

Date October 24, 2011

RESOLUTION APPROVING A LOAN AGREEMENT WITH LIFE CARE SERVICES LLC AND LCS REAL ESTATE, INC. TO RETAIN AND EXPAND ITS HOME OFFICE AND EMPLOYMENT OPPORTUNITIES WITHIN THE CITY OF DES MOINES

WHEREAS, on August 29, 2011, by Roll Call No. 11-1461, the City Council of the City of Des Moines approved preliminary terms of agreement with Life Care Services LLC and LCS Real Estate, Inc. ("LCS") to retain and expand its home office and employment opportunities in the City in the Capital Square Office Building at 400 Locust Street, as further described in Council Communication No. 11-571; and

WHEREAS, the City Manager has negotiated a Loan Agreement with LCS that is consistent with the approved preliminary terms, which provides that LCS relocate its corporate office in the Capital Square Office Building at 400 Locust Street and shall maintain at least 146 full-time equivalent jobs in Des Moines in consideration for the following assistance from the City:

- i) The City shall advance a forgivable economic development loan to LCS in the principal amount of up to \$196,000, consisting of \$146,000 to be paid in five equal annual installments with an additional amount of up to \$50,000 paid as part of the final installment representing \$1,000 for each additional employee up to 50.
- ii) If LCS first purchases 122 monthly parking passes for the use of the Fourth and Grand Parking Garage by its employees, contractors and visitors, the City shall provide an additional 13 convenience access cards at no additional cost that are intended to be used by LCS in lieu of physically transferring the purchased parking passes between multiple users who do not regularly use the garage, with the total number of such passes used at any time to not exceed the number of purchased passes on a regular basis.

WHEREAS, the assistance to LCS furthers the objectives of the Metro Center Urban Renewal Plan to preserve and create an environment within the urban renewal area which will protect the health, safety, and general welfare of City residents, expand taxable values of properties, strengthen central Des Moines as the business, financial, and administrative center of the metropolitan area; and

WHEREAS, the economic development assistance to be provided by the City pursuant to the Loan Agreement is undertaken by the City pursuant to Chapter 15A and Chapter 403 of the Code of Iowa and will ensure job retention and the opportunity for job creation in Des Moines by assisting LCS to remain within the downtown area; and

WHEREAS, the economic development assistance from the City is necessary to retain LCS within Des Moines, and will generate public gains and benefits for urban renewal and economic development which gains and benefits are warranted in comparison to the amount of such assistance; and

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WHEREAS, the City believes that the undertakings by the City pursuant to this Agreement are in the vital and best interests of the City and in accord with the public purposes and provisions of the applicable State and local laws and requirements.

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

1. The City Council hereby finds that the special provisions for the use of the Fourth and Grand Parking Garage by LCS as described above are in the best interest of the City and without jeopardy to the City's ability to achieve and maintain bond financing for its parking facilities system.
2. The Loan Agreement between the City and LCS, which is on file in the Office of the City Clerk, is hereby approved and the Mayor is hereby authorized and directed to sign the Agreement on behalf of the City and the City Clerk is hereby authorized and directed to attest to the Mayor's signature.
3. The City Manager or his designees are hereby authorized and directed to administer the Loan Agreement on behalf of the City.
4. Upon satisfaction of the conditions for advancement of the installments on the forgivable economic development loan pursuant to Section 1.3 of the Loan Agreement and confirmation of same by the City Manager and the Legal Department, the finance Department is hereby authorized and directed to advance each installment in accordance with the terms of the Loan Agreement.

(Council Communication No. 11- 667)

FORM APPROVED:

Moved by Mahaffey to adopt.

Lawrence R. McDowell, Deputy City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MEYER	✓			
MOORE	✓			
TOTAL	7			

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.

T. M. Franklin Council Mayor

Diane Rauh City Clerk