



Date August 23, 2021

APPROVAL OF THE ADVANCE OF FUNDS TO THE SOUTHWEST GATEWAY URBAN RENEWAL PROJECT FOR THE PAYMENT OF REIMBURSEMENT TO THE CITY'S ECONOMIC DEVELOPMENT ENTERPRISE ACCOUNT RELATED TO BELL AVENUE PROPERTIES, INC. SUPPLEMENTAL GRANT

WHEREAS, on March 25, 2019, by Roll Call No. 19-0480, the City Council approved an Urban Renewal Development Agreement (the "Agreement") with Bell Avenue Properties, Inc. ("Developer"), represented by Thomas Koehn, President, for the acquisition and redevelopment of real property located north of SW McKinley Avenue and east of SW 63rd Street, with construction of a new office, production and warehouse facility for occupancy by The Waldinger Corporation and affiliated entities as its new corporate headquarters and production facility, by which the City will provide to Developer an economic development grant as a percentage of project generated tax increment (TIF) funding and a forgivable loan, all as more further described in said Agreement; and

WHEREAS, on August 23, 2021, by Roll Call No. _____, the City Council approved the First Amendment to the Agreement to approve a supplemental economic development grant in the amount of \$40,000.00 to be paid to Developer following demonstration by Developer of substantial completion of additional improvements related to fire protection; and

WHEREAS, the City Manager recommends that the City now advance funds in an amount not to exceed \$40,000.00 for payment of the supplemental economic development grant to Developer in accordance with the terms of the First Amendment to the Agreement, with such advance to be reimbursed from the Special Fund for the Southwest Gateway Urban Renewal Project Area in FY2022/23; and

WHEREAS, City staff will timely certify said reimbursement with the County Auditor in accordance with Iowa Code Section 403.19 to occur in fiscal year (FY) 2022/23.

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

- 1. The City Council hereby makes the following findings:
a) Pursuant to Ordinance No. 15,721 there has been established a special tax increment fund for the Southwest Gateway Urban Renewal Area (the "Tax Increment Fund"), into which all incremental taxes from the Southwest Gateway Urban Renewal Area, as amended, are deposited.
b) The reimbursement for the advance of the supplemental economic development grant pursuant to the First Amendment to the Agreement will be identified in the Southwest Gateway Urban Renewal Plan, as amended, as an obligation eligible for payment from the Tax Increment Fund, subject to the certification of the obligation to the Polk County Auditor pursuant to Iowa Code §403.19, which certification will occur prior to



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- December 1, 2021, for payment in FY2022/23, and further subject to City Council approval of the Second Amendment to the Southwest Gateway Urban Renewal Plan.
- c) The immediate advance of an amount not to exceed \$40,000.00 from another source is necessary to fund the timely payment of the advance of the supplemental economic development grant to the Developer pursuant to the First Amendment to the Agreement.
2. It is hereby directed that a sum not to exceed \$40,000.00 be advanced from CM025033-528190, a special revenue fund of the City, for full payment of the supplemental economic development grant to the Developer pursuant to the First Amendment to the Agreement, following and subject to City Council approval of the Second Amendment to the Southwest Gateway Urban Renewal Plan. The advance shall be treated as an internal loan and shall be repaid from the Tax Increment Fund with respect to the Southwest Gateway Urban Renewal Area, as those funds become available.

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				

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.

MOTION CARRIED APPROVED

Mayor

City Clerk