



Date January 12, 2009

RESOLUTION CLOSING HEARING AND APPROVING AN URBAN RENEWAL DEVELOPMENT AGREEMENT WITH BENJAMIN A. ZENTI AND LOUIS A. ZENTI TO DEVELOP DISPOSITION PARCEL 31A IN THE GUTHRIE AVENUE BUSINESS PARK URBAN RENEWAL AREA AND RELATED DOCUMENTS

WHEREAS, on September 26, 1988 by Roll Call No. 88-4238, the City Council of the City of Des Moines approved the Urban Renewal Plan for the Guthrie Avenue Business Park Urban Renewal Project (hereinafter referred to as "Plan"), an area generally bounded by Guthrie Avenue to the north, Washington Avenue to the south, the Union Pacific Railroad right-of-way to the east and East 17th Street to the west and said Plan has subsequently been amended; and

WHEREAS, on December 22, 2008 by Roll Call No. 08-2232, the City Council approved the preliminary terms of an agreement with L & B Enterprises, Inc. ("Developer") for acquisition of property at 401 SE 4th Street and purchase of property in the Guthrie Avenue Business Park; and

WHEREAS, on January 5, 2009, by Roll Call No. 09-014, the City Council set the date of hearing for acceptance and approval of: the Offer of Purchase ("Offer") (Exhibit A hereto) from the Developer for Disposition Parcel 31A ("Property") in the Guthrie Avenue Business Park Urban Renewal Area; the Urban Renewal Development Agreement ("Agreement") (Exhibit B hereto); the form of Special Warranty Deed for Conveyance of the Property (Exhibit C hereto); and the Minimum Development Requirements (Exhibit D hereto); for January 12, 2009 at 7:30 a.m.; and

WHEREAS, notice of the hearing was published in the Des Moines Register on January __, 2009, setting forth the time and place of hearing; and

WHEREAS, the Agreement tendered herewith and executed by the Developer, who will now be known as Benjamin A. Zenti and Louis A. Zenti, propose to construct improvements on the Property including a minimum 10,000 square feet of light industrial office and warehouse space at an estimated development cost of \$1.3 million; and

WHEREAS, the Offer and Agreement provide that Developer will purchase the Property for a purchase price of \$70,000; and

WHEREAS, The City Council has approved financial assistance that will consist of an Economic Development Grant for job retention in the amount of \$20,000 as well as economic development assistance provided by a seven (7) year tax rebate of 100% of the tax increment financing generated by the improvements; and

WHEREAS, pursuant to Sections 72 and 73 of the Agreement, Developer has agreed to enter into a Minimum Assessment Agreement with the City and the Polk County Assessor in the form attached hereto as Exhibit E fixing the minimum assessed value for the Improvements, excluding the value of the underlying land, in the amount of Six Hundred Thousand Dollars (\$600,000.00); and

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WHEREAS, the Special Warranty Deed complies with all legal requirements while protecting the City's interests; and

WHEREAS, the proposed Minimum Development Requirements for Guthrie Avenue Business Park were approved by the Urban Design Review Board and recommended to Council together with the proposed design plans for the development of Parcel 31A at its January 6, 2009 meeting; and

WHEREAS, the competitive disposition provisions of Iowa Code Section 403.8(2) do not apply to the proposed disposition of Disposition Parcel 31A because the property will be redeveloped for use as an industrial building or facility; and

WHEREAS, in accordance with the notice described above, those interested in the proposed Agreement and the sale and conveyance, both for and against, have been given an opportunity to be heard with respect thereto and have presented their views to the City Council; and

WHEREAS, the public gains and benefits generated from this economic development activity are warranted in comparison to the amount of funds invested:

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Des Moines as follows:

1. Upon due consideration of the facts and statements of interested persons, the objections to the proposed Urban Renewal Development Agreement, Minimum Development Requirements, Minimum Assessment Agreement, the Special Warranty Deed, and the sale and conveyance of Disposition Parcel 31A in the Guthrie Avenue Business Park Urban Renewal Area are hereby overruled and the hearing is closed.
2. The Urban Renewal Development Agreement between the City and Benjamin A. Zenti and Louis A. Zenti and the sale and conveyance of Disposition Parcel 31A is hereby APPROVED.
3. The Mayor is authorized and directed to sign the Urban Renewal Development Agreement and the City Clerk is authorized and directed to attest to the Mayor's signature.
4. The Offer to Purchase Real Property and Acceptance is hereby APPROVED, the Mayor is authorized and directed to sign the document and the City Clerk is authorized and directed to attest to the Mayor's signature.
5. The Special Warranty Deed and the Minimum Assessment Agreement are accepted and approved as to form, the Mayor is authorized and directed to sign these documents pursuant to the terms of the Urban Renewal Development Agreement, and the City Clerk is authorized and directed to attest to the Mayor's signature.
6. The Mayor and the City Clerk are further authorized to execute and attest to all other agreements and documents required to implement the terms of the Urban Renewal



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Development Agreement, provided the form of each such document shall be first approved by the City Legal Department.

- 7. The City Manager is hereby authorized and directed to administer the Urban Renewal Development Agreement...
8. The City Clerk is authorized and directed to record the Special Warranty Deed...
9. Upon full execution, and where applicable recording of the documents, the City Clerk is directed to deliver duplicate original documents...

(Council Communication 09- 014 attached)

Moved by _____ to adopt.

APPROVED AS TO FORM:

[Handwritten signature of Michael F. Kelley]

Michael F. Kelley
Assistant City Attorney

- Exhibit A: Offer to Purchase Real Estate and Acceptance
Exhibit B: Urban Renewal Development Agreement
Exhibit C: Special Warranty Deed
Exhibit D: Minimum Development Requirements
Exhibit E: Minimum Assessment Agreement

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, HENSLEY, KIERNAN, MAHAFFEY, MEYER, VLASSIS, TOTAL, and MOTION CARRIED.

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Mayor

City Clerk