

Date July 28, 2014

RESOLUTION APPROVING FIRST AMENDMENT TO THE URBAN RENEWAL DEVELOPMENT AGREEMENT WITH MARKET ONE, LLC, TO ADDRESS UTILITY RELOCATION IN THE 100 BLOCKS OF E. 3RD AND SE. 3RD STREETS ADJOINING THE REDEVELOPMENT PROJECT

WHEREAS, on February 10, 2014, by Roll Call No. 14-0217, the City Council approved an Urban Renewal Development Agreement with Market One, LLC, represented by Justin Doyle, Member, regarding a proposed \$14 million project to redevelop the existing building at 130 E. 3rd Street for use as the corporate headquarters for Modus Engineering and to clear and redevelop parcels at 111 E. 3rd Street and 101 & 119 SE. 3rd Street for parking and accessory uses; and,

WHEREAS, the expense of the undergrounding of the overhead utility lines in the adjoining portions of E. 3rd and SE. 3rd Street are much larger than expected and has become an obstacle to the completion of the project; and,

WHEREAS, the City Manager has negotiated a First Amendment to the Urban Renewal Development Agreement (the "First Amendment") with Market One which is on file and available for inspection in the office of the City Clerk, whereby Market One has agreed to underground the overhead utility lines and complete the project in consideration of a loan from the City of \$160,000, to be repaid without interest in five equal annual installments with a potential forgiveness of the debt, all as more specifically described in the accompanying Council Communication.

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

1. The findings made in support of the Urban Renewal Development Agreement by the City Council in Resolution and Roll Call No. 14-0217, are hereby reaffirmed for the Urban Renewal Development Agreement as amended by the First Amendment.
2. The First Amendment is hereby approved. The Mayor and City Clerk are hereby authorized and directed to execute the First Amendment on behalf of the City of Des Moines.
3. Upon requisition by the City Manager or the City Manager's designee, the Finance Department shall advance the installments on the Economic Development Grant and Economic Development Loan pursuant to Article 4 of the Urban Renewal Development Agreement as hereby amended.

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4. In the event Market One elects to have the City contract directly with MidAmerican Energy to relocate the overhead electric lines in the E. 3rd Street and SE. 3rd Street rights-of-way adjoining the project and deposits funds with the City in a sufficient amount, that when added to the amount of the Economic Development Loan, equals the total amount to be paid to MidAmerican for such work, then:
 - a) The City Manager is hereby authorized and directed to sign a contact with MidAmerican Energy for the relocation of the overhead power lines in a form approved by the City Legal Department; and,
 - b) Upon requisition by the City Manager or the City Manager's designee, the Finance Department shall advance the payments to MidAmerican for the relocation of the overhead power lines pursuant to the contract.

5. The City Manager or his designees are hereby authorized and directed to administer the Urban Renewal Development Agreement as hereby amended on behalf of the City, including the filing of the First Amendment, and to monitor compliance by Market One, LLC, with the terms and conditions of the Agreement as so amended. The City Manager is further directed to forward to City Council all matters and documents that require City Council review and approval in accordance with the Agreement.

(Council Communication No. 14- 362)

MOVED by Gatto to adopt.

FORM APPROVED:

Roger K. Brown

Roger K. Brown

Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GATTO	✓			
GRAY	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MOORE	✓			
TOTAL	7			

MOTION CARRIED

APPROVED

T. M. Franklin Mayor

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.

Diane Rauh City Clerk