

Date December 18, 2017

RESOLUTION APPROVING FIRST AMENDMENT TO URBAN RENEWAL
DEVELOPMENT AGREEMENT WITH 219 GRAND, LLC, FOR THE
REDEVELOPMENT OF 219 E. GRAND AVENUE WITH A 6-STORY
MIXED-USE BUILDING

WHEREAS, on December 21, 2015, by Roll Call No 15-2183, the City Council approved an *Urban Renewal Development Agreement* (the "Agreement") with 219 Grand, LLC (the "Developer"), represented by Jake Christensen and Tim Rypma, officers, and Jim Cownie, principal investor, whereby the Developer agreed to redevelop the property at 219 E. Grand Avenue with a six story building having retail space on the first floor and 98 housing units on the upper floors (collectively the "Improvements"), in conformance with a City approved Conceptual Development Plan; and,

WHEREAS, the Agreement contemplated that the Developer would receive tax abatement under the 10-year schedule (years 1 through 8 at 100%, year 9 at 60%, and year 10 at 40%) as provided in Iowa Code §404.3(4) and the corresponding provisions of the City-wide Urban Revitalization Plan on the value added by both the commercial and multiresidential components of the new building; and,

WHEREAS, the Developer has requested an amendment to the Agreement as further described below; and,

WHEREAS, the Economic Development Director has negotiated a proposed *First Amendment to Urban Renewal Development Agreement* (the "First Amendment") which provides that in consideration for the Developer foregoing tax abatement on the Commercial Component of the new building the City shall make additional semi-annual installments on the Economic Development Grant to rebate the incremental property taxes paid on the commercial component of the new building that would otherwise have been abated during the first ten years, and allows the apartments to be converted to condominiums units for individual sale; and,

WHEREAS, the First Amendment is on file and available for inspection in the office of the City Clerk.

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

1. The proposed *First Amendment to Urban Renewal Development Agreement* between the City and 219 Grand, LLC, is hereby approved. The Mayor and City Clerk are hereby authorized and directed to execute the First Amendment on behalf of the City of Des Moines.

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2. The City Clerk is further authorized and directed to cause the First Amendment to be promptly recorded.
3. The City of Des Moines hereby consents to the withdrawal and denial of tax abatement for the commercial component of the new building at 219 E. Grand Avenue. The City Manager or the City Manager's designee is hereby authorized and directed to notify the Polk County Assessor of the City's support for the withdrawal and denial of tax abatement for the commercial component of the new building.
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 4 of the Agreement as amended by the First Amendment (collectively the "Amended Agreement").
5. The City Manager or his designees are hereby authorized and directed to administer the Amended Agreement on behalf of the City and to monitor compliance by the Developer with the terms and conditions of the Amended Agreement. 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 Amended Agreement.

(Council Communication No. 17- 863)

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	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.

MOTION CARRIED APPROVED
T. M. Franklin Mayor

Diane Rauh City Clerk