

Date July 24, 2017

RESOLUTION APPROVING FIRST AMENDMENT TO URBAN RENEWAL AGREEMENT FOR THE SALE OF REAL ESTATE WITH HELENA INDUSTRIES, INC., FOR THE EXPANSION OF ITS FACILITY AT 3525 VANDALIA ROAD

WHEREAS, Helena Industries, Inc. ("Helena"), is a multi-state business with a regional office and industrial facility located in the City of Des Moines, at 3525 Vandalia Road in the SE AgriBusiness Park Urban Renewal Area, and,

WHEREAS, on February 25, 2013, by Roll Call No. 13-0344, the City Council approved an *Urban Renewal Agreement for the Sale of Real Estate* (the "Agreement") with Helena whereby Helena agreed to purchase 30 acres of adjoining land from the City for the expansion of Helena's facilities, and to construct one or more buildings on the purchased property for industrial use containing at least 100,000 square feet in conformance with a City approved Conceptual Development Plan, in consideration of a reduced purchase price for the land and an Economic Development Grant of not more than \$168,000 payable in annual installments; and,

WHEREAS, on November 4, 2013, by Roll Call No. 13-1729, the City Council approved a Conceptual Development Plan for a 100,000 square foot expansion of Helena's existing warehouse building onto the land purchased from the City; and,

WHEREAS, the warehouse building and other improvements to the property purchased from the City have been completed in substantial compliance with the Agreement and the approved Conceptual Development Plan; and,

WHEREAS, Helena did not receive the benefit of tax abatement on the taxable value added by the improvements to land purchased from the City under Iowa Code Section 427B.1 or Iowa Code Chapter 404, as anticipated by the Agreement; and,

WHEREAS, the Office of Economic Development has negotiated a *First Amendment to Urban Renewal Agreement for Sale of Real Estate* (the "First Amendment") with Helena which seeks to mitigate the loss suffered by Helena by not receiving the benefit of tax abatement as expected under the Agreement, by increasing the amount of the Economic Development Grant to be paid in 10 annual installments, all as more specifically described in the accompanying Council Communication.

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

1. The City Council hereby finds that the proposed *First Amendment to Urban Renewal Agreement for Sale of Real Estate* with Helena Industries, Inc., is necessary and appropriate to fairly implement the original intent of the Agreement, and is hereby approved.

( continued )



Roll Call Number

Agenda Item Number

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Date July 24, 2017

- 2. The Mayor and City Clerk are hereby authorized and directed to execute the First Amendment on behalf of the City of Des Moines. The City Clerk is hereby further directed to record the executed First Amendment. The Agreement as amended by the First Amendment is hereinafter referred to as the "Amended Agreement".
- 3. Upon requisition by the City Manager or the City Manager's designee, the Finance Department shall advance the installments on the Economic Development Grant pursuant to Article 2A of the Amended Agreement.
- 4. The City Manager or his designees are hereby authorized and directed to administer the Amended Agreement on behalf of the City, and to monitor compliance by the Developer with the terms and conditions of the Amended 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 Amended Agreement.

( Council Communication No. 17- 547 )

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