

Date..... May 24, 2010

**RESOLUTION APPROVING AGREEMENTS FOR BUSINESS EXPANSION AND JOB CREATION AT CAPITAL SQUARE BY PALISADE SYSTEM, INC.**

WHEREAS, on December 7, 2009, by Roll Call No. 09-2195, the City Council approved the submission of an application to the State of Iowa Department of Economic Development for financial assistance and also approved the preliminary terms of a Development Agreement negotiated by the City Manager for business expansion and job creation by Palisade System, Inc. ("Palisade") at Capital Square, 400 Locust Street in Des Moines; and

WHEREAS, the State of Iowa Department of Economic Development has approved a \$65,000 forgivable loan to assist Palisade System, Inc. economic development project, contingent upon final City approval of the agreement for the City assistance identified below; and

WHEREAS, the City Manager has negotiated an economic development loan with Palisade to retain the 17 jobs it currently provides in the City of Des Moines and add an additional 46 jobs, and to provide the opportunity for further growth in its business, in exchange for the City providing a \$100,000 economic development loan at 0% interest and payable over a term of ten years; and

WHEREAS, Palisade has consolidated its business and the 17 jobs it currently provides to the Capital Square building in the City of Des Moines and has declared its intention to relocate offshore operations and the associated employment opportunities to another community and county unless it receives the economic incentives provided herein; and

WHEREAS, the economic development incentives to be provided by the City to Palisade for the retention and expansion of its current employment base are provided pursuant to Chapter 15A and 403 of the Code of Iowa. Palisade's obligations under the Development Agreement to retain and expand its employment base within the City will generate the following public gains and benefits: (i) it will further the City's efforts to create and retain job opportunities within the City which might otherwise be lost; (ii) it will preserve and expand the local tax base; and (iii) it will encourage further private investment in the Metro Center Urban Renewal Area and surrounding areas; and

WHEREAS, the City believes that the retention and expansion of jobs at Palisade, the relocation and consolidation of its operations and workforce to Capital Square and the fulfillment generally of the Development Agreement are in the vital and best interests of City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements under which the Metro Center Urban Renewal Project has been undertaken, and warrant the provision of the economic assistance set forth in the agreement; and

WHEREAS, the Development Agreement for City assistance and Palisade's Agreement with the State of Iowa Department of Economic Development for state assistance are on file and available for public inspection in the office of the City Clerk.

Date May 24, 2010

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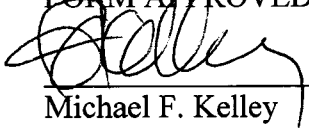
NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, as follows:

1. The Development Agreement for City assistance and the state assistance as identified above are hereby approved. The Mayor is hereby authorized and directed to sign such documents on behalf of the City. The City Clerk is hereby further authorized and directed to attest to the Mayor's signature on such documents.
2. The City Clerk is hereby authorized and directed to deliver original copies of the executed documents to the City's Office of Economic Development, and the Office of Economic Development is authorized to deliver appropriate documents to the State of Iowa and Palisade System, Inc. and thereafter to take all steps necessary to protect the interests of the City by filing or otherwise.
3. Following full execution of the documents identified above, the City staff is authorized and directed to perform the City obligations under the documents identified above, including the requisition of funds from the State and City, the disbursal of funds, and submission of all required project reports to the Iowa Department of Economic Development.
4. Upon request by the City Manager or the City Manager's designee, the Finance Director shall cause the Economic Development Loan from the City to Palisade system, Inc. to be timely advanced in accordance with the terms of the said Development Agreement.

(Council Communication No. 10- 275 )

FORM APPROVED:

MOVED by \_\_\_\_\_ adopt.



Michael F. Kelley  
Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GRIESS				
HENSLEY				
MAHAFFEY				
MEYER				
MOORE				
TOTAL				

**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.

MOTION CARRIED APPROVED

\_\_\_\_\_ Mayor

\_\_\_\_\_ City Clerk