



Date November 9, 2015

APPROVING DEVELOPMENT AGREEMENT WITH POLK COUNTY, IOWA AND IEC HOTEL CORPORATION FOR DEVELOPMENT OF A FULL-SERVICE CONVENTION CENTER HOTEL CONNECTED TO THE IOWA EVENTS CENTER

WHEREAS, by Roll Call No. 15-0269 of February 23, 2015, the City Council of the City of Des Moines approved a district plan and final application for the Iowa Convention and Entertainment Reinvestment District which includes a full-service convention center hotel connected to the Iowa Events Center and on May 22, 2015 the Iowa Economic Development Authority approved the City's final application to establish the Reinvestment District pursuant to Iowa Code Chapter 15J, the "Iowa Reinvestment Act"; and

WHEREAS, by Roll Call No. 15-0269, the City Council approved preliminary terms of agreement for City assistance to the development of the full-service convention center hotel connected to the Iowa Events Center and authorized and directed the City Manager to proceed with negotiation of a final development agreement to provide for construction of the hotel and the provision of City assistance upon terms consistent with the preliminary terms; and

WHEREAS, the City Manager has negotiated a Development Agreement with Polk County, Iowa and IEC Hotel Corporation which agreement provides for construction of a full-service hotel comprised of not less than 330 rooms and meeting space, full-service restaurant, bar, pool and underground parking on property in the vicinity of the northeast corner of Fifth and Park Streets and which agreement further provides City assistance for the development consisting of an economic development grant, City guaranty and provision of proceeds under the Iowa Reinvestment Act to be financed and distributed as described in the attached Council Communication; and

WHEREAS, the Urban Design Review Board, at its meeting of November 3, 2015 recommended that the level of financial assistance for the full-service hotel to be funded from tax increment revenues is reasonable and appropriate.

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 in support of the Development Agreement:

a. The development of the full-service convention center hotel and meeting space is in the vital and best interests of the City and its citizens, and will improve the economic conditions within the City, and is in accordance with the public purposes and provisions of the applicable State and local laws and requirements under which the development has been undertaken and is being assisted; and

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b. The development furthers the objectives of the Metro Center Urban Renewal Plan and will assist the efforts of the City to preserve and create an environment which will protect the health, safety and general welfare of City residents and maintain taxable values within the Metro Center Urban Renewal Project Area, to encourage intensive and coordinated mixed-use development of commercial and parking facilities, including hotel improvements that will support businesses and help assure the most efficient and effective use of public and private investments, and to provide for the orderly expansion of downtown Des Moines as a retail, financial and business center of the metropolitan area; and

c. The economic development incentives to be used for the development shall be provided by the City pursuant to Chapter 403 and Chapter 15A of the Code of Iowa, and the obligations assumed under the Development Agreement for the development will generate the following public gains and benefits: (i) it will provide a "signature" convention center hotel development that will help attract larger and better-attended conventions and meetings to the Iowa Events Center and increase economic activity and commercial development, including additional employment opportunities, in the Metro Center Urban Renewal Project Area; (ii) it will encourage further private investment and supporting commercial development and will attract and retain residents and businesses in the Metro Center Urban Renewal Project Area; and (iii) it will further the City's efforts to create and retain job opportunities within the Metro Center Urban Renewal Project Area which might otherwise be lost; and

d. The public gains and benefits from the development and resulting commercial, hotel and parking redevelopment opportunities would not occur without the economic incentives provided by the Development Agreement and the public gains and benefits are warranted in comparison to the amount of the economic incentives.

2. The Development Agreement with IEC Hotel Corporation and Polk County, Iowa, which is on file in the Office of the City Clerk, with such revisions and modifications determined by the Legal Department to be in the interests of the City, is hereby approved and the Mayor is hereby authorized and directed to sign the Development Agreement on behalf of the City and the City Clerk is hereby authorized and directed to attest to the Mayor's signature and affix the seal of the City.



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3. The City Manager or his designees are hereby authorized and directed to administer the Development Agreement on behalf of the City, including the initiation of procedural steps, as necessary, for the scheduling and holding of any required City Council public hearings and completion of the publication requirements necessary to support such actions relating to the economic assistance contemplated under the Development Agreement to be provided in the form of proceeds from general obligation urban renewal tax increment financed bonds, proceeds from urban renewal revenue bonds payable from a portion of sales tax revenues remitted to the City pursuant to the Iowa Reinvestment Act and the delivery of the required City guaranty.

4. The City Manager or his designees are hereby further authorized and directed to monitor compliance with the terms and conditions of the Development Agreement and the City Manager is directed to forward to the City Council all matters and documents that require City Council review and approval in accordance with the Development Agreement.

(Council Communication No. 15.602 Attached)

Moved by \_\_\_\_\_ to adopt.

APPROVED AS TO FORM:

[Signature]
Lawrence R. McDowell
Deputy City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, GATTO, GRAY, HENSLEY, MAHAFFEY, 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