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Date December 21, 2020

RESOLUTION APPROVING FIRST AMENDMENT TO URBAN RENEWAL DEVELOPMENT AGREEMENT WITH DES MOINES GRIFFIN BUILDING, LLC (TIM RYPMA ET AL), AND CONSENTING TO ASSIGNMENT OF SAID AGREEMENT TO FREEDOM FINANCIAL BANK, FOR DEVELOPMENT OF GRIFFIN BUILDING AT 319 7TH STREET

WHEREAS, on July 9, 2018, by Roll Call No. 18-1159, the City Council received Communication No. 18-352 setting forth a developer-initiated proposal and preliminary terms of agreement with Des Moines Griffin Building, LLC (Tim Rypma, Jeremy Cortright, Paul Cownie, Development Members; Ron Daniels, Abe Wolf, Lead Investors)(“Developer”) for restoration and redevelopment of the Griffin Building, located at 319 7th Street in downtown Des Moines, with approximately 35 residential apartment units in the upper four floors and approximately 17,800 square feet of commercial space, including ground floor commercial uses and second floor office or retail uses (“Project”), which proposal has been awarded federal and State historic tax credits and State workforce housing tax credits, and directed the City Manager to proceed with negotiation of a development agreement with the Developer; and

WHEREAS, on September 10, 2018, by Roll Call No. 18-1544, the City Council approved an Urban Renewal Development Agreement (the “Development Agreement”) with the Developer, whereby the Developer agreed to construct the Project, at an initial total estimated project cost of \$12,400,000.00, in exchange for economic development assistance provided by the City, and further approved the Conceptual Development Plan for design of the Project; and

WHEREAS, the City Council has further approved in relation to the Development Agreement: an amendment to the Conceptual Development Plan; issuance of Certificate of Completion for Developer’s construction of the Project Improvements; and subordination of the Development Agreement to Developer’s senior lender, Luana Savings Bank; and

WHEREAS, the Developer has requested that the Development Agreement be amended to incorporate a Minimum Assessment Agreement as Exhibit “D” thereto, which Agreement establishes a minimum assessment of \$3,000,000.00 for the commercial portion of the Property, with no changes to the city’s economic development assistance or other terms as set forth in the Agreement, which First Amendment to the Agreement and Exhibit “D”, Minimum Assessment Agreement, are on file and available for inspection in the office of the City Clerk; and

WHEREAS, the Developer has additionally requested that the City consent to an assignment of the Agreement by which the economic development assistance provided by the City will be assigned to Developer’s lender, Freedom Financial Bank, with Developer retaining all obligations for both portions of the Property set forth in the Development Agreement, pursuant to Assignment of Urban Renewal Development Agreement, in substantially the form on file and available for inspection in the office of the City Clerk.

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

1. The First Amendment to the Urban Renewal Agreement and Exhibit “D” thereto, the Minimum Assessment Agreement, are hereby approved, subject to approval of the Minimum Assessment Agreement



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- by the Polk County Assessor, and the Mayor is authorized and directed to execute said documents on behalf of the City of Des Moines and the City Clerk to attest to his signature.
2. The City hereby consents to the Assignment of Urban Renewal Development Agreement by and between the Des Moines Griffin Building, LLC, Freedom Financial Bank, and the City, assigning the economic development assistance for the Project to Freedom Financial Bank, and the Mayor is authorized and directed to execute said document on behalf of the City of Des Moines and the City Clerk to attest to his signature.
 3. The Development Services Department Director and her designee(s) are authorized and directed to monitor compliance by the Developer with the Development Agreement as amended and the Assignment, and to submit the Minimum Assessment Agreement to the Polk County Assessor; the City Manager is authorized and directed to execute any additional minor amendments to the Development Agreement and to return any substantive amendments to said Agreement to the City Council for consideration and approval; and the Finance Department is hereby authorized to direct payment on the economic development assistance owed in accordance with the Assignment, following request by the Office of Economic Development.

(Council Comm. No. 20-566)

MOVED BY _____ to adopt.

FORM APPROVED:

/s/ Glenna K. Frank
Glenna K. Frank, Assistant City Attorney

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

MOTION CARRIED APPROVED

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.

Mayor

City Clerk