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Date..... December 4, 2006

Alternate Resolution

RESOLUTION SELECTING LINCOLNWAY ENERGY AS THE PREFERRED REDEVELOPER OF DISPOSITION PARCEL NO. 1

WHEREAS, the City of Des Moines owns the real estate within the Agrimergent Technology Park designated as Disposition Parcel No. 1, which is located south of Vandalia Road between SE 36th and SE 43rd Streets, and is legally described in the attached Exhibit "1"; and,

WHEREAS, on August 21, 2006, by Roll Call No. 06-1713, the City Council approved a competitive process for the sale of all or a portion of Disposition Parcel No. 1 in compliance with the urban renewal competitive disposition requirements of Iowa Code §403.8, and the City Council approved a Request for Proposals and Minimum Development Requirements for the redevelopment of Disposition Parcel No. 1 in accordance with the SE AgriBusiness Urban Renewal Plan; and,

WHEREAS, in response to the approved competitive process, the City received a proposal from Lincolnway Energy, LLC ("Lincolnway"), represented by Richard Brehm, CEO/President, for the purchase and redevelopment of all or a portion of Disposition Parcel No. 1 for use as a dry mill ethanol production facility; and,

WHEREAS, the City Attorney has advised the City Council that the sale of Disposition Parcel No. 1 for use as an industrial building or facility such as an ethanol plant, is exempt from the urban renewal competitive disposition requirements under Iowa Code § 403.8; and,

WHEREAS, Lincolnway has supplemented its original proposal with a Preliminary Terms of Agreement and a written response to the City's Information Request, which are on file and available for public inspection in the office of the City Clerk; and,

WHEREAS, the City Council finds that the proposal by Lincolnway is the best proposal for the purchase and redevelopment of Disposition Parcel No. 1; NOW THEREFORE,

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

1. Lincolnway is hereby selected as the preferred developer to purchase and redevelop a portion of Disposition Parcel No. 1 for use as a dry mill ethanol production facility.

(continued)

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2. The City Manager is hereby authorized and directed to negotiate with Lincolnway upon a final Development Agreement for the purchase and redevelopment of a portion of Disposition Parcel No. 1 upon terms consistent with the Preliminary Terms of Agreement and with the Proposal as supplemented by the written response to the City's Information Request.
3. The City Council proposes to sell a substantial portion of Disposition Parcel No. 1 to Lincolnway Energy, LLC, for a purchase price of \$14,000 per acre, and an undertaking by Lincolnway to redevelop the property with a dry mill ethanol production facility.
4. The final Development Agreement and the sale and conveyance of a portion of Disposition Parcel No. 1 to Lincolnway shall be considered by the City Council at a public hearing to be held on December 18, 2006, at 5:00 p.m., in the Council Chambers.
5. The City Clerk is hereby authorized and directed to publish notice of said proposal in the form attached hereto by publication in the Des Moines Register on December 7, 2006, in accordance with the requirements of Iowa Code §362.3 and §364.7.

(Council Communication No. 06- 768)

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				
VLASSIS				
TOTAL				

MOTION CARRIED

APPROVED

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