



Roll Call Number

15-0822

Agenda Item Number

36A

Date May 18, 2015

RESOLUTION APPROVING SECOND AMENDMENT TO THE  
AMENDED AND RESTATED URBAN RENEWAL DEVELOPMENT  
AGREEMENT WITH RIVER POINT WEST LLC

WHEREAS, the City of Des Moines and River Point West LLC (the "Master Developer") are parties to the *Amended and Restated Urban Renewal Development Agreement* (the "Master Agreement") dated October 8, 2007, and approved by the Des Moines City Council on that date by Roll Call No. 07-1991 regarding the acquisition, clearance, installation of public infrastructure, and the preparation and sale of 'pad-ready' sites within an area designated as the Phase 1 Commercial Redevelopment Area and bounded on the north by Martin Luther King, Jr. Parkway, on the east by SW 9th Street, and on the west by the Mid-American Energy electrical substation, and on the south by Tuttle Street and the western extension of Tuttle Street west of SW 11th Street, and by Murphy Street east of SW 11th Street; and,

WHEREAS, the collapse of the national and local commercial real estate markets in 2008 and the slow recovery of those markets operated to delay the sale and redevelopment of the 'pad-ready' sites to be created pursuant to the Master Agreement; and,

WHEREAS, the Master Agreement requires that any buyer of a parcel of land from the Master Developer enter into a Parcel Development Agreement with the City whereby the buyer agrees to promptly redevelop the parcel for commercial use in conformance with a Redevelopment Plan approved by the City and having a minimum assessed value consistent with the approved Conceptual Development Plan under the Master Agreement; and,

WHEREAS, on September 22, 2014, by Roll Call No. 14-1521, the City Council approved the *First Amendment to the Amended and Restated Urban Renewal Development Agreement* (the "First Amendment") with the Master Developer to allow the Master Developer:

- To close on its purchase of a portion of the City-owned land designated the "City-Owned Hotel Parcel" for a prorated portion of the original purchase price for the larger City-owned tract in which it is located, and to assemble such portion with adjoining land already owned by the Master Developer, for sale to Sherman Gray's Landing Hotel Development LLC (the "Hotel Developer") for redevelopment with a hotel; and,
  - To close on its purchase of a portion of the City-owned land designated the City-Owned Office Parcel for a prorated portion of the original purchase price for the larger City-owned tract in which it is located, and to assemble such portion with adjoining land already owned by the Master Developer, for sale to Sherman Gray's Landing Office Development LLC (the "Office Developer") for redevelopment with an office building,
- all as more specifically described in Council Communication No. 14-471; and,

WHEREAS, the footprint and parcel for the office building changed during final design requiring a change to the corresponding provisions in the First Amendment and the Parcel Development Agreement for the office building; and,

( continued )



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WHEREAS, the Office of Economic Development has negotiated a *Second Amendment to the Amended and Restated Urban Renewal Development Agreement* (the "Second Amendment") with the Master Developer to allow the Master Developer:

- To close on its purchase of an revised portion of the City-owned land designated the City-Owned Office Parcel for a prorated portion of the original purchase price for the larger City-owned tract in which it is located, and to assemble such portion with adjoining land already owned by the Master Developer, for sale to Sherman Gray's Landing Office Development LLC (the "Office Developer") for redevelopment with an office building;
- To sell a parcel of land it owns at the southeast corner of SW 11th and Tuttle Streets to Nexus at Gray's Landing LLC for development of a 142 unit apartment with underground parking to be known as the "Nexus at Gray's Landing"; and,
- To sell a parcel of land it owns at the southwest corner of SW 9th and Tuttle Streets to Edge at Gray's Landing LLC for development of a 90 unit apartment to be known as "The Edge at Gray's Landing",

all as more specifically described in the accompanying Council Communication.1

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

1. The proposed Second Amendment to the Amended and Restated Urban Renewal Development Agreement with River Point West LLC is hereby approved. The Mayor and City Clerk are hereby authorized and directed to execute such agreement on behalf of the City, together with any additional documents approved by the Legal Department and necessary to implement the sale of parcels by River Point West LLC as provided in the amended Master Agreement.

2. The Mayor and City Clerk are further authorized and directed to sign a Special Warranty Deed on behalf of the City in a form approved by the City Legal Department for the conveyance of the City-Owned Office Parcel described below to the Master Developer, all as provided in the amended Master Agreement.

City-Owned Office Parcel (a/k/a Parcel "B" Terminal Place):

A PART OF LOT 1, LOT 3 AND LOT 4, TERMINAL PLACE, AN OFFICIAL PLAT, NOW INCLUDED IN AND FORMING A PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 1, FACTORY ADDITION PLAT 3, AN OFFICIAL PLAT; THENCE SOUTH 74°39'30" WEST ALONG THE NORTH LINE OF LOT 1 AND LOT "A" OF SAID FACTORY ADDITION PLAT 3, A DISTANCE OF 148.12 FEET TO THE NORTHWEST CORNER OF SAID LOT "A"; THENCE SOUTH 15°28'57" EAST ALONG THE WEST LINE OF SAID LOT "A", 154.47 FEET TO THE NORTHEAST CORNER OF LOT 4 OF SAID FACTORY ADDITION PLAT 3; THENCE SOUTH 75° 32' 02" WEST ALONG THE NORTH LINE OF SAID LOT 4, A DISTANCE OF 138.33 FEET TO THE NORTHEAST CORNER OF LOT 5 OF SAID FACTORY

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ADDITION PLAT 3; THENCE SOUTH 75°16'11" WEST ALONG THE NORTH LINE OF SAID LOT 5, A DISTANCE OF 68.46 FEET TO THE SOUTHEAST CORNER OF PARCEL "A" OF SAID TERMINAL PLACE AS RECORDED IN BOOK 15041, PAGE 670 OF THE POLK COUNTY RECORDER'S OFFICE; THENCE NORTH 15°27'40" WEST ALONG THE EAST LINE OF SAID PARCEL "A", 144.58 FEET TO THE NORTHEAST CORNER OF SAID PARCEL "A"; THENCE SOUTH 74°32'20" WEST ALONG THE NORTH LINE OF SAID PARCEL "A", 122.99 FEET; THENCE NORTH 15°24'29" WEST, 302.16 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF MARTIN LUTHER KING JR. PARKWAY; THENCE NORTH 81°40'35" EAST ALONG SAID SOUTH RIGHT-OF-WAY LINE, 481.26 FEET TO THE WEST RIGHT-OF-WAY LINE OF SW 9TH STREET; THENCE SOUTH 15°27'40" EAST ALONG SAID WEST RIGHT-OF-WAY LINE, 236.06 FEET TO THE POINT OF BEGINNING AND CONTAINING 3.66 ACRES (159,262 S.F.).

3. The City Manager is hereby authorized and directed to administer the Master Agreement as amended, in accordance with its terms.

4. The Finance Department is hereby authorized and directed to pay to the Master Developer the installments on the Supplemental Grant corresponding to the conveyance of the City Owned Office Parcel, upon requisition by the Office of Economic Development confirming that the Master Developer has qualified for the payment of such installment pursuant to Section 7.09 of the Master Agreement as amended.

( Council Communication No. 15- 252 )

MOVED by Hensley to adopt.

FORM APPROVED:

Roger K. Brown
Assistant City Attorney

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Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, GATTO, GRAY, HENSLEY, MAHAFFEY, MOORE, and 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