

Date June 4, 2007

RESOLUTION APPROVING CONSTRUCTION PERIOD TAX ABATEMENT FOR THE NEW NATIONWIDE OFFICE BUILDING AT 1200 LOCUST STREET

WHEREAS, on May 8, 2006, by Roll Call No. 06-950, the City Council approved an Urban Renewal Development Agreement with Nationwide Mutual Insurance Company whereby Nationwide agreed to construct an addition containing at least 280,000 square feet to the existing office building at 1100 Locust Street, a new office building with an estimated 360,000 square feet, subject to final programming and design, at 1200 Locust Street, and a new parking garage containing parking spaces for approximately 1,500 vehicles on the block bounded by 12th, 13th, Mulberry and Cherry Streets, and the City agreed to provide certain financial incentives, including construction period tax abatement for the office addition and the new office building; and,

WHEREAS, on May 21, 2007, by Roll Call No. 07-1015, the City Council approved the Eighth Amendment to the Metro Center Urban Renewal Plan which amended the provisions regarding construction period tax abatement to establish the following eligibility criteria:

To qualify for such exclusion (tax abatement), the project must involve the construction of a new building or an addition to an existing building which satisfies the following requirements:

- 1. The new building or addition to an existing building must be at least 4 stories tall and contain at least 275,000 square feet of new interior space to be devoted to office space or a mix of office and retail space with the retail space not to exceed 25% of the total.
2. The owner(s) of the project must make a binding commitment with the City not to seek tax abatement under Iowa Code Chapter 404 (Urban Revitalization Tax Exception) for the project.

WHEREAS, Nationwide has applied for construction period tax abatement pursuant to Iowa Code §403.6(18) and the Metro Center Urban Renewal Plan, for the taxable value added by the construction of the new Nationwide office building at 1200 Locust Street; NOW THEREFORE,

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

- 1. The City Council hereby makes the following findings regarding the application by Nationwide Mutual Insurance Company for construction period tax abatement for the value added by the construction of the new Nationwide office building at 1200 Locust Street:
A. The building is located within the Metro Center Urban Renewal Area;
B. The application for construction period tax abatement was timely filed with the City;

(continued)

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- C. The building satisfies the eligibility criteria set forth in the Metro Center Urban Renewal Plan and Iowa Code §403.6(18) for construction period tax abatement.
- D. Construction of the building was commenced in 2007, and will be less than 80% completed on January 1, 2008.
- 2. The application by Nationwide Mutual Insurance Company for construction period tax abatement for the value added by the construction of the new Nationwide office building at 1100 Locust Street is hereby approved.
- 3. The Polk County Assessor is hereby directed to allow a 100% exemption from taxation on the value added by the construction of the new Nationwide office building at 1200 Locust Street, and existing on January 1, 2008, with such exemption to apply to the taxes that would otherwise be due and payable in Fiscal Year 2009/10.
- 4. Provided the new office building is less than 80% complete on January 1, 2009, the Polk County Assessor is hereby further directed to allow a 100% exemption from taxation on the value added by the construction of the new Nationwide office building at 1200 Locust Street, and existing on January 1, 2009, with such exemption to apply to the taxes that would otherwise be due and payable in Fiscal Year 2010/11.
- 5. The City Clerk is hereby authorized and directed to forward a certified copy of this resolution and of the application to the Polk County Assessor.

(Council Communication No. 07- 313)

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				
VLISSIS				
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

17A/B



Brown Winick
ATTORNEYS AT LAW

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January 30, 2007

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Roger K. Brown
Assistant City Attorney
City of Des Moines
400 Robert D. Ray Drive
Des Moines, Iowa 50309

Re: Nationwide Mutual Insurance Co. - Application for Construction Period Tax Abatement
1100 Locust Street, Des Moines, Iowa 50309 (legal description per attached Exhibit "A")
1200 Locust Street, Des Moines, Iowa 50309 (legal description per attached Exhibit "B")

Dear Roger:

Pursuant to Section 406 of the May 8, 2006 Urban Renewal Development Agreement between Nationwide Mutual Insurance Company ("Nationwide") and the City of Des Moines, Nationwide is entitled to the exclusion of property taxation for the value of certain improvements added to the above referenced properties during the period of construction of those improvements. This letter should therefore serve as an application and request for construction period tax abatement for the above referenced properties in accordance with Section 406 of the Urban Renewal Development Agreement and Iowa Code Section 403.6(18). If additional information or an alternative application format is needed in connection with this request, please let me know immediately.

Very truly yours,

Douglas E. Gross

cc: Don Montgomery
Gina Ormond