



Roll Call Number

16-0344

Agenda Item Number

59 C

Date February 22, 2016

**RESOLUTION APPROVING DEVELOPMENT AGREEMENT WITH EAGLE VIEW LOFTS, LLC FOR THE REDEVELOPMENT OF PROPERTY LOCATED AT SE 6<sup>TH</sup> STREET AND SHAW STREET, AND APPROVING PROPOSED CONCEPTUAL DEVELOPMENT PLAN**

**WHEREAS**, on July 28, 2014, by Roll Call No. 14-1162, the City Council approved a proposed sale of City-owned real property in the vicinity of SE 6<sup>th</sup> Street and Shaw Street to Hansen Real Estate Services, Inc., and its successor entity Eagle View Lofts, LLC ("Property") for development of up to 132 market-rate and/or mixed income dwelling units; and

**WHEREAS**, the City Manager has negotiated a Development Agreement (the "Agreement") with Eagle View Lofts, LLC ("Developer"), whereby the Developer has agreed to construct 120 market rate and/or mixed income dwelling units ("Improvements") on the Property, in accordance with a City-approved site plan and the Conceptual Development Plan, which total project cost is estimated at \$18 million; and

**WHEREAS**, the proposed Agreement further provides that in consideration of the undertakings by Developer, the City shall provide economic development assistance in the form of a forgivable economic development loan in the amount of \$251,350.00, which shall be forgiven if Developer constructs the proposed Improvements and qualifies for issuance of a certificate of completion pursuant to the Agreement; and

**WHEREAS**, the proposed Agreement with Developer and the Conceptual Development Plan are on file and available for inspection in the office of the City Clerk; and

**WHEREAS**, at its meeting on September 15, 2015, the members of the Urban Design Review Board voted 7-0 in support of a motion to recommend approval of final design as proposed by the Developer and set forth in the Conceptual Development Plan attached to the Agreement.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Des Moines, Iowa, that:

1. The City Council hereby makes the following findings in support of the proposed Development Agreement with Eagle View Lofts, LLC:
  - a. The economic development incentives for the development of the Property are provided by the City pursuant to Chapter 15A of the Code of Iowa, and the Developer's obligations under the Agreement to construct the improvements upon the Property will generate the following public gains and benefits: (i) it will restore vacant, undeveloped property to productive use; (ii) it will provide a range of housing in decent, safe and sanitary conditions in attractive settings to serve employees and other people who would like to live in the downtown area; (iii) it will encourage further private investment and will attract and retain residents and businesses in the downtown area of the City of Des Moines to reverse the pattern of disinvestment and declining resident population; and (iv) it will further the City's efforts to create and retain job opportunities within the downtown area that might otherwise be lost.
  - b. The construction of the improvements to the Property is a speculative venture and the construction and resulting benefits would not occur without the economic incentives provided by this Agreement.
  - c. The redevelopment of the Property pursuant to the Agreement, and the fulfillment generally of the Agreement, are 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



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laws and requirements under which the project has been undertaken, and warrant the provision of the economic assistance set forth in the Agreement.

- 2. The Conceptual Development Plan, which is Exhibit "A" to the Development Agreement, is hereby approved.
3. The Development Agreement by and between the City and Eagle View Lofts, LLC, as on file in the office of the City Clerk, is hereby approved.
4. The Mayor and City Clerk and hereby authorized and directed to execute the 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 payment on the Economic Development Grant pursuant to Article 5 of the Agreement, to be provided from the following funding account: Org - EG064090.
6. The City Manager or his designees are hereby authorized and directed to administer the Development Agreement on behalf of the City, and to monitor compliance by the Developer with the terms and conditions of the Agreement.

(Council Communication No. 16- 079 )

Moved by Gatto to adopt.

APPROVED AS TO FORM:

Glenna K. Frank, Assistant City Attorney

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

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.

Mayor signature and title

City Clerk signature and title