COUNCIL COMMUNICATION				
CITY OF DES MOINES CITY MANAGER'S OFFICE	Number:	25-382	Meeting:	October 20, 2025
	Agenda Item:	32	Roll Call:	25-1411
	Submitted by:	Cody Christensen, Development Services Director		

AGENDA HEADING:

Approving First Amendment and Assignment of Urban Renewal Development Agreement with FW Rehab, LLC.

SYNOPSIS:

Recommend approval of First Amendment and Assignment of Urban Renewal Development Agreement with FW Rehab, LLC.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- On January 25, 2021, the City Council approved final terms of an Urban Renewal Development Agreement with FW Rehab, LLC (Abbey Gilroy, Executive Director; 2331 University Avenue, Suite 202, Des Moines, IA 50311) for the renovation of the 11,400-square-foot building at 3610 6th Avenue for a mixed-use building, including commercial and multi-family residential uses. The building has been sold to Andersen Real Estate, LLC, and the associated Development Agreement is being assigned and assumed by the new ownership entity, Andersen Real Estate, LLC (Emily Jones, Member; 3610 6th Avenue, Des Moines, IA 50313).
- This real estate transfer to Andersen Real Estate, LLC was an intended action as a result of a successful project. The original entity, FW Rehab, LLC, had undertaken the project for the full renovation and stabilization of the building. Once the stabilization point was reached, FW Rehab, LLC was to transact the real estate to the entity representing the operation of the restaurant within the renovated space Chuck's Restaurant, of which Emily Jones is an owner.
- The Development Agreement includes a 15-year economic development incentive. The incentive payments have commenced, as obligations under the Development Agreement have been met to date. The Development Agreement obligations and associated incentive payments will be transferred to Andersen Real Estate, LLC, under the condition that all obligations are fulfilled. The original Development Agreement also included unimproved land (located at 3612 6th Avenue) within the legal description and definition of the subject property. This unimproved land area has not been conveyed to Andersen Real Estate, LLC and is not a part of the original project nor the associated incentive. Therefore, this First Amendment redefines the subject property, not inclusive of that unimproved land at 3612 6th Avenue. The Declaration of Covenants, as an exhibit of the

original Development Agreement and separately recorded, included the original legal description inclusive of the unimproved land at 3612 6th Avenue. It is necessary to contemporaneously execute a partial release of the Covenant for the unimproved land area at 3612 6th Avenue that has not been conveyed to Andersen Real Estate, LLC, as is consistent with the First Amendment and Assignment action.

PREVIOUS COUNCIL ACTION(S):

<u>Date</u>: January 25, 2021

Roll Call Number: 21-0109

<u>Action</u>: <u>Urban</u> Renewal Development Agreement with FW Rehab, LLC (Abbey Gilroy), and approving Conceptual Development Plan, for the renovation of 3610 6th Avenue into a Mixed-Use Residential and Commercial Development. (<u>Council Communication No. 21-044</u>) Moved by Boesen to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Urban Design Review Board

Date: December 1, 2020

Resolution Number: N/A

<u>Action</u>: Motion to approve final design as presented subject to working with staff on further exploration of window materials by Wilke-Shapiro. Seconded by Allen. Motion carried. Yes -7; No -0; Absent -2; Abstain -0.

Motion to approve financial assistance as presented by Clark. Seconded by Huggins. Motion Carried. Yes -7; No -0; Absent -2; Abstain -0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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