

Date..... November 5, 2007.....

**APPROVING DEVELOPMENT AGREEMENT AND AUTHORIZING
EXECUTION OF CONTRACT DOCUMENTS FOR A \$350,000.00 GRANT TO
JOE'S SQUARE L.L.C. FOR DEVELOPMENT OF A MIXED-USE PROJECT
TO BE LOCATED AT BEAVER AVENUE AND FAGEN DRIVE**

WHEREAS, on August 20, 2007 by Roll Call No. 07-1678, the City Council received and filed a communication from the City's Office of Economic Development (OED) regarding preliminary terms of agreement with Joe's Square L.L.C. ("Developer") for development of a mixed-use project at Beaver Avenue and Fagen Drive in the Beavertdale neighborhood of Des Moines and directed the City Manager to proceed with negotiations of a formal agreement; and

WHEREAS, on September 24, 2007 by Roll Call No. 07-1892, the City Council set November 19, 2007 as the date of public hearing to consider approval of the Beavertdale Commercial Area Urban Renewal Plan and the urban renewal area covered by such Plan includes the development project property; and

WHEREAS, OED staff and Joe's Square L.L.C. have negotiated the attached Development Agreement which eliminates the project's financing gap by providing an economic development grant consisting of \$350,000.00 in seven annual installments of \$50,000.00, with the initial payment to be made after the project has paid its first fully assessed property tax installment; and

WHEREAS, the development project furthers the stated goals and objectives in the draft Urban Renewal Plan and the development project complies with the general development controls and guidelines set forth in the Plan that are applicable to tax increment assisted projects; and

WHEREAS, on October 16, 2007, the Urban Design Review Board approved the Conceptual Development Plan and approved the proposed economic development grant assistance for the development project, and

WHEREAS, the grant may be funded out of the City's Economic Development Enterprise Account and, should the City Council approve the Beavertdale Commercial Area Urban Renewal Plan, any payments from such enterprise account will be treated as advances to the urban renewal project to be reimbursed with project tax increment revenues in seven annual installments of \$50,000.00 and such installments may be paid directly through project-generated tax increment; and

WHEREAS, a public purpose will reasonably be accomplished by the Economic Development Grant described herein because the public gains and benefits derived from the development project are warranted in comparison to the amount of funds dispensed.

★ Roll Call Number

Agenda Item Number

37

November 5, 2007
Date

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

1. The Development Agreement by and between the City of Des Moines and Joe's Square L.L.C. is hereby approved, the Mayor is authorized and directed to sign the attached Development Agreement, and the City Clerk is authorized to attest to the Mayor's signature and to obtain proper acknowledgment; and
2. Upon full execution, the City Clerk is directed to deliver the Development Agreement to the County Recorder of Polk County, Iowa, for filing and recording in the manner provided by law and to submit a recorded copy to the Office of Economic Development.
3. The Office of Economic Development is directed to administer the terms of the Development Agreement on behalf of the City and to monitor compliance by the Developer with the terms of the Development Agreement.
4. Upon determination by the City Manager and Legal Department that Developer has satisfied the conditions for payment of economic development grant installments set forth in the Development Agreement, the Finance Director is authorized to pay said installments to Developer on the dates set forth in the Development Agreement.

Moved by _____ to approve.

APPROVED AS TO FORM:



Michael F. Kelley
Assistant City Attorney

(Council Communication No. 07-657)

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