



Roll Call Number

17-1061

Agenda Item Number

31

Date June 26, 2017

RESOLUTION APPROVING FIRST AMENDMENT TO URBAN RENEWAL DEVELOPMENT AGREEMENT AND PARKING LICENSE AGREEMENT WITH 220 SE 6th STREET PROPERTIES, LLC, REGARDING THE CONSTRUCTION OF A NEW OFFICE BUILDING AND PARKING STRUCTURE AT 220 SE 6th STREET

WHEREAS, on August 22, 2016, by Roll Call No. 16-1411, the City Council approved an *Urban Renewal Development Agreement* and a *Parking License Agreement* with 220 SE 6th Street Properties, LLC, represented by Adam Petersen, President of PDM Precast, Inc., and by Jim Kottmeyer, Partner of GPS Impact, for City assistance for the redevelopment of vacant Property at 220 SE 6th Street with a 47,000 square foot office building and a three-level parking structure with approximately 175 parking spaces, and for the City's use of 60 of those parking spaces for an initial term of 25 years with two optional 10-year extensions; and,

WHEREAS, it was subsequently discovered that BNSF Railway Company claims the right to restore rail service within the East Elm Street right-of-way between E. 5th and E. 6th Streets, and that it owns the railroad ties, spikes and tie plats that are buried within that right-of-way, which has required substantial changes to the design and layout of the parking structure and the timing of the improvements to the adjoining portion of Elm Street; and,

WHEREAS, the Office of Economic Development has negotiated a *First Amendment to Urban Renewal Development Agreement and Parking License Agreement* (the "First Amendment") to reflect the changes to the design and layout of the parking structure, the additional parking spaces to be licensed for use by the City, the timing of the improvements to Elm Street, and to increase the amount of the economic incentives by \$350,000 to be paid in three additional annual installments not subject to non-appropriation, 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 First Amendment described above is hereby approved.
2. The Mayor and City Clerk are hereby authorized and directed to execute the First Amendment on behalf of the City of Des Moines.
3. The City Clerk is hereby further directed to record the First Amendment and to forward a certified copy of the First Amendment to the Office of Economic Development for release to 220 SE 6th Street Properties, LLC.
4. Upon requisition by the City Manager or the City Manager's designee, the Finance Department shall advance the Initial Economic Development Grant and the installments

( continued )

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on the Deferred Economic Development Grant pursuant to Article 4 of the Development Agreement, and shall advance the semi-annual license fee under the Parking License Agreement as amended by the First Amendment.

- 5. The City Manager or his designees are hereby authorized and directed to administer the agreements on behalf of the City, and to monitor compliance by the Developer with the terms and conditions of the agreements. 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 agreements.

( Council Communication No. 17- 519 )

MOVED by Hensley 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	✓			
MOORE	✓			
WESTERGAARD	✓			
TOTAL	6			1
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