

Date June 27, 2016

RESOLUTION APPROVING URBAN RENEWAL DEVELOPMENT AGREEMENT  
WITH COLLEGE HILL ASSOCIATES, L.P., FOR THE RENOVATION OF COLLEGE  
HILL APARTMENTS AND THE CONSTRUCTION OF A NEW COMMERCIAL  
OFFICE BUILDING AT 921 6th AVENUE AND APPROVING PROPOSED  
CONCEPTUAL DEVELOPMENT PLAN

WHEREAS, on April 11, 2016, by Roll Call No. 16-0577, the City Council approved preliminary terms of agreement with College Hill Associates, L.P. (the "Developer"), represented by Frank Levy of Newbury Management Company, on a proposal to renovate the 86 unit College Hill Apartments, to construct a new 2-story, 22,400-square-foot Class-A commercial office building and to underground the overhead utilities (herein collectively referred to as the "Improvements"), at 921 6th Avenue at an estimated project cost of \$17.8 million as more specifically described in Council Communication No. 16-176; and,

WHEREAS, by said Roll Call No. 16-0577, the City Council also authorized and directed the City Manager to proceed with negotiation of a formal agreement with the Developer consistent with the approved preliminary terms; and,

WHEREAS, the City Manager has negotiated an Urban Renewal Development Agreement (the "Agreement") with the Developer whereby the Developer has agreed to redevelop the property by the construction of the Improvements described above and further illustrated in the proposed Conceptual Development Plan, in consideration of a Forgivable Economic Development Loan in the amount of the purchase price for the Developer's purchase of a vacated portion of the adjoining 5th Avenue right-of-way, and an Economic Development Grant payable in installments equal a percentage of the project generated tax increment for a period of 15 years, all as more specifically described in the accompanying Council Communication; and,

WHEREAS, the proposed Agreement and Conceptual Development Plan are on file and available for inspection in the office of the City Clerk; and,

WHEREAS, at its meeting on June 13, 2016, the Urban Design Review Board voted 9-0 in support of a motion to recommend approval of the design of the project as shown by the proposed Conceptual Development Plan, and 9-0 in support of a motion to recommend approval of the financial assistance to be provided by the City; and,

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 proposed Agreement with the Developer, College Hill Associates, L.P.:



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- a) The Developer's obligations to redevelop the property at 921 6th Avenue as provided by the Agreement furthers the objectives of the Metro Center Urban Renewal Plan to provide additional housing, employment opportunities and tax base within the Metro Center Urban Renewal Area, and preserve and create an environment which will protect the health, safety and general welfare of City residents.
  - b) The economic development incentives for the creation of the employment opportunities and development of the Improvements are provided by the City to Developer pursuant to the Iowa Urban Renewal Law and Chapter 15A of the Code of Iowa, and Developer's obligations under the Agreement to construct the Improvements will generate the following public gains and benefits: (i) it will advance the improvement and redevelopment of the Project Area in accordance with the Metro Center Urban Renewal Plan; (ii) it will encourage further private investment in the surrounding area; and, (iii) it will further the City's efforts to retain and create job opportunities within the Metro Center Urban Renewal Area which might otherwise be lost.
  - c) The construction of the Improvements is a speculative venture and the construction and resulting benefits would not occur without the economic incentives provided by the Agreement.
  - d) The City believes that the redevelopment of the property at 921 6th Avenue pursuant to the Agreement, and the fulfillment generally of the Agreement, are in the vital and best interests of City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements under which the Metro Center Urban Renewal Project has been undertaken, and warrant the provision of the economic assistance set forth in the Agreement.
2. The Conceptual Development Plan for the project, which is Exhibit "A" to the Agreement, is hereby approved,
  3. The Urban Renewal Development Agreement between the City and College Hill Associates, L.P., is hereby approved.
  4. The Mayor and City Clerk are hereby authorized and directed to execute the Agreement on behalf of the City of Des Moines. The City Clerk is hereby further directed to record the executed Agreement.
  5. Upon requisition by the City Manager or the City Manager's designee, the Finance Department shall advance the Forgivable Economic Development Loan and the

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installments on the Economic Development Grant pursuant to Article 4 of the Agreement.

6. The City Manager or his designees are hereby authorized and directed to administer the Agreement on behalf of the City, and to monitor compliance by the Developer with the terms and conditions of the Agreement. The City Manager is further directed to forward to City Council all matters and documents that require City Council review and approval in accordance with the Agreement.

( Council Communication No. 16- 336 )

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        |      |      |      |        |
| GATTO          |      |      |      |        |
| GRAY           |      |      |      |        |
| HENSLEY        |      |      |      |        |
| MOORE          |      |      |      |        |
| WESTERGAARD    |      |      |      |        |
| TOTAL          |      |      |      |        |

**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.

MOTION CARRIED

APPROVED

\_\_\_\_\_  
 Mayor

\_\_\_\_\_  
 City Clerk