



Date June 10, 2013

RESOLUTION APPROVING URBAN RENEWAL DEVELOPMENT AGREEMENT WITH BALLYARD LOFTS LLC FOR RENOVATION OF PROPERTY AT 350 SW 2nd STREET AND APPROVING PROPOSED CONCEPTUAL DEVELOPMENT PLAN

WHEREAS, on April 22, 2013, by Roll Call No. 13-0650, the City Council approved preliminary terms of agreement with Ballyard Lofts LLC (hereinafter "Ballyard"), represented by Troy Hansen, President of Hanson Real Estate, its Managing Member, for a proposed a \$5.9 million renovation of the historic warehouse at 350 SW 2nd Street (then known as 226 W. Martin Luther King Jr. Parkway); and,

WHEREAS, the City Manager has negotiated an Urban Renewal Development Agreement with Ballyard consistent with the approved preliminary terms of agreement, whereby Ballyard has agreed to renovate the historic warehouse at 350 SW 2nd Street to create 44 market-rate apartment units in conformance with a proposed Conceptual Development Plan by March 31, 2014, in exchange for the City's agreement to provide an economic development grant payable in ten annual installments commencing on December 1, 2014, in various installment amounts having a present value of approximately \$500,000, all as more specifically described in the accompanying Council Communication; and,

WHEREAS, on May 7, 2013, the Urban Design Review Board voted to recommend that the proposed level of City assistance to the project is reasonable, and to recommend approval of the general design concept which is now incorporated into the proposed Conceptual Development Plan; 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 in support of the proposed Development Agreement:

- a) The project is located in a part of the Metro Center Urban Renewal Area which is characterized by underutilized and vacant land and a pattern of disinvestment and declining employment;
- b) The project will provide for the adaptive reuse of a vacant property in the area directly south of the Central Business District, and provide desirable housing options at the center of outdoor recreation, transportation and destination entertainment amenities;
- c) Ballyard's obligations under the proposed Development Agreement to renovate the property for residential use furthers the objectives of the Urban Renewal Plan to preserve and create an environment which will protect the health, safety and general welfare of City residents and maintain taxable values and employment opportunities within the Urban Renewal Area;
- d) The economic development incentives for the project are provided by the City pursuant to the Urban Renewal Law and Chapter 15A of the Code of Iowa and Ballyard's obligations under the Development Agreement will generate the following public gains and benefits: (i) it will advance the improvement and redevelopment of the Urban Renewal Area in accordance with the Urban Renewal Plan; (ii) it will encourage further private investment and will attract and



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retain other businesses in the Urban Renewal Area to reverse the pattern of disinvestment and declining employment in the area; and, (iii) it will further the City's efforts to create and retain job opportunities within the Urban Renewal Area which might otherwise be lost;

- e) The redevelopment of the property pursuant to the Development Agreement is a speculative venture and the redevelopment and resulting employment and housing opportunities will not occur without the economic incentives provided by this Agreement; and,
- f) The renovation of the property to create 44 market-rate apartment units pursuant to this Agreement, is in the vital and best interests of City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements under which the Project has been undertaken, and warrant the provision of the economic assistance set forth in this Agreement.

2. The Conceptual Development Plan for the project, which is Exhibit "C" to the Development Agreement, is hereby approved,

3. The Urban Renewal Development Agreement between the City and Ballyard Lofts LLC is hereby approved.

4. The Mayor and City Clerk are hereby authorized and directed to execute the Development Agreement on behalf of the City of Des Moines.

5. Upon requisition by the City Manager or the City Manager's designee, the Finance Department shall advance the installments on the Economic Development Grant pursuant to Article 3 of the Development Agreement.

MOVED by Hensley to adopt.

FORM APPROVED:

(Council Communication No. 13- 295)

Roger K. Brown
Roger K. Brown, Assistant 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 Mayor

Diane Rauh City Clerk