

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: September 28, 2015
	Agenda Item No. 36 Roll Call No. <u>15-1621</u> Communication No. <u>15-521</u> Submitted by: Matthew A. Anderson, Assistant City Manager

AGENDA HEADING:

Approving Subordination Agreement - Temple for Performing Arts Rehabilitation Project (1101 Locust Street).

SYNOPSIS:

On January 28, 2002, by Roll Call 02-291, City Council approved a Development Agreement with B.H. Temple, Inc., Downtown Preservation Partners, LLC and Temple Partners L.P represented by Harry Bookey, 400 Locust Street, Suite 790, Des Moines (collectively referred to herein as “Developer”). In the Development Agreement the City acknowledged and subordinated any mortgage interests it may hold on the Temple for the Performing Arts property located at 1101 Locust Street, to debt held by First American Bank totaling \$1.4 million. The Developer has applied for and First American Bank has approved a refinance of the existing bank mortgage debt plus additional financing of building repair and maintenance costs that increase the total bank financing to \$1.7 million. The subordination agreement reaffirms that \$1.4 million of the bank financing remains senior to the City lien position. The subordination does not change or alter the terms, conditions or covenants contained in the Development Agreement between the City and Developer.

Staff with the City’s Office of Economic Development and Legal Department have reviewed the Bank financing use of proceeds to the terms of the Development Agreement and find it in keeping with the terms of the agreement, and recommend approval and execution of the Subordination Agreement as presented.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

N/A

PREVIOUS COUNCIL ACTION(S):

Date: September 9, 2013

Roll Call Number: [13-1398](#)

Action: [Second](#) Amendment to Development Agreement with B.H. Temple, Inc., Downtown Preservation Partners, LLC and The Temple Partners, LP for the Temple for Performing Arts

Rehabilitation Project, 1101 Locust Street. ([Council Communication No. 13-470](#)) Moved by Moore to adopt. Motion Carried 7-0.

Date: September 9, 2002

Roll Call Number: 02-2200, 02-2201, 02-2202, 02-2203, and 02-2204

Action: On items regarding the Masonic Temple Project, Downtown Preservation Partners, LLC, ([Council Communication No. 02-473](#)).

- (A) First Amendment to Development Agreement with B.H. Temple, Inc. Downtown Preservation Partners, L.L.C., and the Temple Partners, L.P. for development of the Masonic Temple Building. Moved by Hensley to adopt. Motion Carried 6-1. Absent: Brooks.
- (B) On vacation and lease of a portion of 10th Street, north of Locust, to be used for a Sidewalk Cafe, 5-year lease, \$1,000 per year. Moved by Hensley to adopt. Motion Carried 6-1. Absent: Brooks.
 - (1) First consideration of ordinance above. Moved by Hensley that this ordinance be considered and given first vote for passage. Motion Carried 6-1. Absent: Brooks.
 - (2) Final consideration of ordinance above, (waiver requested by applicant), requires 6 votes. (Council Communication No. 02-490). Moved by Hensley that the rule requiring that ordinances must be considered, and voted on for passage at two council meetings prior to the meeting at which it is to be finally passed be suspended, that the ordinance be placed upon its final passage and that the ordinance do now pass, #14,137. Motion Carried 6-1. Absent: Brooks.
- (C) On Lease Agreement for previously vacated North/South alley, north of Locust, between 10th and 11th, for use as an Outdoor Patio Cafe, \$1,356 per year. Moved by Hensley to adopt. Motion Carried 6-1. Absent: Brooks.

Date: January 28, 2002

Roll Call Number: 02-291

Action: Resolution approving Development Agreement with B.H. Temple Inc., Downtown Preservation Partners, LLC, and Temple Partners L.P. Moved by Coleman to adopt. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S): NONE

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.