



Roll Call Number

17-2193

Agenda Item Number

59C

Date December 18, 2017

RESOLUTION APPROVING ECONOMIC DEVELOPMENT AGREEMENT WITH KEMIN INDUSTRIES, INC., TO ASSIST IN KEMIN'S PURCHASE OF CITY-OWNED LAND FOR A FURTHER EXPANSION OF THE KEMIN HOME OFFICE, RESEARCH AND MANUFACTURING FACILITIES

WHEREAS, on March 11, 2013, by Roll Call No. 13-0418, after notice and public hearing, the City Council approved an Amended and Restated Urban Renewal Agreement with Kemin Industries, Inc., and Kemin Holdings, L.C. (herein collectively referred to as "Kemin"), for the sale and conveyance of eight parcels of City-owned land and an easement for a private driveway under the adjoining East Martin Luther King Jr Parkway railroad viaduct, for a major expansion of the Kemin corporate campus at 2100 Maury Street to the north and northwest, as more specifically described in Council Communication No. 13-124; and,

WHEREAS, Kemin timely closed on its purchase of the eight parcels and easement, and has expanded its corporate campus and industrial facilities as anticipated, including the construction of a new world headquarters building with over 92,000 square feet of interior space; and,

WHEREAS, on October 23, 2017, by Roll Call No. 17-1834, the City Council approved preliminary terms of agreement with Kemin for the sale to Kemin of the City-owned parcel at 2109 E. Market Street and the City-owned parcels within the area bounded by East Martin Luther King Jr. Parkway on the north, SE 23rd Street on the east, Maury Street on the south, and the Union Pacific right-of-way on the west, collectively the "East Expansion Area", for a further expansion of its corporate campus, all as more specifically described in Council Communication No. 17-761; and,

WHEREAS, the Office of Economic Development has negotiated an agreement with Kemin for the sale of the City-owned parcels in the East Expansion Area for a total purchase price of \$445,402, which is being considered on this date under a separate resolution and roll call; and,

WHEREAS the Office of Economic Development has also negotiated an Economic Development Agreement with Kemin for a forgivable economic development loan in the amount of \$299,700, to be forgiven on the fifth anniversary of the closing on the sale of the East Expansion Area if Kemin clears, grades and prepares the East Expansion Area for redevelopment at an out-of-pocket cost of at least \$1,486,000, and maintains jobs for at least 547 employees at its corporate campus in the SE Agribusiness Urban Renewal Area; and,

WHEREAS, the real estate agreement and the Economic Development Agreement collectively implement the approved preliminary terms of agreement.

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



Roll Call Number

17-2193

Agenda Item Number

59C

-2-

Date December 18, 2017

1. The Economic Development Agreement with Kemin is hereby approved.
2. The Mayor is authorized and directed to sign the Economic Development Agreement on behalf of the City of Des Moines, and the City Clerk is hereby authorized and directed to attest to the Mayor's signature on such document.
3. The City Manager or his designees are hereby authorized and directed to administer the Economic Development Agreement on behalf of the City and to monitor compliance by Kemin with the terms and conditions of such 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 such agreements.
4. Upon requisition by the City Manager or the City Manager's designee, the Finance Department shall advance the proceeds of the Economic Development Loan as provided in the Economic Development Agreement.

(Council Communication No. 17-839)

MOVED BY Gatto to adopt.

FORM APPROVED:

Roger K. Brown  
Roger K. Brown

Assistant City Attorney

G:\APPDATA\LEGAL\Urban-Renewal\SE Ag\Projects\Kemin 2nd\RC Approve Agr 2017-12-18.docx

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.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GATTO	✓			
GRAY	✓			
HENSLEY	✓			
MOORE	✓			
WESTERGAARD	✓			
TOTAL	7			

MOTION CARRIED

APPROVED

T. M. Franklin Mayor

Diane Rauh

City Clerk