



Date December 16, 2019

RESOLUTION APPROVING PARCEL DEVELOPMENT AGREEMENT WITH
BLACKACRE DEVELOPMENT, LLC (A WHOLLY OWNED SUBSIDIARY OF
KRAUSE GROUP REAL ESTATE), AND RIVER POINT WEST LLC,
REGARDING THE CONSTRUCTION OF A MIXED-USE DEVELOPMENT
WITH AN OUTDOOR SPORTS AND ENTERTAINMENT VENUE ALONG SW
14TH STREET SOUTH OF MARTIN LUTHER KING JR PARKWAY

WHEREAS, the City of Des Moines and River Point West LLC ("RPW"), represented by George Sherman, President, are parties to the *Third Amended and Restated Urban Renewal Development Agreement* (the "Master Agreement") most recently ratified by the Des Moines City Council on September 9, 2019, by Roll Call No. 19-1409, whereby RPW has undertaken to acquire, clear, and install the necessary public infrastructure to prepare 'pad-ready' sites to be sold for redevelopment within an area south of Martin Luther King Jr Parkway known as Gray's Landing; and,

WHEREAS, the Master Agreement requires that any buyer of a parcel of land from RPW enter into a Parcel Development Agreement with the City whereby the buyer agrees to promptly redevelop the parcel in conformance with a Redevelopment Plan approved by the City and having a minimum assessed value consistent with the approved Conceptual Development Plan under the Master Agreement; and,

WHEREAS, on the City Manager has negotiated a Parcel Development Agreement with RPW and Blackacre Development, LLC ("Blackacre"), whereby Blackacre has undertaken to acquire property from RPW located along both sides of SW 14th Street south of Martin Luther King Jr. Parkway, and to redevelop that property by the construction of an outdoor sports and entertainment venue, street level plaza, a parking garage, a 5-story mixed use retail/office building, a convenience store with gasoline sales, and additional retail/restaurant uses (collectively the "Improvements") in multiple phases; and,

WHEREAS, Blackacre is a wholly owned subsidiary of Krause Group Real Estate and is represented by Jerry Haberman, President of Krause Group Real Estate; and,

WHEREAS, the Parcel Development Agreement also provides for a portion of the incremental tax revenues generated by the Improvements, that would otherwise be used to fund economic development grants to RPW under the Master Agreement, be retained by the City pending a future agreement with the Blackacre regarding any incentives to be provided by the City for the construction of the Improvements; and,

WHEREAS, the Parcel Development Agreement also allows the conveyance of the property to Blackacre prior to obtaining City approval of: a) the design of the Improvements; b) an agreement establishing a minimum assessed value for the Improvements; and c) satisfactory evidence of financing for construction of the Improvements, all of which would normally be required under the Master Agreement; and,

WHEREAS, the Urban Design Review Board reviewed preliminary conceptual plans showing the proposed footprints and massing of the Improvements on November 19, 2019, and



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although a quorum was not present, by consensus the five members present expressed their support for the preliminary conceptual plans.

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

1. The proposed Parcel Development Agreement with RPW and Blackacre for the construction of a mixed-use development with an outdoor sports and entertainment venue along SW 14th Street south of Martin Luther King Jr Parkway is hereby approved.

2. The Mayor and City Clerk are hereby authorized and directed to execute the Parcel Development Agreement on behalf of the City. The City Clerk is further directed to forward two duplicate originals or certified copies of the Agreement to the Legal Department for release to the other parties and recording at closing on Blackacre's purchase of the development site.

3. The City Manager is hereby authorized and directed to administer the Parcel Development Agreement in accordance with its terms. The City Manager is hereby further authorized and directed to sign the *Consent to Sale* in form approved by the City Legal Department upon satisfaction of the conditions for the issuance of such consent set forth in the Parcel Development Agreement.

4. The Director of the Office of Economic Development or the Director's designee are directed to submit a copy of the fully executed Development Agreement to the Finance Department for purposes of required Electronic Municipal Market Access disclosure filings.

MOVED by _____ to adopt.

FORM APPROVED:

(Council Communication No. 19-547)

Roger K. Brown
Roger K. Brown, Assistant City Attorney

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

MOTION CARRIED

APPROVED

Mayor

CERTIFICATE

I, P. KAY CMELIK, 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