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Date..... April 9, 2007

RESOLUTION APPROVING FINANCING DOCUMENTS
FOR THE COURT AVENUE LOFTS

WHEREAS, on November 8, 2004 by Roll Call 04-2448, the City Council approved an Urban Renewal Development Agreement with Court Avenue Partners I, L.P. (the "Developer"), whereby the Developer agreed to rehabilitate the upper three stories of 308 Court Avenue (then known as the Spaghetti Works Building) for use as the Court Avenue Lofts with 51 residential apartment units with appropriate common area improvements, and the City undertook to provide certain financial incentives and other consideration; and,

WHEREAS, on August 8, 2005, by Roll Call No. 05-1971, and on November 7, 2005, by Roll Call No. 05-2680, the City Council approved the First and Second Amendments respectively to the Urban Renewal Development Agreement; and,

WHEREAS, the City, Developer and Polk County Assessor have entered into a Minimum Assessment Agreement dated March 1, 2007, providing that for the period from January 1, 2008, through December 31, 2027, the minimum actual taxable value of the Court Avenue Lofts shall not be less than \$2,375,000.⁰⁰; and,

WHEREAS, Developer has requested that the City enter into an *Estoppel Certificate and Subordination Agreement* whereby Valley Bank, as Senior Lender, agrees to subordinate its first mortgage to the Minimum Assessment Agreement for the Court Avenue Lofts and to the basic required urban renewal covenants, and the City acknowledges that it has no knowledge of any default by the Developer under the Agreement; and,

WHEREAS, the City Manager recommends that the City Council approve an *Estoppel Certificate and Subordination Agreement* for the Court Avenue Lofts in the form now on file and available for inspection in the office of the City Clerk, subject to such minor changes as may be required by Valley Bank and approved by the City Manager and Legal Department; NOW THEREFORE,

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

1. The proposed *Estoppel Certificate and Subordination Agreement* between the City, Developer and Valley Bank is hereby approved.

(continued)

28

Date April 7, 2007

- The Mayor is hereby authorized and directed to sign the said Estoppel Certificate and Subordination Agreement on behalf of the City of Des Moines with such minor changes as may be hereafter approved by the City Manager and Legal Department, and the City Clerk is hereby authorized and directed to attest to the Mayor's signature on such document.

MOVED by _____ to adopt.

FORM APPROVED:

Roger K Brown

Roger K. Brown

Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				

MOTION CARRIED

APPROVED

.....
Mayor

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.

City Clerk