



Roll Call Number

16-1530

Agenda Item Number

53

Date September 12, 2016

RESOLUTION ACKNOWLEDGING ASSIGNMENT OF URBAN RENEWAL  
DEVELOPMENT AGREEMENT AND ECONOMIC DEVELOPMENT GRANT PAYMENTS  
(LIBERTY BUILDING REHABILITATION AND PARKING GARAGE DEVELOPMENT)

WHEREAS, on April 6, 2005, by Roll Call No. 05-814, the City Council of the City of Des Moines approved an Urban Renewal Development Agreement (“Development Agreement”) with Liberty Building Development Group, L.L.C., f/k/a K.C. Holdings VI, L.L.C. (“Liberty”) for the rehabilitation of the Liberty Building located at 418 Sixth Avenue and for the construction of a parking garage at 518 Grand Avenue; and

WHEREAS, on April 12, 2010, by Roll Call No. 10-558, the City Council approved a First Amendment to Development Agreement wherein Liberty undertook hotel renovation improvements within the Liberty Building which Amendment authorized a Reduced Economic Development Grant and an Additional Economic Development Grant tied to the hotel renovation improvements, each to be paid in installments; and

WHEREAS, on August 27, 2012, by Roll Call No. 12-1389, the City Council approved an Assignment of the Additional Economic Development Grant installments from Liberty to 418 Hospitality, L.L.C.; and

WHEREAS, on March 11, 2013, by Roll Call No. 13-0408, the City Council approved the Second Amendment to Development Agreement wherein the City permitted urban revitalization tax abatement on the hotel renovation improvements and made a commensurate reduction to the Additional Economic Development Grant; and

WHEREAS, on February 9, 2015, by Roll Call No. 15-0208, the City Council approved an assignment of the Reduced Economic Development Grant installments from Liberty to Liberty Building Historic Rehab, L.L.C.; and

WHEREAS, Liberty Building Historic Rehab, L.L.C. and 418 Hospitality, L.L.C. desire to sell their interests in the properties to Liberty Des Moines, L.L.C. and have submitted an Assignment and Assumption Agreement wherein all interests in the Development Agreement and the future installment of the Reduced Economic Development Grant and Additional Economic Development Grant installments will be assigned to and assumed by Liberty Des Moines, L.L.C.; and

WHEREAS, the parties to the Assignment and Assumption Agreement have requested the City’s acknowledgment and consent to the document.

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NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa that the City hereby acknowledges and consents to the Assignment and Assumption Agreement between Liberty Building Historic Rehab, L.L.C., 418 Hospitality, L.L.C. and Liberty Des Moines, L.L.C., on file in the Office of the City Clerk, and the Mayor is authorized to sign the acknowledgment and consent to such Agreement and the City Clerk is directed to attest to his signature.

BE IT FURTHER RESOLVED that the Office of Economic Development staff shall continue to monitor compliance with the terms of the Development Agreement and associated documents to confirm satisfaction and compliance of the conditions for payment of the Reduced Economic Development Grant installments and the additional Economic Development Grant installments and the Finance Director is authorized and directed to make such installment payments following confirmation.

(Council Communication No. 16-501) Moved by Gatto to adopt.

APPROVED AS TO FORM:

Signature of Lawrence R. McDowell, Deputy City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GATTO	✓			
GRAY	✓			
HENSLEY	✓			
MOORE	✓			
WESTERGAARD	✓			
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.

Signature of T. M. Franklin, Mayor

Signature of Diane Fauh, City Clerk