



Roll Call Number

17-1408

Agenda Item Number

60B ✓

Date August 14, 2017

**RESOLUTION APPROVING URBAN RENEWAL DEVELOPMENT  
AGREEMENT WITH HRC NFS I, LLC AND HUBBELL REALTY COMPANY,  
FOR THE CONSTRUCTION OF A MULTI-FAMILY HOUSING PROJECT IN  
THE VICINITY OF 1300 TUTTLE STREET.**

WHEREAS, on January 23, 2017, by Roll Call No. 17-0136, the City Council approved preliminary terms of agreement with Hubbell Realty Company to construct an approximately 75 acre mixed density residential neighborhood; and,

WHEREAS, by said Roll Call No. 17-0136, the City Council also directed the City Manager to proceed with negotiation of a formal agreement consistent with the approved preliminary terms; and,

WHEREAS, the City Manager has negotiated an Urban Renewal Development Agreement (the "Agreement") with HRC NFS I, LLC, and Hubbell Realty Company (collectively the "Developer") which is generally consistent with the approved preliminary terms, as more specifically described in the accompanying Council Communication.

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

WHEREAS, at its meeting on July 11, 2017, the Urban Design Review Board expressed its consensus that the Council should approve the conceptual development plan and at its meeting on August 8, 2017, the Urban Design Review Board expressed its consensus that the Council should approve financial assistance to be provided by the City and the design of the project.

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

1. The City Council hereby makes the following findings in support of the proposed Agreement with the Developer:
  - a) The Developer's obligations to construct the Improvements as provided by the Agreement furthers the objectives of the Urban Renewal Plan to provide additional housing, employment opportunities and tax base in the Metro Center Urban Renewal Project Area, and to preserve and create an environment which will protect the health, safety and general welfare of City residents.
  - b) The economic development incentives for the creation of the employment opportunities and development of the Improvements are provided by the City to Developer pursuant to the Urban Renewal Law and Chapter 15A of the Code of Iowa, and Developer's obligations under this Agreement to construct the Improvements will generate the following public gains and benefits: (i) it will advance the improvement

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and redevelopment of the Metro Center Urban Renewal Area in accordance with the Urban Renewal Plan; (ii) it will encourage further private investment to reverse the pattern of disinvestment and declining property values in the surrounding area; and, (iii) it will further the City's efforts to retain and create job opportunities within the Urban Renewal Area which might otherwise be lost.

- c) The construction of the Improvements is a speculative venture and the construction and resulting benefits would not occur without the economic incentives provided by this Agreement.
  - d) The City Council believes that 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 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 for the project, which is contained in the Agreement, is hereby approved,
  3. The Urban Renewal Development Agreement between the City and HRC NFS I, LLC and Hubbell Realty Company, is hereby approved. The Mayor and City Clerk are hereby authorized and directed to execute the Agreement on behalf of the City of Des Moines.
  4. Upon requisition by the City Manager or the City Manager's designee, the Finance Department shall advance the installments on the Economic Development Grant pursuant to Article 5 of the Agreement.
  5. The City Council hereby approves the advance of funds necessary to pay the initial installments on the Economic Development Loan pursuant to the Agreement. The advance shall be treated as an internal loan to the special fund created pursuant to Iowa Code §403.19 for the Metro Center Urban Renewal Tax Increment District. The internal loan shall be certified as an indebtedness payable from the said special fund, and shall be repaid from the tax increment revenues received with respect to the Metro Center Urban Renewal Area, as those funds become available.
  6. The City Manager or the City Manager's designee are hereby authorized and directed to administer the Agreement on behalf of the City, and to monitor compliance by the Developer with the terms and conditions of the Agreement. The City Manager is further authorized to grant or withhold consent to any actions under the Agreement that require the City's approval. The City Manager is further directed to forward to City Council all

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other matters and documents that require City Council review and approval in accordance with the agreements.

(Council Communication No. 17- 603 )

MOVED by Hensley to adopt.

APPROVED AS TO FORM:

Thomas G. Fisher Jr.  
Thomas G. Fisher Jr.  
Assistant City Attorney

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