



Date February 11, 2019

**RESOLUTION APPROVING FIRST AMENDMENT TO URBAN RENEWAL
DEVELOPMENT AGREEMENT WITH MARKET DISTRICT ONE, LLC
(401 SE 6TH STREET AND 400 SE 7TH STREET,
METRO CENTER URBAN RENEWAL AREA)**

WHEREAS, on March 20, 2000, by Roll Call Nos. 00-788 and 00-789, the City Council of the City of Des Moines approved the Urban Renewal Plan for the Metro Center Urban Renewal Project, and such Plan has been amended eighteen times (the urban renewal plan as so amended is herein referred to as the “Plan”), encompassing an irregularly shaped area that includes the downtown core and the areas surrounding the downtown core; and

WHEREAS, City staff and Market District One, LLC, represented by Frank Levy, Partner (“Developer”), negotiated terms relating to the sale of City-owned property located at the intersections of SE 6th Street and East Martin Luther King Jr. Parkway, locally known as 401 SE 6th Street and 400 SE 7th Street (collectively “Property”) and located in the Market District, for development of a 4-story, estimated 57-unit multi-family residential building for senior (55+ year old) housing, including – as updated from the approximate numbers stated in Roll Call No. 18-2031 of December 10, 2018 – approximately 6 dwelling units for residents meeting 80% of area median income, 36 dwelling units for residents meeting 60% of area median income, 9 units for residents meeting 40% of area median income and 6 units for residents meeting 30% of area median income, and an estimated 49 on-site parking spaces for residents (collectively “Improvements”); and

WHEREAS, on December 10, 2018, by Roll Call No. 18-2031, the City Council accepted the Developer’s development proposal and the proposed revised form of Development Agreement in the Metro Center Urban Renewal Area and set a date for a hearing on the Agreement, including the conveyance of the Property to Developer; and

WHEREAS, by Roll Call No. 18-2031, the City Council set January 4, 2019 at 5:00 p.m. for the deadline for other parties to submit competing proposals to purchase and develop the Property and directed that published notice be given of the urban renewal competitive bid process and the City’s intention to accept the Developer’s proposal in the absence of timely submission of competing proposals, and no competing proposals were submitted; and

WHEREAS, on January 14, 2019, by Roll Call No. 19-0074, the City Council approved the Urban Renewal Development Agreement with Market District One, LLC (“Agreement”) for the above-referenced project and approved the Conceptual Development Plan for the project; and

WHEREAS, the Agreement provides that closing shall occur within 120 days of the date of approval of the Conceptual Development Plan, which closing date is approximately May 14, 2019, and requires that construction of the Improvements be commenced on or before October 1, 2019; and



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WHEREAS, the Developer has applied for Low-Income Housing Tax Credits from the Iowa Finance Authority (IFA) for the project, and in accordance with IFA requirements, the Developer has requested a delayed closing date and delayed date for commencing construction, and City staff has agreed that the closing date can be extended from May 2019 to October 17, 2019 and the construction commencement date can be extended from October 1, 2019 to November 1, 2019, as stated in a First Amendment to the Agreement negotiated by the Developer and staff and on file in the office of the City Clerk.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that the First Amendment to the Urban Renewal Development Agreement, as on file in the office of the City Clerk, is hereby approved; the Mayor is authorized and directed to execute the First Amendment to the Agreement on behalf of the City of Des Moines and the City Clerk to attest to his signature; and the City Manager or his designee(s) are authorized and directed to monitor compliance by the Developer with said Agreement as amended.

(Council Comm. No. 19-062)

MOVED BY _____ TO ADOPT.

APPROVED AS TO FORM:

Glenna K. Frank

Glenna K. Frank, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
COLEMAN				
GATTO				
GRAY				
MANDELBAUM				
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