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Date May 23, 2011.....

**RESOLUTION APPROVING THE PROPOSED URBAN RENEWAL
DEVELOPMENT AGREEMENT WITH KEMIN INDUSTRIES, INC.**

WHEREAS, on October 25, 2010, by Roll Call No. 10-1787, the City Council authorized the City Manager to negotiate with Kemin Industries, Inc. (hereinafter "Kemin"), on an Urban Renewal Development Agreement addressing economic development incentives associated with the construction of Kemin's Five-year Capital Improvement Plan attached hereto as Exhibit "B", for the expansion of its home office, research and manufacturing facilities in the vicinity of 2100 Maury Street; and,

WHEREAS, Kemin is a multistate and international business having its home office within the City of Des Moines in the SE AgriBusiness Urban Renewal Area, and a portion of the land needed for the expansion of the Kemin home office, research and manufacturing facilities is owned by the City of Des Moines; and,

WHEREAS, on April 25, 2011, by Roll Call No. 11-0682, the City Council approved preliminary terms of agreement with Kemin and declared its intent to consider approval of an Urban Renewal Development Agreement with Kemin consistent with those preliminary terms; and,

WHEREAS, the City Manager has negotiated an Urban Renewal Development Agreement with Kemin whereby the City would undertake the following obligations:

- to relocate the City facilities from the land designated as Disposition Parcel No. 6 and located north of Scott Avenue between SE 20th and SE 22nd Streets, all as more specifically described in Exhibit "A", for sale to Kemin for an expansion of its home office, research and manufacturing facilities, for a purchase price of \$800,000;
- to vacate and convey to Kemin the Scott Avenue right-of-way from the east line of SE 20th Street to the west line of the existing Union Pacific Railroad right-of-way, and also the SE 20th Street right-of-way from the north line of Scott Avenue extending north to the south line of the future right-of-way for the SE Connector, all as more specifically described in Exhibit "A", for a total purchase price of \$102,000, to be deferred and forgiven if Kemin completes the expansion of its home office, research and manufacturing facilities in substantial conformance with the Master Plan attached hereto as Exhibit "B"; and,
- to provide an economic development grant in the amount of \$500,000 to Kemin to be paid from the incremental taxes generated by the expansion and development of the Kemin home office, research and manufacturing facilities;

and Kemin would undertake the following obligations:

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- to purchase the City properties as described above; and,
- to complete the expansion of its corporate campus in substantial conformance with the Master Plan attached hereto as Exhibit "B", to retain at least 332 full-time equivalent jobs, and create an additional 98 full-time equivalent jobs,

all as more specifically described in the proposed Urban Renewal Development Agreement, which is on file and available for public inspection in the office of the City Clerk; and,

WHEREAS, on April 25, 2011, by Roll Call No. 11-0682, the City Council resolved that the proposed vacation of portions of Scott Avenue and SE 20th Street, and the proposed sale and conveyance of such vacated rights-of-way together with the City-owned property designated as Disposition Parcel No. 6, to Kemin Industries, Inc., be set down for hearing on May 23, 2011, at 5:00 P.M., in the Council Chambers at City Hall; and,

WHEREAS, at its meeting on May 3, 2011, the Urban Design Review Board voted unanimously in support of a motion to recommendation that the proposed financial assistance funded from tax increment revenues proposed to assist the Kemin Industries project is reasonable and appropriate; and,

WHEREAS, due notice of said hearing was published in the Des Moines Register on May 5, 2007, as provided by law, setting forth the time and place for hearing on said proposed vacation and sale of property; and,

WHEREAS, in accordance with said notice those interested in said proposed vacation and sale property as provided in the Urban Renewal Agreement, both for and against, have been given opportunity to be heard with respect thereto and have presented their views to the City Council, and the hearing on such proposal has been closed.

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

1. The Urban Renewal Development Agreement (the "Development Agreement") with Kemin Industries, Inc., as described above, is hereby approved.
2. Subject to final passage of the ordinance vacating the portions of Scott Avenue and SE 20th Street to be conveyed to Kemin Industries, Inc., the Mayor is hereby authorized and directed to sign the Development Agreement, and the City Clerk is hereby authorized and directed to attest to the Mayor's signature on such document.
3. The Mayor and City Clerk are hereby further authorized and directed to sign the several Special Warranty Deeds, the Minimum Assessment Agreement and the acceptance of the

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Declaration of Covenants as required by and defined in the Development Agreement, subject to prior approval of the same by the City Legal Department.

4. The City Manager is hereby authorized and directed to administer the Development Agreement and the timely performance of the City's obligations under that agreement.
5. Upon requisition by the City Manager or the City Manager's designee, the Finance Department is hereby authorized and directed to advance the installments on the Economic Development Grant as provided in the Development Agreement.

(Council Communication No. 11-333)

MOVED BY _____ to adopt.

FORM APPROVED:

Roger K. Brown

Roger K. Brown

Assistant City Attorney

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Exhibits:

A - Legal Description

B - Kemin Master Plan

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