

Date June 28, 2021

RESOLUTION APPROVING PRELIMINARY TERMS OF AN URBAN RENEWAL DEVELOPMENT AGREEMENT WITH DES MOINES CLIMATE CONTROLLED STORAGE, LLC (MARK BOCKENSTEDT) FOR THE CONSTRUCTION OF STORAGE COMPLEX LOCATED AT 503 SOUTHEAST 12TH STREET

WHEREAS, Des Moines Climate Controlled Storage, LLC (“Developer”), represented by Mark Bockenstedt, owner, proposes to undertake the redevelopment of real property locally known as 503 Southeast 12th Street with construction of a four-story indoor climate-controlled storage facility (collectively “Improvements”) in the Metro Center Urban Renewal Area, at an estimated total project cost of \$15,500,000.00, subject to receipt of the financial assistance identified below; and

WHEREAS, the Improvements are proposed on property that is at a highly visible location along East Martin Luther King, Jr. Parkway and near the Market District redevelopment area, and thus the City’s Office of Economic Development has worked closely with the Developer to ensure a high-quality finish and appearance to be implemented on the Improvements; and

WHEREAS, construction of the Improvements is anticipated to commence in late 2021, with completion in late 2023; and

WHEREAS, the City’s Office of Economic Development has negotiated preliminary terms of an Urban Renewal Development Agreement with the Developer, all as more specifically described in the accompanying Council Communication, which provide that in consideration of the Developer’s commencement and completion of the Improvements, the City will provide an economic development grant in project years 1-10 of seventy-five percent (75%) of the tax increment generated by the Improvements, in an amount not to exceed \$1,200,000.00 (net present value at a 4.5% discount rate; approximately \$1,695,738.00 on a cash basis); and

WHEREAS, the preliminary terms of Agreement further provide for the Developer to purchase a 62,259 square-foot City-owned vacant parcel adjoining, and for assemblage with, the development site for fair market value as recently appraised, in the amount of \$520,000.00, subject to closing credit for the cost of relocating an existing privately-owned fiber line and undergrounding overhead utilities encumbering portions of said vacant parcel, and provide that the Developer will participate in the MidAmerican Energy Commercial New Construction Program.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that the preliminary terms of agreement with Des Moines Climate Controlled Storage, LLC, as described above and in the accompanying Council Communication, are hereby received and filed, and the City Manager is hereby directed to proceed with negotiation of a development agreement with the Developer on final terms of an Urban Renewal Development Agreement consistent with the preliminary terms for consideration for approval by the City Council.

★ Roll Call Number

Agenda Item Number

31

Date June 28, 2021

(Council Comm. No. 21-305)

MOVED BY _____ TO ADOPT.

APPROVED AS TO FORM:

/s/ Glenna K. Frank

Glenna K. Frank, Assistant City Attorney

| COUNCIL ACTION | YEAS | NAYS | PASS | ABSENT |
|----------------|----------|------|------|--------|
| BOESEN | | | | |
| COWNIE | | | | |
| 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