, 2015
	<b>Agenda Item No.</b>	<b>54</b>
	<b>Roll Call No.</b>	<b><u>15-1464</u></b>
	<b>Communication No.</b>	<b><u>15-475</u></b>
	<b>Submitted by:</b>	<b>Matthew A. Anderson, Assistant City Manager</b>

**AGENDA HEADING:**

Approving the Iowa Event Center (IEC) joint agreement with Polk County to proceed with the Iowa Events Center Urban Renewal Area.

**SYNOPSIS:**

Polk County has requested consent to their designation of the property proposed for the IEC Hotel as a concurrent urban renewal area overlaying the City’s designation of the site within the current Metro Center Urban Renewal District. Approving the joint agreement will assist the County with financing their contribution to the IEC Hotel, but does not allow the county to withdraw tax increment finance (TIF) funds from the District.

**FISCAL IMPACT: NONE**

**ADDITIONAL INFORMATION:**

Since the Council’s last action on the IEC Hotel, the Iowa Economic Development Authority (IEDA) approved the City’s application to the Iowa Reinvestment Act, providing the opportunity for the Iowa Convention and Entertainment District to earn \$36.4M for projects in the District over 20 years and the IEC Corporation Board has met three (3) times. Notable actions by the Board include:

- Engaging Kutak Rock to provide legal services for drafting a qualified management agreement with Hilton Hotels.
- Identification of the Weitz Companies (operating as DSM Convention Hotel LLC) to design and build the IEC Hotel. They have been working with RDG Planning and Design, DLR Group (Kansas City), and Ellis Katz of Project Management Consultants (Cleveland) to develop the schematic design and budget for the hotel. Schematic design information should be available in September 2015.

**PREVIOUS COUNCIL ACTION(S):**

Date: May 18, 2015

Roll Call Number: [15-0803](#)

Action: [Appointing](#) Grant Friesth to the IEC Hotel Board of Directors. Moved by Coleman to adopt. Appointment to expire December 31, 2016. Refer to nonprofit to ensure that not just paid consultants,

but local marketplace experts are advised for the design and to create the revenue projection and report back to Council how this will be accomplished. Motion Carried 7-0.

Date: May 4, 2015

Roll Call Number: [15-0734](#)

Action: [Appointing](#) Allen McKinley to the IEC Hotel Board of Directors. Moved by Gatto to adopt. Motion Carried 7-0.

Date: April 6, 2015

Roll Call Number: [15-0629](#)

Action: [On](#) Urban Renewal Agreement for sale of Land for Private Development, with 420 Court Avenue, LLC, for the sale and redevelopment of Disposition Parcel 99C at 420 Court Avenue, in the Metro Center Urban Renewal Area (Hy-Vee project). ([Council Communication No. 15-178](#)) Moved by Gatto to adopt. Motion Carried 6-1.

Date: February 23, 2015

Roll Call Number: [15-0269](#)

Action: [Approving](#) preliminary terms of agreement with IEC Hotel Corporation for financial assistance for development of a headquarters hotel connected to the Iowa Events Center and approving the final application to Iowa Economic Development Authority for funding from the Iowa Reinvestment Act for the Iowa Convention & Entertainment Reinvestment District. ([Council Communication No. 15-094](#)) Moved by Coleman to adopt, and to refer to the City Manager regarding: 1. Skill set necessary for members of the non-profit board of IEC Hotel Corporation. 2. How the City's interests are protected, and if refinancing takes place, how taxpayer's are protected. 3. Strategy for the City to have a reserve or "nest egg", funded by available hotel/motel taxes for use in the event the City is required to fund a shortfall in the reinvestment district revenues. Motion Carried 7-0.

Date: January 12, 2015

Roll Call Number: [15-0075](#)

Action: [Preliminary](#) terms of agreement and authorize City Manager to proceed with the necessary documents for a developer-initiated redevelopment proposal with 420 Court Avenue, LLC (a joint limited liability company formed by William C. Knapp, LC and Hy-Vee, Inc.) for the purchase and redevelopment of Disposition Parcel No. 99C/ Metro Center Urban Renewal Area located at 420 Court Avenue. ([Council Communication No. 15-019](#)) Moved by Hensley to receive, file and approve the preliminary terms of agreement set forth in Council Communication No. 15-019 to direct the City Manager's Office to proceed with negotiation of a formal agreement with 420 Court Avenue, LLC to be incorporated into a developer-initiated proposal, consistent with the terms set forth in the Council Communication No. 15-019. Motion Carried 7-0.

Date: March 10, 2014

Roll Call Number: [14-0383](#)

Action: [Proposed](#) Preliminary District Plan for the Iowa Convention and Entertainment Reinvestment District and the submission of a pre-application to the IEDA. ([Council Communication No. 14-109](#)) Moved by Coleman to adopt. Motion Carried 7-0.

Date: February 24, 2014

Roll Call Number: [14-0329](#)

Action: [Selection](#) of Knapp Properties/Hy-Vee as the preferred developer to purchase and redevelop 420 Court Avenue. ([Council Communication No. 14-080](#)) Moved by Coleman to acknowledge that this is the first step of the process, refer to the City Manager to develop a communication strategy and to submit it to Council for their review that will keep the Mayor and Council apprised of the negotiations and development plan, and to adopt the recommendations contained in Council Communication No. 14-080. Motion Carried 5-1-1. Nays: Moore. Absent: Cownie.

Date: August 26, 2013

Roll Call Number: [13-1366](#)

Action: [Urban](#) Renewal Development Agreement with Randolph Apartments Limited Partnership for the redevelopment of the Hotel Randolph, Earl & Le Bosquet and Youngerman Block Buildings located at the northwest corner of 4<sup>th</sup> Street and Court Avenue. ([Council Communication No. 13-447](#)) Moved by Hensley to adopt. Motion Carried 6-1. Absent: Meyer.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

- Establish Iowa Convention & Entertainment Reinvestment District.
- Consideration of a contract with State of Iowa for receipt of funds from the Iowa Reinvestment Act.
- Consideration of final development agreement with IEC Hotel Corporation.
- Preliminary and final consideration of hotel design by Urban Design Review Board.

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