



Date October 23, 2017

RESOLUTION APPROVING PRELIMINARY TERMS OF AGREEMENT WITH KEMIN INDUSTRIES, INC., FOR THE SALE OF CITY-OWNED LAND FOR A FURTHER EXPANSION OF THE KEMIN HOME OFFICE, RESEARCH AND MANUFACTURING FACILITIES, AND INITIATING VACATION OF RIGHTS-OF-WAY

WHEREAS, on March 11, 2013, by Roll Call No. 13-0418, after notice and public hearing, the City Council approved an Amended and Restated Urban Renewal Agreement with Kemin Industries, Inc., and Kemin Holdings, L.C. (herein collectively referred to as "Kemin"), for the sale and conveyance of eight parcels of City-owned land and an easement for a private driveway under the adjoining East Martin Luther King Jr Parkway railroad viaduct, for a major expansion of the Kemin corporate campus at 2100 Maury Street to the north and northwest, as more specifically described in Council Communication No. 13-124; and,

WHEREAS, Kemin timely closed on its purchase of the eight parcels and easement, and has expanded its corporate campus and industrial facilities as anticipated, including the construction of a new world headquarters building with over 92,000 square feet of interior space; and,

WHEREAS, Kemin is now seeking to acquire the City-owned parcel at 2109 E. Market Street and the entire area bounded by the Union Pacific Right-of-way on the west, SE 23rd Street on the east, East Martin Luther King Jr. Parkway on the north, and Maury Street on the south (collectively the "East Expansion Area") as illustrated in the accompanying council communication for a further expansion of its corporate campus; and,

WHEREAS, the City's Office of Economic Development has negotiated preliminary terms of agreement with Kemin for the vacation and sale of the streets, alleys and City-owned parcels within the East Expansion Area, subject to the following conditions:

- Closing on the land conveyance is not to occur until Kemin has acquired all the privately owned land adjoining the streets and alleys;
- The purchase price for those parcels which were acquired by the City with federal funds as part of the East Martin Luther King Jr. Parkway project shall be equal to \$1.00 per square foot, to be paid to City at closing;
- The purchase price for the remainder of the City-owned parcels and vacated right-of-way shall be equal to \$1.00 per square foot, to be paid from the proceeds of an Economic Development Forgivable Loan from the City to Kemin.
- The Forgivable Economic Development Loan shall be forgiven if Kemin has continuously maintained its current community employment base, and has prepared the East Expansion Area for future development of buildings and industrial facilities for use by Kemin or Kemin related entities at a cost of not less than \$1,486,000 within five years after Closing on the land conveyance.



Roll Call Number

Agenda Item Number

34

Date October 23, 2017

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 preliminary terms of agreement with Kemin are hereby approved, subject to negotiation and approval of a final written agreement by the City Council after notice and public hearing as required by law.
2. The City's Office of Economic Development is hereby authorized and directed to negotiate a final written agreement with Kemin that is consistent with the preliminary terms of agreement identified in the accompanying council communication.
3. The City Council hereby initiates the vacation of the right-of-way within the East Expansion Area, and refers the same to the Plan and Zoning Commission for report and recommendation.

(Council Communication No. 17- 761)

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				

MOTION CARRIED

APPROVED

Mayor

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.

City Clerk