


# COUNCIL COMMUNICATION

	Number:	<b>19-452</b>	Meeting:	<b>October 14, 2019</b>
	Agenda Item:	<b>59</b>	Roll Call:	[ _____ ]
	Submitted by:	<b>Erin Olson-Douglas, Economic Development Director</b>		

## AGENDA HEADING:

Approving First Amendment to Amended and Restated Urban Renewal Agreement with Grand 7 Partners, LLC.

## SYNOPSIS:

Recommend approval of an amendment to an urban renewal development agreement for a mixed-use project at 665 Grand Avenue with Grand 7 Partners, LLC (Michael K. Nelson, Managing Member, 218 6th Avenue, Suite 200, Des Moines, Iowa, 50309). The Fourth Amendment to the development agreement allows for a 1-year extension to the final phase of development at 665 Grand Avenue.

## FISCAL IMPACT:

Amount: No changes to the financial terms of the development agreement are proposed with this amendment.

Funding Source: Tax Increment from the Metro Center Urban Renewal Area.

## ADDITIONAL INFORMATION:

- The first and second phases of the project were timely complete per the Third Amended and Restated Urban Renewal Development agreement.
  - The first phase is a ‘skywalk node’ at the southwest corner of the site that provided a connection between the existing Grand Avenue skywalk bridge and the new 7th Street skywalk bridge. The skywalk node provides the vertical connection on this block with an elevator and open-air stairway connecting between the sidewalk and skywalk levels.
  - The second phase is a 3-story, 18,000-square-foot commercial building with ground floor restaurant and offices on the upper floors along the Grand Avenue frontage. Microsoft’s local offices occupy the top floor, and a restaurant has recently committed to moving into the first floor with opening planned for summer 2020.

- The third and final phase of development is for an apartment building with a minimum of six (6) floors and 75 market rate units at the 7th Street and High Street frontages. The start date for construction will be moving from November 1, 2019 to November 1, 2020, and the completion deadline will move from April 1, 2021 to April 1, 2022. Estimated project cost is \$20 million. Steel or concrete structural systems are required. Parking for the project will be provided by the Principal Financial Group's parking garage to the west of this site under a lease agreement between the Developer and the garage owner.

**PREVIOUS COUNCIL ACTION(S):**

Date: August 14, 2017

Roll Call Number: [17-1406](#)

Action: [Amended](#) and Restated Urban Renewal Agreement for sale of land for private redevelopment with Grand 7 Partners, LLC. ([Council Communication No. 17-602](#)) Moved by Hensley to adopt; refer to the City Manager to provide an update at the November 6<sup>th</sup> Council Workshop. Motion Carried 7-0.

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

Board: Urban Design Review Board

Date: December 12, 2017

Resolution Number: N/A

Action: Recommend final approval of the design with the condition that the Developer continue to work with staff and the Diocese to work out the curb dimensions and the easements required on the north drive approach entry on High Street.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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